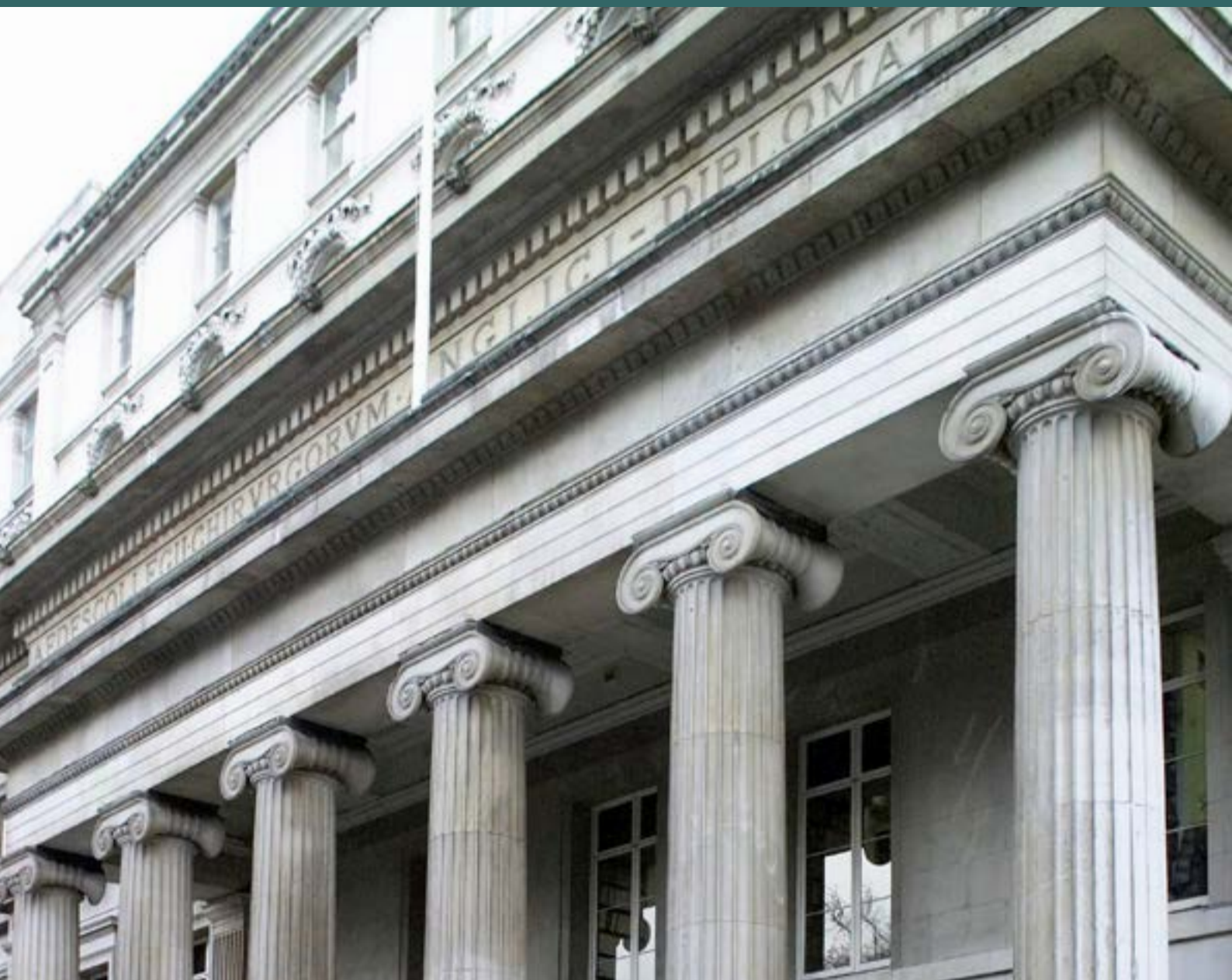




Royal College
of Surgeons
of England
ADVANCING SURGICAL CARE

The Royal College of Surgeons of England

Annual Report and Accounts 2024–2025





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Trustees' Report

The trustees of the Royal College of Surgeons of England (RCS England) are pleased to present their report for the year ended 30 June 2025.

President's review of activities and future plans

I am proud to present this annual report covering July 2024 to June 2025. With a change in government, ongoing pressure on the NHS, the emergence of AI and new innovations, and growing expectations of what surgery can deliver for patients, our responsibility to lead the profession has never been greater. This is a year where we have successfully influenced government policy, raised the standards of our profession, and further expanded the support we provide for our members – including the next generation of surgical leaders.

Advocating for members and patients

With the election of a new government coinciding with the start of our financial year, we have worked to influence ministers, civil servants and decision-makers in the devolved nations to ensure your voice is heard. Arm's length bodies and regulators continue to wield huge influence, making our relationships with NHS leaders, the General Medical Council, the General Dental Council, and NICE critical for advancing surgery.

Following our pressure, the government's review of the NHS and the elective care plan – published in their first six months – demonstrated a continued focus on improving access to surgery for patients. We made improving surgical capacity a top priority and are pleased the rollout of surgical hubs continues and we continue to call for a step-change in investment in infrastructure and IT.

Supporting our members to navigate technological advancement is central to our College's strategy. We formally advised NICE as it approved eleven robotic surgery systems for the first time and we continue to make the case for appropriate support for robotic surgery in the NHS. While recognising its potential benefits for patients, we continue to advocate for evidence-led and well-governed implementation, including suitable training for established surgeons and resident doctors.

Members increasingly raise the risks associated with cosmetic surgery – in particular, the rising number of patients they see with medical complications as a result of substandard surgery carried out by a minority of unscrupulous practitioners abroad. We held a roundtable, convening national stakeholders including the Competition and Markets Authority and the Advertising Standards Authority, to analyse the problems and identify solutions. In response, the government launched a Tiktok campaign to warn consumers of the risks, and we continue to advance the numbers of surgeons certified by the intercollegiate Cosmetic Surgery Board Certification Scheme we host.

Alongside our continued support for humanitarian work overseas, our global influence increases through examinations, education, and accreditation of training facilities.

Professional standards and culture

This year, we took decisive steps to strengthen professional standards.

In collaboration with the Working Party on Sexual Misconduct on Surgery, we jointly made progress to tackle unacceptable behaviours and challenge the culture of surgery. We introduced a new Code of Conduct that makes clear the behaviours we all expect of our profession. Technical competence or seniority does not excuse misconduct; those who abuse trust have no place in our College.

We also updated Good Surgical Practice – the College's key standards publication which sets the bar for how, as surgeons, we uphold compassionate, high quality, and safe surgical care. We invite every surgeon to make Good



Surgical Practice part of their everyday work by reflecting on their own practice and applying its principles to their specific circumstances.

Supporting careers

We remain committed to providing a compelling and personalised range of services tailored to every stage of our members' careers.

I know firsthand how a career can be transformed by peer support, and our new mentoring platform, initially targeted at under-represented groups, is there for members to advance their careers, creating tailored opportunities to connect, share experiences, and learn. We continue to expand eligibility as we build on our initial success with our Women in Surgery and SAS networks.

In opening our Extended Reality (XR) Lab, we have provided new opportunities for immersive, technology-enabled learning and simulation. It represents an important investment in the future of surgical education and reflects our commitment to embracing new tools that enhance training. Alongside this offering at our home of surgery, we continue to expand our reach across the UK and internationally through our package of events, exams, and courses and are grateful to our partners for enabling surgeons across the UK and around the world to benefit from our offer from their homes and our regional centres.

Supporting the next generation

Concerns about surgical training continue to be one of the most pressing challenges facing the profession.

Over the past year, we have worked closely with resident doctors to understand and address issues relating to training quality, access to operative experience and career progression. In particular, we have been concerned by data from the Joint Committee on Surgical Training showing a sustained failure to return to pre-pandemic levels of operative logbook experience across all surgical specialties.

We have been clear that a sustainable future for surgery depends on protecting training opportunities. 'No training today, no surgeons tomorrow'. Working with the Association of Surgeons in Training, we issued a stark warning to the government and NHS England's senior leadership about how planned government reforms like the greater use of the independent sector, risk creating further barriers if not carefully implemented. It is right that NHS England have now set out clearer contractual expectations on non-NHS providers and we look forward to influencing the ongoing government review of postgraduate training.

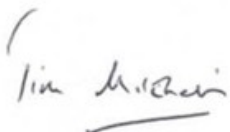
Future plans

Alongside significant success this year, we have invested to lay the groundwork for future transformation of the College.

Our new building has provided a more modern, inspiring, and accessible environment for staff and members to enjoy but we cannot yet say the same about our digital presence. We have been reviewing our website and wider digital estate, planning for how we can meet and exceed what our members and the surgical community expect from the College online. We look forward to updating members with our progress during 2026.

Our current College strategy is due to expire, and I am delighted that during the year we appointed Jackie Weller as our new Chief Executive. With experience from her long career at the College, I have every confidence she will guide our staff and the College successfully as we develop our new strategy during 2026 – a year when members will also elect my successor and our Vice-Presidents for the first time.

I would like to thank our members, volunteers, and staff for their continued dedication throughout the year. It is only through our collective effort that the profession and the College can continue to make a meaningful difference to the working lives of our colleagues and, most importantly, the wellbeing of our patients.



Tim Mitchell
President

Chief Executive's review of activities and future plans

From modernising our College, to delivering new services to members, I am extremely grateful to our staff, representatives and volunteers whose work has advanced surgical care during 2024–25.

Over the past decade, the College has undertaken a sustained programme of transformation – from our headquarters to our membership offer – with a clear focus on how best we serve and lead our profession.

Following the major redevelopment of our physical headquarters in Lincoln's Inn Fields, this year our attention turned to our digital estate.

We invested in new Customer Relationship Management and finance systems, which went live shortly after the year end. Transitioning to new digital systems is always a huge undertaking for any organisation, and we are very grateful to our members for their continued patience during the changeover. While there have been initial technical challenges, the investment we made in our systems during the year should enable, over time, more tailored member communication from the College and easier interaction. Alongside this, planning is well underway to overhaul our website and wider digital estate with a clear aim: to provide a clear, reliable and more user-friendly experience for members.

We also explored the opportunities presented by the emergence of AI. Through our Digital Accelerators programme, staff are identifying practical ways to improve how we work – from automating meeting notes to reviewing content.

These initiatives demonstrate our commitment to modernising as an organisation, supporting both members and staff to benefit from the latest technology.

Alongside our digital transformation, we continued our journey to strengthen our governance. At the Annual General Meeting, members approved changes following the Kennedy Review that will, from 2026, allow the election of the President and Vice-Presidents by the membership for the first time. In parallel, our Board effectiveness review reaffirmed the strength of our governance arrangements.

Work has also begun in earnest on our new strategy for 2026 onwards, providing a clear sense of direction for the next phase of the College's development.

Against this backdrop, the breadth and quality of what our staff and volunteers delivered during the year is impressive, including:

- Continued growth in membership;
- Delivery of over 680 courses and expansion of our exam offer in the UK and internationally;
- The launch of a new Extended Reality Lab which offers cutting edge immersive training;
- 45 events supporting our members' professional development, while celebrating their success at 16 diplomates ceremonies;
- New funding for the National Cancer Audit Collaborating Centre;
- Achieving full accreditation for the Hunterian Museum with Arts Council England.

I, and the whole Trustee Board, are extremely grateful to my predecessor, Andrew Reed, for his leadership over the past decade. Working with trustees, staff and volunteers, he helped guide the College through a period of sustained development and change, laying strong foundations for the work being delivered today.

I was honoured to be appointed Chief Executive in June after more than 30 years at the College. Throughout that time, my focus has always been on supporting our members and staff to achieve their potential. I am delighted





that our staff engagement remains at industry-leading levels. This reflects how we live our values of collaboration, respect and excellence, alongside our commitment to staff development and inclusion.

We are equally committed to supporting our members and the wider profession. During the year, we continued to lead work to tackle sexual misconduct, including introducing a new Code of Conduct for members and staff. With our Women in Surgery Network and ten years of the Emerging Leaders programme, we continue to support women who remain under-represented in the surgical workforce. Together, this work contributes to creating professional cultures in which individuals can perform at their best.

We look ahead with confidence. Our strong financial position enables us to invest in the next stage of our development, improving members' digital experience and setting a clear new strategy for the College.

Thank you to all colleagues and members for your dedication. Together, we are building a modern, inclusive and ambitious College. In the coming year, our focus will be delivering our new strategy, accelerating digital transformation and strengthening our impact for the profession and for patients.

Jackie Weller.

Jackie Weller
Chief Executive

Our objects and aims

RCS England was established for the study and promotion of the art and science of surgery. Our vision is to see excellent surgical care for everyone.

Our mission

Our mission is to enable our members, in all their diversity, to deliver excellence in everything they do.

We will do this by:

leading our profession: being the pre-eminent voice of surgery,



championing excellent surgical care by engaging the profession, policy makers, patients and the public;



improving practice: continually improving the practice, standards and safety of surgical care, and developing the workforce across the UK;



engaging our members: inspiring, supporting, educating and representing the professional interests of a growing, diverse membership;



embracing diversity: championing the diversity of our profession, treating everyone with respect and compassion, and demonstrating our commitment to fairness, gender equality and anti-racism;



transforming our College: building a sustainable, diverse, digital, forward-looking organisation that plays its part in the world and is accountable for everything it does.

OUR CORE VALUES

Our values are:



Collaboration: we embrace our collective responsibility, working as one college



Respect: we value every person we come into contact with as an individual, we respect their aspirations and commitments in life, and seek to understand and meet their physical and wellbeing needs



Excellence: we aspire to excellence and success, we share learning from our experiences, apply feedback to practice and commit to continual improvement

Working for the public benefit

We deliver public benefit through a wide range of activities that influence and support the professional development of surgeons and the delivery of surgical services for the benefit of patients, surgeons and trainee surgeons. We provide strong leadership and support for surgeons in all matters relating to their surgical practice throughout their careers. Our activities and achievements, which all lead to public benefit, reinforce our strategic aims and demonstrate our commitment to maintain the highest standards of surgical practice and patient care.

The trustees confirm that they have paid due regard to the guidance issued by the Charity Commission on public benefit, and further confirm that the activities of RCS England are carried out for public benefit.

Our work is based on a number of the charitable purposes defined in the Charities Act 2006 – chiefly the advancement of education, the advancement of health or the saving of lives, and the advancement of the arts, culture, heritage or science. We engage directly with the public through the Hunterian Museum, the media, our publications and our journals (the *Annals*, the *Bulletin* and the *FDJ*).



Financial review

This year has been one of consolidation as we continue on our journey to deliver a financially sustainable and forward-thinking professional membership organisation. Our financial results show income growth in all areas but costs have also grown.

We have posted a net income position this year of £1.0m (2024: £9.4m). The major change is a decline in investment return from a gain of £10.2m in 2024 to only £1.1m in 2025. Investment results are often volatile so this is not a significant concern as the medium-term trends remain positive.

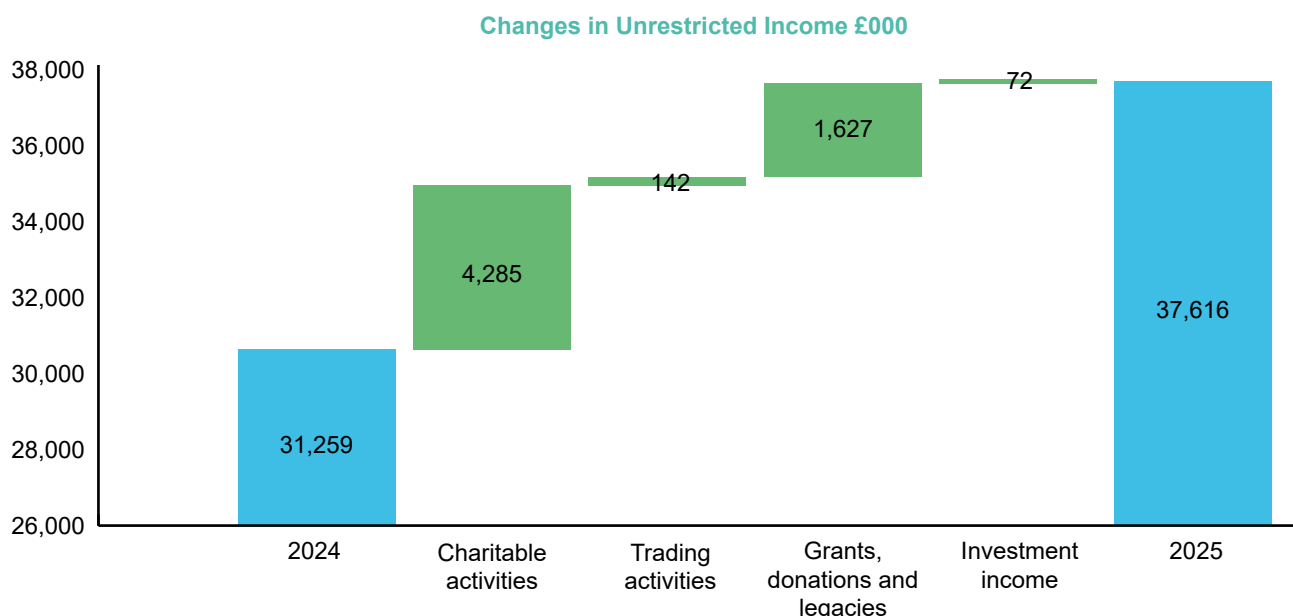
Net income before gains has improved to net expenditure of £0.1m (2024: £0.8m). This is principally due to a £5m increase in grants donations and legacies income. This is substantially offset by the Universities Superannuation Scheme (USS) pension scheme moving from deficit to surplus and consequent release of the £3.1m provision in the 2024 accounts with no equivalent movement this year.

Restricted and endowed activity levels can vary quite significantly from year to year. An increase in our restricted and, particularly, endowed income in 2025 has seen significant net income in these areas (£1.2m) (2024: net expenditure of £1.9m). Investment gains of £1.0m have resulted in a £2.3m increase in reserves.

Total reserves have decreased marginally to £144m (2024: £143m). Unrestricted funds have decreased by 1% to £96.0m (2024: £96.7m). Endowed funds have increased by 5% to £44.0m (2024: £42.0m) and restricted funds have decreased by 5% to £4.3m (2024: £4.5m).

Income

Income has risen by 27% to £43.7m (2024: £34.4m), with unrestricted income rising 20% to £37.6m (2024: £31.3m)



Charitable activity income has risen by 15% to £33.0m (2024: £28.7m).

- Membership subscriptions remain the largest single revenue stream up 6% to £10.5m (2024: £9.9m). Fee rates were only increased by 2.5% last year so this is a very encouraging result.
- Exams demonstrated continuing strong performance with revenues up 2% to £10.0m (2024: £9.8m).
- Courses slipped back slightly due to systems challenges as we migrated to a new CRM system with revenue down 6% to £3.4m (2024: £3.6m), although still 10% higher than the £3.1m achieved in 2023.
- Quality & standards income grew 62% to £5.3m (2024: £3.3m)
- Other income grew 76% to £3.8m (2024: £2.2m)

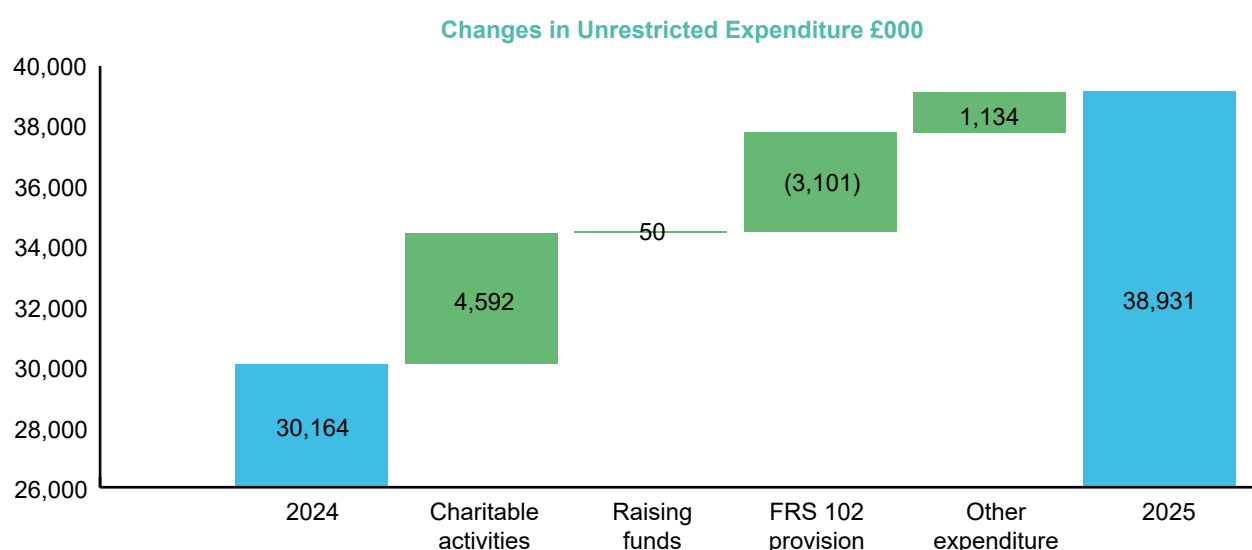
Income from grants donations and legacies has increased by 181% to £7.7m (2024: £2.7m) with £1.9m of the increase being unrestricted.

- The biggest increase, both proportionately and absolutely, has been in legacies, up over 700% to £4.9m (2024: £0.6m).
- Both grant income, up 11% to £2.0m (2024: £1.8m) and donations, up 126% to £0.8m (2024: £0.35m) have also increased.

Trading income is up 12% to £1.5m (2024: £1.3m) with continued growth in income from our venue hire business.

Expenditure

Expenditure has increased 24% or £8.6m to £43.8m with unrestricted expenditure up 29% or £8.8m on 2024 levels to £38.9m. The 2024 figure includes a £3.1m release of the FRS 102 pension provision and, excluding this, total expenditure is up 16% and unrestricted expenditure is up 19% on 2024.



Unrestricted charitable activity expenditure is up 16%; 1% higher than the increase in income from charitable activities, reflecting further targeted investment in support of revenue growth and our strategic activities as we reposition ourselves in a post-pandemic world. Our course and exam portfolios continue to evolve as we seek to differentiate our offer in what is a highly competitive landscape.

We have reported higher costs across most expenditure areas including professional and public engagement. Much of our programme of professional activity as outlined in the Trustees' Report is supported by our restricted and endowed funds. Total expenditure against these funds has declined 4% to £4.9m (2024: £5.1m).

Net assets

Net assets have increased by 0.7% or £1.0m to £144m. Investments decreased by £5.0m reflecting cash drawdowns during the year to fund the Transform programme and a decline in the value of investment property. Intangible fixed assets increased by £4.8m as work on the new CRM and finance systems progressed. Tangible fixed assets declined by £3.1m, mostly depreciation.

The College's landmark building is depreciating currently at an annual rate of approximately £2.4m. All components except freehold property will have been fully depreciated after 25 years. The long-term loan of £40m financed completion of the capital works.

Cash holdings have decreased by £1.5m to £6.4m, debtors are £7.3m higher at £17.5m, current liabilities are £1.5m higher at £19.8m, and the current ratio has increased to 1.17 from 0.99 in 2024.

Hunter Trading Limited

Our financial statements consolidate the results and financial position of our wholly owned subsidiary, Hunter Trading Limited ([note 15](#)). The company has delivered a profit of £0.97m for the year (2024: £0.82m). 2025 is our fourth year of trading and it continues to be highly successful for our conference and events venue, The View, as well as for our other iconic and unique venue spaces. Our catering and events partner, Searcys, has successfully promoted our offer throughout the year, and market interest and bookings have continued to rise. Activities have broadly returned to normal levels of activity post-COVID.

Financial outlook

As anticipated last year, this year was one of consolidation and investment in change, developing our understanding of demand trends in current and new markets so that we can continue to provide a competitive, valued and relevant offer to our members and prospective members. We will continue to expand and develop our revenue streams, extending our global reach, investing in and promoting the dental exams offer, attracting new sponsorship schemes and working with commercial partners. We are expanding our internal resources in exams, fundraising and business development and expect to see growing revenue streams in future years.

We are progressing with our transformation strategy in the digital space. This is a complex endeavour that requires substantial investment of our time and our funds to secure success. Delivering our transformation strategy is pivotal to securing financial profitability and financially sustainable surpluses over the longer term. Digital transformation will enable us to deliver better services and to broaden our reach, fostering greater engagement, accessibility and inclusivity. It will also transform the College into a technologically smart, cost-efficient and cost-effective operation.

The debt repayment obligations, on the loan taken out to complete the work on building, begin next year, but we expect to be able to meet capital repayments from our operational cashflow as very high capital expenditure supporting our physical and digital infrastructure declines to more normal levels.

The financial position of the USS improved significantly and resulted in the release of the provision we were holding last year. We remain alert to the possibility under the scheme's Monitoring and Actions Framework that short-term corrective actions such as higher contributions or accelerated valuations could be taken in the event that the scheme's funded status is impacted adversely by market volatility. We will continue to support employer representatives in their efforts to keep the cost of pension benefits at an affordable level.

Reserves policy

Our reserves comprise unrestricted funds, restricted and endowed funds. The restricted and endowed funds result from grants, donations and legacies that can only be applied for a purpose specified by the donor or grantor and are not available for general purposes. We aim to carry out the activities and projects supported by these funds on a timely basis in accordance with the purposes and conditions specified. Restricted and endowed funds total £49.5m at 30 June 2025 (2024: £48.4m) ([notes 17 and 18](#)). The unrestricted funds represent the accumulated surpluses generated from general business activities and are funds that are available for use at the discretion of the trustees. They comprise fixed asset funds, designated funds and general funds.

Fixed assets fund

The fixed assets fund comprises the funds invested in fixed assets that the trustees consider essential in enabling the College to implement its operational strategy effectively. The fund represents the net book value of unrestricted tangible and intangible fixed assets and net of associated long-term loan funding. We held £68.3m in the fixed assets fund at 30 June 2025 (2024: £66.6m). The fund includes £6.6m of assets in the course of construction in respect of the digital transformation programme to redesign our systems landscape. The fund also includes the £8.5m of historical cost in respect of the leased second and third floors, which are accounted for as investment property.

Designated funds

Designated funds are funds that the trustees have earmarked for specific purposes. We designated £1.5m in 2021 to support the next phase of digital transformation and new systems investment. This has now all been expended.

General funds

In accordance with Charity Commission guidance, the trustees set a target range for the level of free reserves, or general funds, that the College should maintain to ensure its financial security and funding of its business plan. Free reserves or general funds are defined as total unrestricted funds less fixed assets and designated funds. The target range comprises three elements:

- between 50% and 75% (i.e. between six months and nine months) of gross annual unrestricted operational expenditure, excluding depreciation (a non-cash item) and movements on the pension reserve. This equates to a target range of £18.0m to £27.1m for 2024-25.
- An amount equal to the interest and capital repayments due on the long term loan in the next 2 years in order to meet its annual obligations under the long-term loan arrangement in place since 2020. This is £3.7m at 30 June 2025.
- An amount based on the identified risks in the corporate risk register calculated using the predicted financial impact and likelihood for all the medium and high risks in order to manage the risk of an unexpected need for funds. This has been calculated as £1.1m at 30 June 2025.

This range is set taking into account:

- the risk of fluctuating income and expenditure levels;
- the risk of an unexpected need for funds;
- the need to provide working capital for the College's current operational and future development activities;
- the need to meet its annual obligations under the long-term loan arrangement in place since 2020;

General funds stand at £23.2m at 30 June 2025. This is a decrease of 6% or £1.5m on the previous year (2024: £24.7m). This is within the target range but at the low end, being 6% of the way between the lower and upper range limits. General funds are broadly represented by our unrestricted investment portfolio, which is providing 90% cover (2024: 93%) at a value of £19.7m as of 30 June 2025 (2024: £23.0m).

The College remains focused on its longer term objective of financial sustainability, so that it meets its future annual debt obligations and ensures that it maintains an appropriate level of free reserves to enable the College to withstand future unexpected events as well as deliver on its priorities.

Fundraising

The College aims to raise funds in accordance with best practice and in an open, legal and fair manner, and has effective systems in place to monitor and maintain these standards and ensure that communications with supporters are undertaken in a considered and balanced manner. We are registered with the Fundraising Regulator and undertake our fundraising activities with reference to the Code of Fundraising Practice. Each year, we review our data protection processes to ensure full compliance with the General Data Processing Regulation (2018). We do not engage commercial partners or volunteers to raise funds on our behalf. If complaints and concerns are raised, these are taken seriously and responded to promptly and handled in accordance with the College's complaints procedures, which are available on the website. We did not receive any complaints in respect of our fundraising activity in 2024–25 (2024: nil).

Investment policy

We invest for the long term and we invest to generate the best overall returns from our unrestricted and endowed funds to support both ongoing operational activity and activity undertaken in line with the specific purposes of the endowed funds. We seek to achieve this through diversified risk-controlled investment. We have adopted a total return strategy for all of our invested funds and a more global and broader asset allocation strategy to ensure that we continue to achieve the best returns going forward in what is a changing investment landscape.

Both portfolios are expected to deliver a minimum long-term total return of CPI plus 4% and to provide sufficient cash to support relevant annual expenditure commitments. Our investment with J.P. Morgan is in its sixth year and they have continued to take action during the year to pivot the portfolios towards our long-term asset investment strategy, reflecting greater geographical and asset class diversification. In accordance with good practice, as J.P. Morgan have now been in post for more than five years, we intend to conduct a tender for investment management advisors next year.

Our statement on ethical investing was issued in 2021 and updated in 2025. This sets out our clear commitment to sustainable and responsible investing and strengthens our commitment to divesting from fossil fuels and we seek to divest from all direct exposure to fossil fuels by 2035. This statement is fully endorsed by our Council members.

We have adopted an environmental, social and governance (ESG)-integrated investment model to deliver on our ethical investment commitments. Our investment approach excludes direct investment in fossil fuels, tobacco and controversial weapons, and we aim to minimise our levels of indirect exposure to these sectors through regular ethical screening and careful selection of fund managers with strong ESG credentials.

We consider that our ESG-focused investment approach will enable us to meet our long-term return profile and therefore provide the funds to support our professional and operational objectives.

Short-term cash not required to support general operations is placed on short-term fixed-term deposits with approved financial institutions.

Investment portfolio performance

The Finance and Investment Committee oversees all matters pertaining to financial planning and performance, including investment management, and advises and reports on a regular basis to the Board of Trustees on the performance of the investment portfolios and the appointed fund managers.

Both portfolios are managed on a total return basis and are structured to enable the College to continue to receive an annual cash distribution of around 4% to support its ongoing operations and restricted activities. Greater focus is therefore placed on overall investment performance rather than on earning investment income. The investment portfolio delivered an overall unrealised gain of £1.5m (2024: £7.9m). Portfolio income decreased to £0.73m this year (2024: £0.76m). A cash distribution of £6.3m was made during the year, comprising £2.4m against the restricted and endowed portfolio to replenish operating cash balances for endowed fund expenditure, and £3.89m against the unrestricted portfolio to finance capital projects and the annual debt interest. The net return before divestment was 2.5%, but the final return net of fees was -6.7% for the year (2024: 9.4%).

Total return accounting

The College adopted total return accounting for its permanently endowed funds in 2014–15. A base date of 24 June 1992 was approved for determining the permanent capital value of the endowed funds, based upon the market value of the permanent endowments at that date and the original value of any subsequent additions. The value of these investments was frozen and classified as frozen permanent capital and the remaining value of the investments was classified as unapplied total return.

We seek to preserve the value of the endowments in real terms over the medium to long term. A target spending rate of between 3.5% and 4.5% of the value of the endowments is considered achievable without diminishing the value of the portfolio in real terms and represents our best estimate of the long-term real rate of return on the endowments. This target range is kept under review to ensure that it remains appropriate.

A total of £1.7m was applied in the year to fund restricted expenditure, and together with investment management fees of £0.30m, the total applied from the endowed funds was £2.0m. This represents an application of 4.9% in the year, which is slightly above the top of the target rate range. The cumulative total applied since the adoption of total return accounting is in line with the cumulative maximum target level for this same period and we will continue to need a strong investment performance over the long term if spending plans are to continue at current rates.

Key management personnel

The People and Culture Committee oversees matters relating to structure, composition and effectiveness of the Board, and provides assurance to the Board that the College has an effective strategy to deliver an effective and high-performing workforce. The Committee oversees issues relating to the remuneration of staff with specific responsibility for making recommendations to the Board regarding overall remuneration policy, including approving salaries and conditions of service at director level and above. The Committee receives recommendations from the

Head of Human Resources based on a detailed market review benchmarked to similar organisations carried out biannually, as well as through the annual performance appraisal process. Based on this advice, the Committee makes recommendations to the Board on the remuneration and benefits of the Chief Executive Officer and other senior post holders.

Risk management

The Board of Trustees maintains ultimate responsibility for the College's risk management and control. The Board sets the risk appetite and oversees comprehensive risk management processes, with the Audit and Risk Committee specifically tasked with advising on financial reporting, overseeing risk management systems and appointing auditors.

The risk management framework involves multiple layers of oversight and implementation, from Council's handling of professional and public policy matters to the Chief Executive and executive team's operational management. Every staff member has risk management responsibilities, with all risks having clear ownership, measurement and monitoring processes. The College maintains departmental, project and corporate risk registers as part of its robust framework, which has undergone continued refinement and improvement throughout the year.

In 2025, the College maintained a robust approach to risk management, with particular focus on addressing challenges in the healthcare workforce setting. A significant concern has been the increasing reluctance of NHS trusts to release clinical staff for College activities, potentially impacting governance, standard-setting and educational courses. The College has actively engaged with other medical royal colleges, NHS England and the Department of Health and Social Care to advocate for the protection of Supporting Professional Activities in consultant contracts, recognising their crucial role in maintaining clinical excellence and education standards.

The College has made substantial progress in its digital transformation journey, implementing comprehensive improvements across its technology infrastructure. These digital initiatives are designed to enhance member experience, strengthen cyber security and ensure the College maintains its competitive edge while providing value to its professional community. The implementation of a new CRM system will enable more personalised support for current and prospective members. This includes the Digital Home Project, which incorporates a brand refresh and aims to deliver personalised services tailored to every stage of surgical and dental careers.

Financial sustainability remained a key priority, with careful attention paid to operating surpluses and long-term financial obligations. The College has also been proactive in addressing emerging challenges, including the optimisation of commercial property management.

A clear and focused strategy

Our five-year strategy 2021-26, Changing the Face of Surgery, sets out our vision of excellent surgical care for everyone, and we aim to achieve this by enabling our diverse members to deliver excellence in everything they do. Throughout implementation we will focus on the risks that may impact our ability to deliver our strategic aims including continued pressures on the NHS and regulatory changes. Our strong governance and engagement framework will also help to ensure we are able to respond to and manage any risks to our strategic objectives.

Going concern

The financial statements have been prepared on a going concern basis. The College has returned a reasonably strong performance for 2024-25, a little ahead of the financial forecast for 2024-25 and in line with the original budget. Economic uncertainty both within the UK and globally remains high with security and trade related concerns but inflation and interest rates are reducing. Expectations for future UK growth are modest but consistent and it is against this backdrop that a robust review has been undertaken of the College's financial position and financial resilience for the period up to 30 June 2027.

The College prepares its annual budget for the forthcoming year in late spring. This involves a prudent assessment of the potential opportunities and threats to its revenue streams before the plan is finalised and approved. This next year will be one of consolidation and progress as the College continues its work to reshape the organisation, develop and broaden its revenue base, including new commercial revenue, and to build and strengthen its membership offer to meet the needs of both the surgical and dental member communities. Revenues are growing strongly but costs

have also grown rapidly as we invest to position ourselves for future growth. It is therefore vital that the College's transformation agenda is driven forward and a new business model is developed that positions the College to compete effectively in its marketplace and deliver longer term financial sustainability.

The College has updated its long-term revenue and cash projections for its latest results, annual plan, and other expected changes in its operating position over the next 18 to 24 months. The projections are stress-tested and set the minimum long-term operating surplus target that the College must achieve to meet its interest and repayment obligations in the medium to longer term. The College has sufficient cash reserves to support its general operations over the next 18 to 24 months.

The trustees consider that the College's primary revenue streams remain broadly robust and demand-positive over the medium term, and that any reduction in revenues in this period as a result of a downturn in demand will be short term and recoverable. The financial position will be regularly reviewed and updated to reflect emerging situations so that the College can take prompt action to respond to and minimise any adverse impact on its financial position.

The trustees are satisfied that RCS England is in a position to manage effectively its operational and financial risks. The trustees consider that it is reasonable to expect that the College has adequate resources to continue in operational existence for the foreseeable future and therefore support the going concern basis in preparing the annual accounts.

Corporate trustee responsibilities

The College is a corporate trustee of the Colledge Family Memorial Fellowship Trust. This trust holds investments and assets in its own name and its activities are entirely separate from those of the College.

Colledge Family Memorial Fellowship Trust

The College is one of three trustees of the Colledge Family Memorial Fellowship Trust, which was set up to award travelling fellowships to surgeons. The other trustees of this fund are Mr T George and Professor A Narula. We provide a number of services to the Trust, namely, the preparation of annual accounts, the submission of these and the annual return to the Charity Commission, and liaison with the investment fund managers, Cazenove Capital Management, to ensure that the funds are invested in accordance with the wishes of the trustees. The Trust's financial statements are audited by Crowe U.K. LLP.

The value of the Colledge Family Memorial Fellowship Trust endowed fund at 30 June 2025 is £3.1m (2024: £2.8m) and its restricted fund is £63k (£2024: £68k).

Other trustee responsibilities

The Sir Ratanji Dalal Research Scholarship Fund

Our President is one of two trustees of the Sir Ratanji Dalal Research Scholarship Fund, the other being the President of the Royal College of Physicians. We provide administrative and accounting services to the Fund and its trustees, preparing the annual accounts and annual return for submission to the Charity Commission. The financial statements are audited by Crowe U.K. LLP.

The value of the Sir Ratanji Dalal Research Scholarship endowed Fund was £0.84m at 30 June 2025 (2024: £0.77m) and its restricted fund was £99k (2024: £121k).

Funding partnerships

As a registered charity (212808), we rely upon charitable support to underpin our work in advancing surgical standards through education, research and training.

We are grateful to our many supporters, whose donations and encouragement are crucial as the demands on our limited resources become ever greater. We would like, in particular, to acknowledge the following charitable trusts, foundations, companies and individuals.

Foundations, charitable trusts, associations and individuals

Association of Breast Surgery	Hon Society of Knights of the Round Table Benevolent Fund
Association of Coloproctology of Great Britain and Ireland	Huggard Charitable Trust
Blond McIndoe Research Foundation	Linder Foundation
Bowel Cancer UK	Lollipop Foundation
Bowel Research UK	Marx Family Trust
Breast Cancer UK	Masonic Charitable Foundation
British Association of Urological Surgeons	Miss Leela Kapila OBE FRCS
British Gynaecological Cancer Society	Mr Bjorn Saven
British Obesity & Metabolic Surgery Society	Mr Leon J Grant
Brock Webb Trust	National Joint Registry
Bryan Guinness Charitable Trust	Occtopus
Circulation Foundation	Orthopaedic Research UK
Edwin George Robinson Charitable Trust	PF Charitable Trust
ENT UK	Professor Miles H Irving KB FRCS
Frances and Augustus Newman Foundation	Rosetrees Trust
Freemasons Fund for Surgical Research	Shears Foundation
G D Herbert Charitable Trust	Sir John Fisher Foundation
G M Morrison Charitable Trust	Society for Cardiothoracic Surgery in Great Britain and Ireland
George Drexler Foundation	St Jude's Charitable Trust
Gilbert and Eileen Edgar Foundation	Swann-Morton Foundation
Globe Lodge No. 23	Vascular Surgical Society of Great Britain and Ireland
Gunnar Nilsson Cancer Treatment Trust Fund	Worshipful Company of Needlemakers
Health Education England	Wyndham Charitable Trust
Henry Lumley Charitable Trust	

Corporate Support

Adint Charitable Trust	Medtronic
B Braun Medical Ltd	Molnlycke Health Care
Bloomberg Connects	MPS Foundation
Grace Trust	Pensionlite Ltd
Guinea Pigs Memorial Trust	Rocialle Healthcare
Eido Healthcare Limited	Stefan Galeski Global Surgery Fellowship
Erbe	THD (UK) Ltd
Ethicon UK	Thomas Tunnock Ltd
Karl Storz Endoscopy (UK) Ltd	Worshipful Company of Barbers

Endowed and Restricted Funds

Alban Barros D'Sa Scholarship Fund	Henry Lumley Charitable Trust
Arthritis Research Trust Fund	Margaret Witt Scholarship Fund
Blond McIndoe Fund	Philip and Lydia Cutner Fund
Doctor Shapurji H Modi Memorial ENT Fund	Preiskel Family Fund
Fellows Fellowship Fund	Sorab (Soli) Jamshed Lam Research Fund
Harold Bridges Bequest	Vandervell Research Fund

Legacy gifts

The estate of Ms J M Bass for general charitable purposes	The estate of Mr A R Mowlem for general charitable purposes
The estate of Mr C Buckingham Smith for general charitable purposes	The estate of Ms E Snowden for general charitable purposes
The estate of Mrs D M Cox for the Arthritis Research Trust (of which RCS England is the sole corporate trustee)	The estate of Mrs B E Stead for general charitable purposes
The estate of Ms F M Green for general charitable purposes	The estate of Mr G W Taylor for general charitable purposes
The estate of Mrs M M P Grose for general charitable purposes	The estate of Mrs S J White for general charitable purposes
The estate of Mr H H Mason for general charitable purposes	The estate of Miss M E Williams for general charitable purposes
The estate of Mr A Midgley for general charitable purposes	

Structure, governance and management

Charter

The Royal College of Surgeons of England was established by Royal Charter in 1800 to promote and encourage the study and practice of the art and science of surgery. Its earlier history lies in the records of the City Companies of Surgeons and Barber Surgeons. The affairs of the College are regulated by its founding and subsequent charters and ordinances. The most recent of these charters was granted in April 2015, and prior to that in March 1992. The College is a charity, with the registered number 212808.

Constituent parts

For administrative purposes, the College comprises the Commonalty of Surgeons and the Faculty of Dental Surgery.

Trustees

The Board of Trustees, which came into effect with our new Charter in April 2015, comprises the College Officers, the Dean of the Faculty of Dental Surgery, three elected trustees (elected by and from Council), and four lay trustees appointed by the Board.

Officers

President	Mr T Mitchell
Vice-Presidents	Professor V Lees
	Professor P Friend
	Professor F Smith (from 11 July 2024)
	Professor F Myint (to 11 July 2024)
Dean of the Faculty of Dental Surgery	Dr C Eckhardt

Elected Trustees

Mr W Allum (to 12 June 2025)	Mr P Davé (to 30 June 2025)
Professor F Bhatti	Mr S Davis
Professor A Carr	Mr R Greig
Ms G Bowbrick (from 12 June 2025)	Miss J Kirby
	Ms V Leung (from 1 July 2025)

Lay Trustees

Members of Council

Council consists of 24 elected surgical fellows, 10 appointed surgical specialty association members, and 2 dental surgery fellows elected by the Board of the Faculty of Dental Surgery (FDS). Surgical Council members are elected by ballot by fellows and members of the College. Specialty association members are appointed by a transparent and democratic procedure determined by their appointing surgical specialty association and approved by the Council. In addition, during the year several invited members representing specific interests attended Council meetings.

Elected surgical and dental fellows

Mr W Allum	
Professor F Bhatti	
Ms G Bowbrick	
Professor A Carr	
Miss D Eastwood	
Dr C Eckhardt	FDS Dean and FDS Board representative
Miss N Fearnhead	
Ms F Ferreira	
Professor P Friend	
Ms L Hamilton	
Miss R Hargest	
Miss S Howells	FDS Board representative
Mr O Karim (to 11 September 2024)	
Ms D Kufeji	
Mr T Lane	
Professor C Lavy	
Professor V Lees	
Professor I Loftus	
Miss B Lovett	
Mr T Mitchell	
Mr R Moorthy	
Professor P Sagar	
Professor F Smith	
Miss C Vella	
Ms L Wyld	
Miss N Yassin	

Surgical specialty association members

Mr K Allison	British Association of Plastic, Reconstructive and Aesthetic Surgeons
Mr J Epstein	Association of Surgeons of Great Britain and Ireland
Mr W Hellier	ENT UK
Professor I Kamaly-Asl	Society of British Neurological Surgeons
Mr N Moorjani	Society for Cardiothoracic Surgery in Great Britain and Ireland
Mr F Monsell	British Orthopaedic Association
Professor R Sayers	Vascular Society
Mr S Singh	British Association of Paediatric Surgeons
Professor N Soomro	British Association of Urological Surgeons
Mr B Visavadia	British Association of Oral and Maxillofacial Surgeons

Governance

The Board of Trustees has responsibility for the overall direction of the College but delegates all substantive matters relating to professional and public policy to the Council and allows the Council to further delegate its powers. All trustees and Council members are given an induction course and ongoing training on their responsibilities and other matters as required.

The trustees are aware of the Charity Governance Code which sets out the principles and recommended practice for good governance within the sector. The trustees are committed to maintaining high standards of governance and are satisfied that the College applies the principles of the Code within its current governance arrangements. The College's compliance with the Code will be reviewed on an annual basis.

The committees of the Board of Trustees are:

Committee	Chair
Audit and Risk Committee	Mr P Davé (to 30 June 2025)
	Ms V Leung (from 1 July 2025)
Finance and Investment Committee	Miss J Kirby
People and Culture Committee	Mr R Greig
Health and Safety	Mr A Reed (to 31 December 2024)
	Mrs J Weller (from 1 January 2025)
Diversity, Equity and Inclusion Steering Group	Professor F Bhatti

The committees of the Council are:

Committee	Council Member
<i>Learning and Assessment Standing Committee</i>	
Overall responsibility	Professor F Smith
Dental and Surgical Examinations Committee	Miss B Lovett
Learning Committee	Miss R Hargest
Library, Museums and Archives Committee	Miss S Howells
Quality Assurance Operational Group	Professor F Bhatti
<i>Research and Quality Standing Committee</i>	
Overall responsibility	Professor V Lees
Research Committee	Professor I Loftus
Invited Review Mechanism	Professor F Smith
Future of Surgery	Miss N Yassin
<i>Global Affairs Standing Committee</i>	
Overall responsibility	Professor V Lees
Global Oral Health Committee	Dr H Emam and Mr V Patel
Global Policy and Advocacy Committee	Professor I Loftus
Global Surgery Programmes Committee	Professor C Lavy
<i>Membership and Engagement Standing Committee</i>	
Overall responsibility	Professor P Friend
Advisory Appointments	Mr R Moorthy
Ad Eundems	Mr F Monsell
Future Surgeons Forum	Professor P Sagar
Journals Committee	Professor R Sayers

Pride in Surgery (PRiSM) Forum	Ms G Bowbrick
Regional Committee	Professor F Smith
SAS Forum	Ms S Udayasankar
Sustainability Working Group	Ms G Bowbrick
Women in Surgery	Professor F Meyer

Workforce and Training Standing Committee

Overall responsibility	Professor F Smith
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The Faculty of Dental Surgery reports to Council and forms part of the business of the Board of Trustees. The Faculty has its own committee structure and has a Dean to chair the Board of the Faculty. FDS outturns are included in the College's financial statements.

The Board of Trustees delegates to the Chief Executive responsibility for the day-to-day management of the College and the Chief Executive delegates management of specific functions to Executive Directors, each of whom is responsible for a portfolio of directorates.

Subscribing fellows and members elect the Council and the Board of the FDS.

Management

Principal managers employed during 2024-25

Chief Executive	Mr A Reed (to 31 December 2024) Mrs J Weller (acting from 1 January 2025) (permanent from 13 June 2025)
Deputy Chief Executive, Executive Director (Planning and Operations)	Mrs J Weller (to 31 December 2024)
Executive Director (External Affairs and Engagement)	Ms L Davies
Executive Director (Chief Financial Officer)	Mr S Fox (from 16 September 2024)
Executive Director (Professional Development Services)	Mr S Hills
Director of Communications	Mr P Leahy
Director of Dental and Surgical Exams	Mr A Landau
Director of Finance	Ms C Hibbs (to 13 September 2024)
Director of Learning	Ms L Goldring
Director of Library and Archives	Ms S Pink
Director of Membership	Ms N Rowe
Director of Museums	Ms D Kemp
Director of Research and Quality Improvement	Mr R Tomlinson
Director of Strategy, Training and Workforce	Ms K Smith
Registrar of the Faculty of Dental Surgery	Mrs H Johnstone

Statement of trustees' responsibilities

The trustees are responsible for preparing the Report of Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group, and of their net incoming/outgoing resources for that period. In preparing these financial statements, the trustees are required to:

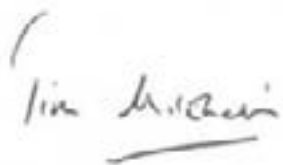
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Crowe U.K. LLP has indicated its willingness to be reappointed as the company's auditor for the coming year.

Signed on behalf of the members of the Board of Trustees on 9 February 2026.



T Mitchell
President of Council
Chair of the Board of Trustees



V Lees
Vice-President of Council
Member of the Board of Trustees

Independent auditor's report to the members of the Royal College of Surgeons of England

Opinion

We have audited the financial statements of the Royal College of Surgeons of England ("the Charity ") and its subsidiaries ("the group") for the year ended 30 June 2025 which comprise Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent Charity's affairs as at 30 June 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity or the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities

Act 2011 together with the Charities Statement of Recommended Practice (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were GDPR, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, analytical review and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

London

Date: 11 February 2026

Crowe U.K. LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Financial Statements

Consolidated statement of financial activities for the year ended 30 June 2025

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowed Funds £000	Total 2025 £000	Total 2024 £000
Income from						
Grants, donations and legacies	5a	2,099	2,865	2,753	7,717	2,747
Charitable activities	5b	33,011	27	-	33,038	28,769
Trading activities	5c	1,399	88	-	1,487	1,327
Investment Income	5d	1,107	19	354	1,480	1,572
Total Income		37,616	2,999	3,107	43,722	34,415
Expenditure On						
Raising funds	6a	625	17	324	966	885
Charitable activities	6b	33,328	4,518	-	37,846	33,483
Other expenditure	6c	4,978	-	-	4,978	853
Total Expenditure		38,931	4,535	324	43,790	35,221
Net income/(expenditure) before gains		(1,315)	(1,536)	2,783	(68)	(806)
Net gains/(losses) on investments	11	72	53	980	1,105	10,217
Net income/(expenditure)		(1,243)	(1,483)	3,763	1,037	9,411
Application of total return	20	-	1,749	(1,749)	-	-
Transfers between funds		503	(503)	-	-	-
Net movement in funds for the year		(740)	(237)	2,014	1,037	9,411
Balances brought forward at 1 July	16-18	96,733	4,517	42,035	143,285	133,874
Balances carried forward at 30 June 2025	16-18	95,993	4,280	44,049	144,322	143,285

The notes to the financial statements are on [pages 28 to 57](#).

Consolidated balance sheet as at 30 June 2025

		2025		2024	
	Notes	GROUP £000s	RCS £000s	GROUP £000s	RCS £000s
Fixed assets					
Tangible fixed assets	9	93,047	93,047	96,123	96,123
Intangible fixed assets	9	6,818	6,818	2,006	2,006
Investments	11	80,405	80,405	85,363	85,363
Total fixed assets		180,270	180,270	183,492	183,492
Current assets					
Stock		53	20	48	24
Debtors	12	17,475	17,883	10,192	10,374
Cash and short-term deposits		6,361	5,837	7,874	7,716
Total current assets		23,889	23,740	18,114	18,114
Current liabilities					
Creditors: amounts falling due within one year	13	(20,443)	(20,294)	(18,278)	(18,278)
Total current liabilities		(20,443)	(20,294)	(18,278)	(18,278)
Net current assets/(liabilities)		3,446	3,446	(164)	(164)
Long-term liabilities					
Creditors: amounts falling due after more than one year	13	(44)	(44)	(43)	(43)
Long term loan		(39,350)	(39,350)	(40,000)	(40,000)
Total long-term liabilities		(39,394)	(39,394)	(40,043)	(40,043)
Net assets		144,322	144,322	143,285	143,285
Funds					
Unrestricted funds:					
Fixed asset funds		68,347	68,347	66,611	66,611
Other designated funds		-	-	154	154
Property revaluation reserve		4,460	4,460	5,233	5,233
General funds		23,186	23,186	24,735	24,735
Total unrestricted funds	16	95,993	95,993	96,733	96,733
Restricted funds	17	4,280	4,280	4,517	4,517
Endowed funds	18	44,049	44,049	42,035	42,035
Total funds		144,322	144,322	143,285	143,285

The notes on [pages 28 to 57](#) form part of these financial statements. The parent charity surplus for the year is £1.0m (2024: £10.1m).

Approved on behalf of the members of the Board of Trustees and authorised for issue on 9 February 2026.



Mr T Mitchell
President of Council
Chair of the Board of Trustees



Professor V Lees
Vice-President of Council
Member of the Board of Trustees

Consolidated cash flow statement as at 30 June 2025

	Notes	Total funds	
		2025 £000	2024 £000
Net cash provided by (used in) operating activities	A	(4,086)	(2,475)
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,480	1,572
Purchase of property, plant and equipment		(4,970)	(1,485)
Proceeds from sale of investments		6,776	2,826
Purchase of investments		(713)	(785)
Net cash provided by / (used in) investing activities		2,573	2,128
Change in cash and cash equivalents in the reporting period		(1,513)	(347)
Cash and cash equivalents at the beginning of the reporting period	B	7,874	8,221
Cash and cash equivalents at the end of the reporting period	B	6,361	7,874
A. Reconciliation of cash flows from operating activities			
Net income/(expenditure) for the reporting period (as per statement of financial activities)		1,037	9,411
Adjustments for:			
Depreciation charges		2,854	2,956
(Gains)/losses on investments		(1,105)	(10,217)
Dividends, interest and rents from investments		(1,480)	(1,572)
Loss/(Profit) on sale of fixed assets		380	79
(Increase)/decrease in stocks		(5)	(7)
(Increase)/decrease in debtors		(7,283)	(1,331)
Increase/(decrease) in creditors		1,516	(1,794)
Net cash provided by/(used in) operating activities		(4,086)	(2,475)
B. Analysis of cash and cash equivalents			
Current and short term deposits		6,361	7,874
Total cash and cash equivalents		6,361	7,874

The notes on [pages 28 to 57](#) form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2025

1. Charity information

The Royal College of Surgeons of England was established by Royal Charter in 1800 and is a registered charity in England and Wales (Charity no. 212808).

2. Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of listed investments, and in accordance with the Statement of Recommended Practice (SORP): "Accounting and Reporting by Charities (2019) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", effective from 1 January 2019, and the Charities Act 2011. The College constitutes a public benefit entity as defined by FRS 102.

The financial statements consolidate on a line-by-line basis the financial statements of the Royal College of Surgeons of England and of its subsidiary undertaking, Hunter Trading Limited (company number: 3110552), for the financial year ended 30 June 2024. Intergroup transactions are eliminated on consolidation. Hunter Trading Limited is a private limited company incorporated in England and Wales.

2.1 Going concern

The financial statements have been prepared on a going concern basis. The College has returned a reasonably strong performance for 2024-25, a little ahead of the financial forecast for 2024-25 and in line with the original budget. Economic uncertainty both within the UK and globally remains high with security and trade related concerns but inflation and interest rates are reducing. Expectations for future UK growth are modest but consistent and it is against this backdrop that a robust review has been undertaken of the College's financial position and financial resilience for the period up to 30 June 2027.

The College prepares its annual budget for the forthcoming year in late spring. This involves a prudent assessment of the potential opportunities and threats to its revenue streams before the plan is finalised and approved. This next year will be one of consolidation and progress as the College continues its work to reshape the organisation, develop and broaden its revenue base, including new commercial revenue, and to build and strengthen its membership offer to meet the needs of both the surgical and dental member communities. Revenues are growing strongly but costs have also grown rapidly as we invest to position ourselves for future growth. It is therefore vital that the College's transformation agenda is driven forward and a new business model is developed that positions the College to compete effectively in its marketplace and deliver longer term financial sustainability.

The College has updated its long-term revenue and cash projections for its latest results, annual plan, and other expected changes in its operating position over the next 18 to 24 months. The projections are stress-tested and set the minimum long-term operating surplus target that the College must achieve to meet its interest and repayment obligations in the medium to longer term. The College has sufficient cash reserves to support its general operations over the next 18 to 24 months.

The trustees consider that the College's primary revenue streams remain broadly robust and demand-positive over the medium term, and that any reduction in revenues in this period as a result of a downturn in demand will be short term and recoverable. The financial position will be regularly reviewed and updated to reflect emerging situations so that the College can take prompt action to respond to and minimise any adverse impact on its financial position.

The trustees are satisfied that RCS England is in a position to manage effectively its operational and financial risks. The trustees consider that it is reasonable to expect that the College has adequate resources to continue in operational existence for the foreseeable future and therefore support the going concern basis in preparing the annual accounts.

3. Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements may require management to make judgements and estimations in the process of applying the College's accounting policies that have a significant effect on the carrying amounts of assets and liabilities in the accounts. The nature of judgement and estimation means that actual outcomes may differ from expectation and may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

No judgements other than those involving estimations have been made by management in the process of applying the College's accounting policies in the preparation of these statements. Sources of estimation uncertainty may vary from year to year and these are reassessed each year to ensure disclosure remains relevant.

Significant areas of estimation uncertainty in respect of the financial statements to 30 June 2025 are set out below:

- application of component accounting in respect of fixed asset items with significantly different useful economic lives;
- determination of useful economic lives for fixed asset items;
- determination of mixed-use property;
- calculation of defined benefit pension scheme liabilities.

3.1. Component accounting

The construction of the redeveloped freehold property was completed on 30 April 2021 and the property was brought into use from this date. The total redevelopment cost was allocated across the relevant fixed asset classes. Major components within each asset class were assigned depreciation measures that reflect their significantly different useful economic lives. This was based upon a detailed assessment of the construction contract provided by the capital programme's cost management consultants and discussions with the consultants to agree the principles of allocation in respect of costs not directly linked to physical assets. Management revised the asset allocation only where required in order to ensure consistency of categorisation and alignment with standard asset accounting categorisations. Other assets within the class were grouped for depreciation purposes and allocated the depreciation measure of the nearest major component asset. Management considers that this approach provides a reasonable basis upon which to depreciate all of the assets within each class (see accounting policy [4.4.1 Tangible fixed assets](#)).

The build and fit-out works in respect of the Hunterian Museum were fully completed by 24 May 2023. The asset was deemed to have been brought into use with an effective date of 1 June 2023. The cost of works has been allocated across the appropriate fixed asset classes based upon a detailed assessment of the contracted works provided by the programme's project management consultants. Components within each asset class were assigned depreciation measures that reflect their different useful economic lives. Costs not directly linked to physical assets were grouped and allocated to the largest component asset.

3.2. Useful economic lives

The depreciation rates adopted in respect of the major components of each fixed asset class arising from the redevelopment of the freehold property have been based on useful economic lives determined by the capital programme's specialist construction cost management consultants.

The depreciation rates adopted in respect of the components of each fixed asset class arising from the museum build and fit-out works have been based on useful economic lives determined by the programme's project management consultants.

Depreciation rates in respect of other fixed asset items in operational use are based on a range of factors including warranty periods and average expected replacement cycles as determined by relevant management personnel.

3.3. Mixed-use property

The College intends to lease part of its freehold property to other organisations for the purposes of earning rental income. The freehold property is therefore a mixed-use property where part of the property is held for use in the ordinary course of business and part of the property is held as an investment property.

The total cost of the freehold property has been apportioned between the net internal area and the gross internal area and then to each floor on a net internal area basis using the area data from the architect-approved floor plans. The investment property is measured at cost at initial recognition and then measured subsequently at fair value in accordance with FRS 102.

An assessment of the fair value is undertaken at each year-end by an appropriately qualified property valuer. The valuation is based upon a set of assumptions and estimates, for example, yields, whereby a small change in these estimates may result in a material impact on the value attributed to the investment property in the financial statements.

3.4. Defined benefit pension scheme liabilities

The College participates in two multi-employer defined benefit pension schemes where the College is exposed to actuarial risks associated with other participating entities and is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. Both schemes are currently in surplus (see note 20) so no liability is recognised in these accounts.

4. Principal accounting policies

4.1. Income

Income is recognised when the entitlement is established, there is probability of receipt and the amount can be reliably measured. Income received relating to future accounting periods is deferred and shown as a creditor on the balance sheet.

- 4.1.1 Course and examination fees are recognised in the financial statements in the period in which the relevant course and examination takes place.
- 4.1.2 Membership subscription fees are accounted for on an accruals basis.
- 4.1.3 Grant income (revenue and capital) is accounted for on a receivables basis.
- 4.1.4 General and specific donations are credited in full in the year of receipt.
- 4.1.5 Legacy income is recognised when notified, providing the amount is measurable and receipt is probable. If assets are liquid but market linked, a 10% provision against the notified value is made. If assets are illiquid e.g. property, a 20% provision against the notified value is made.
- 4.1.6 Investment income is credited on a receivables basis.
- 4.1.7 Other income is accounted for on an accruals basis and recognised in the financial statements to the extent that the contract or service is completed

4.2. Expenditure

All expenditure is accounted for on an accruals basis, and, with the exception of support costs, is attributed directly to each activity undertaken.

Expenditure in respect of charitable activities is categorised to reflect those areas of activity that support the delivery of our strategic priorities.

- 4.2.1 Employee costs include the net movement in year on the provision for annual leave accrued by employees in respect of services rendered as required by FRS 102.
- 4.2.2 Support costs are allocated to activities on a basis consistent with the use of these resources: building services costs are charged to departments and faculties based upon area occupied; portering and cleaning services, finance, IT and human resources costs are allocated based on the number of full-time equivalent staff.
- 4.2.3 Governance costs comprise those costs incurred in relation to the overall strategic management of the College, and the costs of compliance with statutory requirements and under FRS 102 are disclosed as part of support costs and allocated to other professional activities.

- 4.2.4 Overheads in relation to grant-funded projects are charged, where appropriate, on the basis of their activity.
- 4.2.5 Grants payable are charged in full in the period in which the recipients are notified of their award.
- 4.2.6 Fundraising costs comprise the costs incurred in encouraging others to make voluntary contributions to the College and its activities.

4.3. Taxation

The College is a registered charity incorporated by Royal Charter and as such is exempt from taxation on its income and gains to the extent that they are applied for its charitable purposes.

The College's wholly owned subsidiary, Hunter Trading Limited, is liable to corporation tax, but all profits earned on its trading operations are gifted each year to the College.

The College is partially exempt for the purposes of VAT and is only able to reclaim a percentage element of VAT charged on goods and services purchased.

4.4. Tangible and intangible fixed assets

4.4.1 Tangible fixed assets

Freehold land is stated at historic cost and is not depreciated as it is considered that its value is not impaired by the passage of time and therefore has an unlimited useful life.

Property development project which are not completed at the year-end are shown as 'Assets in the course of construction' and are not depreciated until they are brought into use on practical completion.

In accordance with Section 17 of FRS 102 (Property, Plant and Equipment), all fixed asset items are measured at cost at initial recognition. All items of property, plant and equipment are measured after initial recognition using the cost model. Under this model each fixed asset item is measured at cost less any accumulated depreciation and any accumulated impairment losses. Fixed assets are reviewed for impairment on an annual basis.

The freehold property redevelopment was completed on 30 April 2021. The total cost of redevelopment on practical completion was allocated to four major asset classes; freehold building, plant and machinery, fixtures and fittings, and infrastructure equipment. The major component assets of each asset class were identified. These component assets are subject to significantly different patterns of consumption of economic benefits. The useful life of these assets was determined by construction cost management specialists. The useful lives of each of the major component assets within each asset class have been adopted as the principal component depreciation measures. Other assets that were not identified as major component assets were allocated the useful life of the nearest major component asset as we consider that the useful lives of the major asset components reflect reasonably the varying patterns of consumption of future economic benefits for the entire asset class.

The cost of the completed museum works has been allocated to three major tangible asset classes, plant and machinery, fixtures and fittings, and infrastructure equipment; and to one intangible asset class, computer software. The useful life of the component assets in each asset class has been determined by external cost management specialists and these lives have been adopted as the component depreciation measures.

All assets are depreciated over their useful lives using the straight-line method and the annual depreciation charge is recognised under Other expenditure in the statement of financial activities.

The depreciation measures are set out as follows:

- i. Freehold property assets are depreciated over component periods of 45, 60, 75 and 80 years.
- ii. Plant and machinery assets are depreciated over component periods of 20, 25 and 40 years.
- iii. Fixture and fittings assets are depreciated over component periods of 5, 10, 15, 20, 25, 30 and 50 years.
- iv. Infrastructure equipment assets are depreciated over component periods of 5, 8, 10 and 15 years.
- v. Furniture assets are depreciated over component periods of 5 and 10 years.
- vi. Computer and other equipment is depreciated over 4 years.

4.4.2 Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any impairment losses. Software development costs are recognised as an intangible fixed asset where these create an identifiable software asset from

which future economic benefit will be derived. Any enhancements to existing software assets that result in additional functionality and therefore enhance the value of the asset to the business are also capitalised. Software development projects which are not completed at the year-end are shown as "Assets in the course of construction" and are not depreciated until they are brought into use on practical completion.

The allocation of the cost of the museum works to fixed asset classes included a software component asset. This has been assigned to the computer software asset class and assigned an appropriate depreciation measure as determined by the external cost management specialists.

All assets are depreciated over their useful lives using the straight-line method and the annual depreciation charge is recognised under "Other expenditure" in the statement of financial activities up until 30 June 2024 but is now treated as art of support costs and allocated across primary expenditure categories.

Software assets are depreciated over component periods of 4 or 10 years.

4.5. Fixed asset investments

Fixed asset investments are stated at fair value at the balance sheet date. These investments include cash held by the investment managers intended for investment or held as part of the portfolio.

In accordance with Section 16 of FRS 102, investment property is property (land, building and part of a building) held by the College for long-term rental yields and for capital appreciation and is not used for operational purposes. Investment property is measured at cost at initial recognition and then is measured subsequently at fair value.

Valuations are carried out for financial accounting purposes in accordance with the Valuation - Global Standards 2020 of the Royal Institution of Chartered Surveyors. Fair value represents the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction.

Changes in fair value representing the net unrealised gains and losses arising on revaluation are recognised in the Statement of Financial Activities together with the realised gains and losses arising from disposals in the year.

Where part of the freehold property is or is intended to be leased to another entity, then the property is deemed to be mixed-use property and the cost of the property must be separated between property, plant and equipment that is held for operational use under tangible fixed assets and investment property that represents the area leased to another entity. If the fair value of the investment property component cannot be measured reliably then the entire property is accounted for as property under tangible fixed assets.

Endowments are accounted for under the total return approach using a base date of 24 June 1992 to determine the permanent capital of each endowment.

4.6. Heritage assets

Heritage assets are books, manuscripts, specimens, objects or other assets that have historic, scientific, artistic, technological, geophysical or environmental qualities and are held and maintained principally for their contribution to knowledge and culture.

The College's heritage assets comprise mainly the numerous specimens and artefacts collected by John Hunter in the 1700s and presented to the College in 1799, and leading to the establishment of the Hunterian Museum. The College is by law the proprietor of these specimens and the Hunterian trustees have a duty to ensure that the College maintains the specimens and does not dispose of them. The College also owns historic books related to surgery and medicine which were bequests in the 19th century and are preserved and maintained in the library and are not to be disposed.

No value has been attributed to these heritage assets in the balance sheet on the grounds that the trustees consider there is no reliable method of establishing historic cost information for these artefacts and that the costs of valuation would be disproportionate to the benefit of the resultant information. No heritage assets were purchased during the period of the closure of the Hunterian Museum and no donated heritage assets have been received in this accounting period.

4.7. Stock

Stock comprises goods produced for re-sale, including course manuals purchased or printed, and is stated at the lower of cost and net realisable value.

4.8. Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, and cash held on readily realisable short-term deposits with approved financial institutions.

4.9. Financial instruments

A financial instrument is broadly defined as a contract that gives rise to a financial asset in one entity and a financial liability in another entity. These financial assets and liabilities are recognised when the College becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. The College has financial instruments that fall into the category of basic financial instruments as defined under Section 11 of FRS 102. FRS 102 requires disclosure of the measurement bases of these instruments.

Financial assets measured at amortised cost include cash, trade debtors, other debtors and accrued income. Financial assets measured at fair value include investments. Financial liabilities measured at amortised cost include trade creditors, other creditors and accruals.

4.10. Post-employment benefits

The College contributes to four pension schemes on behalf of its employees: the USS, a multi-employer externally funded hybrid scheme providing defined benefits and defined contribution benefits; the SAUL, a multi-employer externally funded defined benefit scheme; the NHS Pension Scheme, a statutory unfunded multi-employer defined benefit public sector scheme; and Standard Life, a defined contribution scheme set up for employees in 2014. The USS scheme changed from a defined benefit only scheme to a hybrid pension scheme with effect from 1 October 2016, providing defined benefits (for all members), as well as defined contribution benefits.

The trustees are satisfied that the schemes provided by USS and SAUL meet the definition of a multi-employer scheme, whereby the participating entities are not under common control and the schemes represent industry-wide schemes. Where the employer has entered into an agreement with a multi-employer scheme that determines how the employer will fund a scheme's deficit, FRS 102 requires that the employer recognises the liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the income and expenditure account.

The assets of the USS and SAUL multi-employer schemes are held in separate trustee-administered funds. Given the mutual nature of these schemes, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other entities' employees and is unable to identify the College's share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis. The College is therefore required under Section 28 of FRS 102 (Employee Benefits), to account for these schemes as if they were defined contribution schemes. The amount charged to the income and expenditure account represents the contributions payable to the schemes in respect of the accounting period.

Formal valuations of USS and SAUL are undertaken every three years by professional qualified and independent actuaries using the projected unit method in which the actuarial liability for benefits makes allowance for projected increases in earnings. The Pensions Act 2004 introduced a new scheme-specific funding regime, requiring schemes to adopt a statutory funding objective and ensure that the schemes' assets are sufficient and appropriate to cover their technical provisions.

The College accounts for the NHS scheme as a defined contribution scheme and the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. The College contributes also to a defined contribution scheme with Standard Life and the pension costs charged to the income and expenditure account represent the contributions payable for the accounting period.

4.11. Other provisions for liabilities

Provisions are recognised when the College has a present obligation (legal or constructive) as a result of a past event, it is probable that the College will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised is the best estimate of the consideration required to settle this obligation at the end of the reporting period.

4.12. Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

4.13. Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the College's general charitable objectives.

Designated funds are unrestricted funds that have been designated by the trustees to be applied for specific purposes in the future.

Fixed assets funds represent the net book value of the unrestricted tangible and intangible fixed assets less any associated debt raised to finance fixed assets and the trustees consider that these assets are essential to the implementation of the College's operational strategy and that their disposal could adversely impact on the College's ability to deliver its aims.

Restricted funds represent donations, legacies or other grants, given for specific purposes to be expended in accordance with the terms of the donation, legacy or grant.

Endowed funds represent donations or legacies given to the College, the terms of which stipulate that the original capital cannot be spent. The funds are invested to generate an income and capital growth, which can then be expended in accordance with the purposes stated by the donor.

5. Income

	Unrestricted Funds	Restricted Funds	Endowment Funds	2025	2024
Income from:	£000	£000	£000	£000	£000
5a. Grants, donations and legacies					
Donations	121	663	-	784	347
Grants	-	1,994	-	1,994	1,794
Legacies	1,978	208	2,753	4,939	606
Total	2,099	2,865	2,753	7,717	2,747
5b. Charitable activities					
Courses	3,424	-	-	3,424	3646
Examinations	9,971	-	-	9,971	9,800
Subscriptions	10,466	9	-	10,475	9,853
Quality and standards income	5,342	-	-	5,342	3,293
Other charitable income	3,808	18	-	3,826	2,177
Total	33,011	27	-	33,038	28,769
5c. Trading activities					
Income from charitable trading	287	88	-	375	389
Income from taxable trading	1,112	-	-	1,112	938
Total	1,399	88	-	1,487	1,327
5d. Investment income					
Investment property income	730	-	-	730	757
Investment portfolio income	352	19	354	725	760
Interest received	25	-	-	25	55
Total	1,107	19	354	1,480	1,572
Income Total	37,616	2,999	3,107	43,722	34,415

Major legacies or gifts notified but not included in the financial statements, as they do not meet the income recognition criteria of entitlement, probability of receipt and measurement at the balance sheet date amount to £1.1m (2024: £195k).

6. Expenditure

	Unrestricted Funds	Restricted Funds	Endowed Funds	2025	2024
	£000	£000	£000	£000	£000
Expenditure on:					
6a. Raising funds					
Fundraising costs	480	-	-	480	437
Investment management fees	145	17	324	486	448
Total	625	17	324	966	885
6b. Charitable activities					
Quality and standards	5,494	638	-	6,132	4,495
Career and professional development	7,792	601	-	8,393	7,716
Influence and engagement	2,624	72	-	2,696	3,030
Training and assessing surgeons	11,382	97	-	11,479	9,564
Promoting public and professional engagement	3,873	214	-	4,087	3,363
Research	-	2,836	-	2,836	2,819
Faculty of Dental Surgery	2,163	60	-	2,223	2,496
Total	33,328	4,518	-	37,846	33,483
6c. Other expenditure					
38-43 Lincoln's Inn Fields depreciation	-	-	-	-	2,399
Hunterian Museum depreciation	-	-	-	-	307
Assets written off in the course of construction	-	-	-	-	67
Interest payable	888	-	-	888	888
Other expenditure	4,090	-	-	4,090	293
FRS 102 pension costs	-	-	-	-	(3,101)
Total	4,978	-	-	4,978	853
Expenditure Total	38,931	4,535	324	43,790	35,221

Allocated support costs

Support costs comprise building and visitor management services, finance and IT services, human resources and governance costs. These costs are allocated to activities on a basis consistent with the use of these resources. The allocation method and cost of each support service is summarised below.

		2025	2024
Support Services	Allocation Basis	£000	£000
Building Services	Space occupied	1,414	1,552
Facilities Services, incl. portering and cleaning	Full-time equivalent staff	1,207	1,120
Human Resources	Full-time equivalent staff	451	389
Finance Services	Full-time equivalent staff	1,957	1,735
IT Services	IT licenses	3,182	2,862
Governance costs	Full-time equivalent staff	1,473	1,320
Project management office	Full-time equivalent staff	491	444
Depreciation	Space occupied	2,696	2,957
Total Support Costs		12,871	12,379

Support Costs Allocation	Direct costs	Grants made	Allocated support costs	2025	2024
Expenditure on:	£000	£000	£000	£000	£000
Raising funds					
Fundraising costs	340	-	140	480	437
Investment management fees	486	-	-	486	448
Total	826	-	140	966	885
Charitable activities					
Quality and standards	5,119	-	1,013	6,132	4,495
Career and professional development	6,256	-	2,137	8,393	7,716
Influence and engagement	1,362	-	1,334	2,696	3,030
Training and assessing surgeons	9,469	-	2,010	11,479	9,564
Promoting public and professional engagement	1,873	-	2,214	4,087	3,363
Research	699	1,926	211	2,836	2,819
Faculty of Dental Surgery	1,830	-	393	2,223	2,496
Total	26,608	1,926	9,312	37,846	33,483
Other expenditure					
Interest payable	888	-	-	888	888
Other expenditure	671	-	3,419	4,090	3,066
FRS 102 Pension costs	-	-	-	-	(3,101)
Other expenditure	1,559	-	3,419	4,978	853
Expenditure Total	28,993	1,926	12,871	43,790	35,221

Governance costs include fees payable to the College's auditors in respect of audit and non-audit services.

Auditors' remuneration	2025 £000	2024 £000
Included in governance costs are:		
Audit fees – The Royal College of Surgeons of England	127	84
Audit fees – Hunter Trading Ltd	5	4
Fees for non-audit fees	29	19
Total	161	107

7. Research grants

	2025 £000	2024 £000
Research grants expenditure		
Research fellowships	1,932	2,018
Travelling fellowships & other projects	(6)	5
Surgical Trial Units	390	264
Administration	520	532
Total Expenditure	2,836	2,819
Research fellowships		
Liabilities at the start of the year	(2,226)	(1,830)
Paid in the year	1,533	1,622
Liabilities at the end of the year	2,625	2,226
Charge for the year	1,932	2,018
Awards		
Research awards	62	68
Travel awards	2	8
Total	64	76
Research awards include:		
1 year fellowships	21	17
2 year fellowships	2	3
3 year fellowships	-	1
Dental fellowships	12	12
Intercalated Bachelor of Science awards	7	9

Grants totalling £307k were awarded to individuals at institutions with which members of Council are connected (2024: £515k). These members of Council did not participate in the decisions to award the respective grants.

Surgical research fellowships awarded by the College are only eligible to surgical trainees who are members of the College (MRCS) and who have entered their period of specialty training (specialist registrars). The overriding objective of the surgical research projects is to improve care of surgical patients and the projects are based upon the principles of translational research; that is, research examining a specific clinical problem. Details of the research fellowships awarded and other research projects undertaken are available in the annual research report published by the research department.

8. Employee information

	2025	2024
	£000	£000
Salaries and wages	12,824	10,894
National Insurance costs	1,473	1,173
Apprenticeship levy	49	39
Pension costs	1,765	1,730
FRS 102 Pension	-	(3,101)
Total	16,111	10,735

Redundancy and termination payments arising from restructuring activities during the year totalled £113k (2024: £48k).

No amounts were outstanding at year end (2024: Nil).

The number of staff employed by the College as at 30 June 2025 was as follows:

	2025	2024
Clinical Effectiveness Unit	41	35
Dental & Surgical Examinations	38	35
Fundraising	5	3
Executive Office	7	5
Faculty of Dental Surgery	9	10
Global Affairs	5	5
Joint Committee on Surgical Training	30	25
Learning	28	27
Library and Museum	28	27
Membership and Engagement	36	42
Transform	3	5
Quality Improvement	13	11
Research	5	6
Support Services	48	41
Total	296	277

The average number of staff employed during the year was 291 (2024: 262)

At 30 June the number of employees whose emoluments exceeded £60k was:

£60,000 - £70,000	28	17
£70,001 - £80,000	4	4
£80,001 - £90,000	7	4
£90,001 - £100,000	-	1
£100,001 - £110,000	2	2
£110,001 - £120,000	2	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1

RCS England key management personnel are set out on [page 20](#) of the Trustees' Report. Total employee benefits received in the year by the College's key management personnel amounted to £1.67m (2024: £1.57m).

No trustees received any remuneration for services as members of the Board of Trustees in the current and preceding years.

9. Fixed assets (Group and Charity)

	Freehold Land	Freehold Property	Fixture and Fittings	Furniture	Plant and Machinery	Infra-structure Equipment	Computer and Other Equipment	Assets in course of construction	2025
Tangible Fixed Assets	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 1 July 2024	1,945	67,589	17,836	1,382	12,620	1,819	978	509	104,678
Additions during the year	-	-	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-	(380)	(380)
At 30 June 2025	1,945	67,589	17,836	1,382	12,620	1,819	978	129	104,298
Depreciation at 1 July 2024	-	(3,004)	(1,918)	(759)	(1,587)	(541)	(746)	-	(8,555)
Charge for the year	-	(895)	(768)	(240)	(511)	(187)	(95)	-	(2,696)
At 30 June 2025	-	(3,899)	(2,686)	(999)	(2,098)	(728)	(841)	-	(11,251)
Net Book Value 2024	1,945	64,585	15,918	623	11,033	1,278	232	509	96,123
Net Book Value 2025	1,945	63,690	15,150	383	10,522	1,091	137	129	93,047

	Computer Software	Assets in course of construction	2025
Intangible Fixed Assets	£000	£000	£000
Cost at 1 July 2024	3,286	1,588	4,874
Additions during the year	-	4,970	4,970
At 30 June 2025	3,286	6,558	9,844
Depreciation at 1 July 2024	(2,868)	-	(2,868)
Charge for the year	(158)	-	(158)
At 30 June 2025	(3,026)	-	(3,026)
Net Book Value 2024	418	1,588	2,006
Net Book Value 2025	260	6,558	6,818

Completion of construction works in respect of the College's freehold property located at 38–43 Lincoln's Inn Fields took effect on 30 April 2021 and the newly redeveloped property was brought into operational use from this date. The total development cost of £102.3m was allocated across the relevant fixed asset categories of freehold property, plant and machinery, fixtures and fittings, and infrastructure equipment. The asset costs are being depreciated on a straight-line basis over a range of component periods and with a maximum period of 80 years for certain freehold property components. The building assets are depreciating currently at an annual rate of approximately £2.4m. All components except freehold property will have been fully depreciated after 25 years.

Investment in the College's digital transformation agenda, including the build of a new CRM system and enterprise platform, is held under intangible assets in the course of construction (£6.57m).

The College has adopted the cost model as the method of subsequent measurement for the freehold property at 38–43 Lincoln's Inn Fields. The College intends to use the second floor office area for long-term rental yields and capital appreciation and is not therefore available for its operational use. FRS 102 requires that this office area is defined as investment property and after its initial recognition at cost is to be measured at fair value. The cost of the investment

property at £4.2m was determined on an apportionment basis from the total cost of the redeveloped freehold property using the net internal area of the leased second floor as a proportion of the total gross internal area. This cost was transferred from tangible fixed assets to fixed asset investments in 2020-21. During the current year the decision was taken to also transfer the third floor to investment property status (see [Investments note 11](#)). The cost of this floor was determined at £4.3m on the same basis as previously.

A valuation of the freehold property as at 30 June 2025 was carried out by Gerald Eve, the College's real estate management agency, with an inspection taking place on 15 May 2025. The property is valued at £81.4m, a decrease of 1.1% or £0.9m from the 2024 valuation. The valuers have confirmed that there have been no material changes to the property or its immediate locality between the inspection date and the valuation date of 30 June 2025.

The College exercised the option to tax land (and building) at 38-43 Lincoln's Inn Fields with effect from 1 March 2021.

The sale of a 155-year lease in October 2017 over the College's Nuffield property gave rise to a disposal of land and building. No value was attached to the reversionary interest in the lease because management considers a valuation to be problematic given the length of the lease and unlikely to be of material value. The residual freehold land at 38-43 Lincoln's Inn Fields is stated at the historic cost of £1.95m.

10. Heritage assets

Heritage assets can be acquired by gift, bequest, exchange or purchase on the open market.

The College's heritage assets comprise the designated collections held by the College library, museum and archives. The museum and library closed in June 2017 ahead of the redevelopment of the estate and the collections are now stored in appropriate secure facilities and with partner organisations across a number of locations for the period of the redevelopment.

Most archive and library material can be accessed via a research service based at the London Metropolitan Archives and research access to the museum collections is available on request. All enquiry and online services continue to be available and are detailed on the College website. Preservation and conservation costs continue to be incurred. No heritage assets were capitalised during the year as none exceeded the capitalisation threshold of £1k.

The Hunterian Museum represents a world-class surgical heritage resource that seeks to tell the story of surgeons and surgery over the past three centuries. The main collection is the Hunterian Collection, which comprises approximately 3,700 anatomical specimens and artefacts. These were collected by John Hunter in the 1700s and presented to the College in 1799.

The College Museum Collection holds approximately 3,500 objects associated with surgical and dental research and training since 1800, including anatomy and pathology specimens which are more than 100 years old. The Historical Surgical Instruments Collection comprises approximately 9,000 surgical instruments.

The special collections cover fine and decorative art including portraits and furniture with more than 5,300 objects in this collection.

The library collections became a designated collection under the Designation Scheme of Arts Council England in 2013. They comprise an estimated 115,000 books and pamphlets dating from the 15th century onwards as well as an important collection of rare journals dating from the 17th century onwards.

The 20th century collections focus on surgery, dentistry, anatomy, physiology and pathology, whereas the subjects in the earlier collections reflect the evolution of medicine and surgery. Natural history and other scientific subjects are represented in the library collections, reflecting the work of 19th century College museum curators responsible for the Hunterian Museum. Further information on all of these collections is available on the College website at rcseng.ac.uk.

11. Investments

	Portfolio	Property	Total 2025	Total 2024	
	£000	£000	£000	£000	
Investments					
Quoted securities at market value	63,312	-	63,312	66,218	
Deposits with Investment Managers	878	-	878	2,145	
Investment properties at fair value	-	16,215	16,215	17,000	
Fair value at 30 June 2025	64,190	16,215	80,405	85,363	
Movements in the year:					
Fair value at 1 July	68,363	17,000	85,363	72,906	
Additions	725	(12)	713	5,066	
Disposals	(6,776)	-	(6,776)	(2,826)	
Net gain/(loss) during the year	1,878	(773)	1,105	10,217	
Fair value at 30 June 2025	64,190	16,215	80,405	85,363	
Portfolio UK investments	878	-	878	2,145	
Portfolio overseas investments	63,312	-	63,312	66,218	
	64,190	-	64,190	68,363	
	Cost	Fair Value 2024	Additions 2025	Fair Value 2025	SOFA Gain/(Loss)
Investment Properties	£000	£000	£000	£000	£000
49-50a Lincoln's Inn Fields	361	2,450	(12)	2,265	(173)
38-43 Lincoln's Inn Fields (Leased Floor 2)	4,201	7,250	-	6,900	(350)
38-43 Lincoln's Inn Fields (Leased Floor 3)	4,281	7,300	-	7,050	(250)
Investment Property	8,843	17,000	(12)	16,215	(773)

The second and third floor of the freehold property, which are intended to be leased to other organisations and are not therefore available for operational use, are held as investment properties.

The second floor had a cost of £4.2m on transfer from tangible fixed assets in 2021. A valuation of £6.9m exclusive of VAT has been attributed to the investment property as part of the valuation of the whole building carried out by in June 2025 resulting in a revised cumulative net unrealised gain of £2.7m and a decrease of £350k on 2024 (2024: £3.05m).

The third floor had a cost of £4.3m on transfer from tangible fixed assets in 2024. A valuation of £7.05m exclusive of VAT has been attributed to the investment property as part of the valuation of the whole building carried out by Gerald Eve in June 2025 resulting in a revised cumulative net unrealised gain of £2.75m and a decrease of £250k on 2024 (2024: £3.0m).

A discount of 1.25% (2024: 1.25%) has been applied to the rental yield assumptions to reflect the 'strip' nature of the investment property.

A valuation of the College's investment property at 49–50a Lincoln's Inn Fields at 30 June 2024 was also carried out by Gerald Eve in June 2024. This resulted in a reduction of the carrying value of these assets decreasing by £185k, reflecting both the relative condition of the property and also the decreasing income security ahead of the main tenant break date in February 2027.

The valuers have confirmed that there have been no material changes to the properties or their immediate locality between the inspection date and the valuation date of 30 June 2025. The valuations are undertaken by an independent valuer as defined by the Valuation Standards and assurance is obtained that the individuals carrying out these valuations have the appropriate knowledge, skills and experience to undertake the valuation competently.

12. Debtors

	2025		2024	
	Group	RCS	Group	RCS
	£000	£000	£000	£000
Trade debtors	4,607	4,607	4,456	3,726
Membership debtor	1,714	1,714	1,577	1,577
Accrued income	9,679	8,694	2,917	2,079
Prepayments	866	866	662	662
Other debtors including taxation	609	609	580	580
Amounts owed from group undertakings	-	1,393	-	1,750
Total	17,475	17,883	10,192	10,374

13. Creditors

	2025		2024	
	Group	RCS	Group	RCS
	£000	£000	£000	£000
13a. Amounts falling due within one year				
Accruals	4,948	4,799	3,788	3,788
Membership income in advance	3,622	3,622	3,621	3,621
Deferred income	5,922	5,922	6,441	6,441
Research grants payable	2,625	2,625	2,226	2,226
Trade creditors	1,845	1,845	1,425	1,425
Other creditors	447	447	469	469
Loan	650	650	-	-
Taxation and social security	384	384	308	308
Total	20,443	20,294	18,278	18,278

13b. Amounts falling due after more than one year				
Other creditors and accruals	44	44	43	43
Long-term loan	39,350	39,350	40,000	40,000
Total	39,394	39,394	40,043	40,043

13c. Analysis of deferred income				
Brought forward at 1 July	6,441	6,441	5,889	5,889
Deferred during the year	5,922	5,922	6,441	6,441
Released as income during the year	(6,441)	(6,441)	(5,889)	(5,889)
Carried forward at 30 June 2025	5,922	5,922	6,441	6,441

Deferred Income comprises examination fees, course fees, accreditation fees and quality assurance contract fees.

Long-term loan

In the autumn of 2020, the College secured long-term financing through a private placement issue with Pension Insurance Corporation Group Ltd, a UK-based insurance company. The issue provided £40m of unsecured funding at an annual coupon rate of 2.22% with a maturity date of 30 years (due 3 November 2050) and weighted average life of 20.05 years. This funding was settled on 3 November 2020. The funds have been used to fund the redevelopment costs of the freehold property and the works to build and fit out the Hunterian Museum.

Interest is payable semi-annually on 3 May and 3 November each year and commenced on 3 May 2021. The principal sum will be repayable semi-annually on the 3 May and 3 November each year commencing 3 May 2026 until 3 May 2050 with a final sum of £8.15m repayable on 3 November 2050. The loan carries one financial covenant that must be tested on an annual basis. The covenant requires that the ratio of net debt of the Group to the net assets of the Group at 30 June shall not exceed 50%.

14. Financial instruments

	2025	2024
	£000	£000
Financial assets measured at amortised cost	22,469	17,402
Financial assets measured at fair value	63,776	68,363
Financial liabilities measured at amortised cost	(45,595)	(47,248)

15. Hunter Trading Limited

	2025	2024		2025	2024
	£000	£000		£000	£000
Profit & loss account		Restated	Balance sheet		
Income	1,112	948	Bank	524	158
Expenditure	146	115	Stock	33	24
Profit before tax	966	833	Debtors	985	1,578
Profits gifted to RCS	(966)	(704)	Total current assets	1,542	1,760
Interest payable	-	(4)			
			Creditors: due within one year	(1,542)	(1,760)
Profit before tax	-	125			
Tax payable	-	(125)	Net Assets	-	-
Result for the year	-	-			

The College holds the entire issued £1 share capital of Hunter Trading Limited.

Conference events are outsourced to Searcys, a long-established, independent and highly respected catering company with commission under a profit share arrangement being received by Hunter Trading Limited. The company has delivered another very strong trading performance that has exceeded expectations for this year.

16. Unrestricted funds

	2024	Net Surplus/ (Deficit)	Investment Gains/Losses	Transfers from Restricted Funds	SOFA Allocation	Fixed Asset Allocation	2025
	£000	£000	£000	£000	£000	£000	£000
Fixed assets reserve net of LT loan	66,611	-	-	-	(3,234)	4,970	68,347
Other designated funds	154	-	-	-	-	(154)	-
Property revaluation reserve	5,233	-	(773)	-	-	-	4,460
General funds	24,735	(1,315)	845	503	3,234	(4,816)	23,186
Total	96,733	(1,315)	72	503	-	-	95,993

Unrestricted reserves have decreased overall by 1% or £0.7m in the year. This is represented by a net income deficit position of £1.3m for the year and a net unrealised gains of £0.1m on unrestricted investments and a £0.5m transfer from Restricted Funds.

The investment loss comprises a net unrealised gain of £0.85m in respect of the unrestricted investments portfolio and a net unrealised loss of £0.77m in respect of investment properties. The investment property loss comprises a loss of £250k in respect of the leased second floor, a loss of £350K in respect of the third floor and a loss of £173k in respect of 49–50a Lincoln's Inn Fields. A property revaluation reserve is set up to hold investment gains or losses arising in respect of the investment properties.

General funds have decreased 6% or £1.5m to £22.0m. The £40m loan to finance the property redevelopment is allocated to the fixed asset reserve, thereby reducing the amount of the College's funds that are required to be invested in its fixed assets. In-year capital additions transferred to the fixed assets reserve totalled £5.0m.

General funds are broadly represented by our unrestricted investment portfolio, which is providing 87% cover (2024: 93%) at a value of £20.1m as at 30 June 2025 (2024: £23.0m).

The trustees designated £1.5m in 2021 (Other designated funds) to support the next major phase of the digital transformation agenda. This had all been expended by the end of the year and transferred to the fixed assets reserve.

17. Restricted funds

	2024	Income	Expenditure	Gains/ (Losses)	Transfers	2025
	£000	£000	£000	£000	£000	£000
Trust Funds	2,324	274	(391)	53	-	2,260
Other restricted funds	2,193	2,725	(2,395)	-	(503)	2,020
Total Restricted Funds	4,517	2,999	(2,786)	53	(503)	4,280

RCS has 22 trust funds and their position is set out below:

Research Trust Funds:

Sir Alan Parks Research Fund	209	2	(75)	5	-	141
Saven Research & Development Programme	338	3	(104)	8	-	245
Surgical Research Fund	146	6	(11)	4	-	145
Mr Sorab J Lam Legacy	97	1	(2)	2	-	98
Ethicon Travelling Fellowship	207	7	(2)	5	-	217
Modi Fund	157	1	(62)	4	-	100
Blond McIndoe (Joint Fund with Education)	70	21	(1)	2	-	92
The Arthritis Research Trust	508	212	(124)	11	-	607
Roberta Swan Legacy	10	-	-	-	-	10
Preiskel Fund	79	2	(4)	2	-	79
RCSE Fellows Fellowship Fund	85	8	(1)	2	-	94
Miss Carol Rummey Legacy	61	1	(1)	1	-	62
Gunnar Nilsson Cancer Treatment Trust Fund	24	-	-	1	-	25
Curry Legacy Damage/Pain	19	-	-	-	-	19
H Speight Discretionary Trust	19	8	-	-	-	27
Phyllis A George Legacy	8	-	-	-	-	8
Cutner Legacy	7	-	-	-	-	7
Rex & Jean Lawrie O/S Fund	5	-	-	-	-	5
Ethicon Research Fund	1	-	-	-	-	1
Shrimpton Fund	1	-	-	-	-	1

Education & Training Trust Funds:

E&T Haddock Legacy	47	-	(1)	1	-	47
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Faculty of Dental Surgery Funds:

J W Mclean Fund	226	2	(3)	5	-	230
Total Trust Funds	2,324	274	(391)	53	-	2,260

Grants and donations are summarised as follows:

Other restricted funds:

Immersive Programme	69	10	(131)	-	500	448
National Lung Cancer Audit	293	-	(113)	-	(180)	-
eDEN (elearning for dentistry)	282	3	(1)	-	-	284
Expert Advisory Network	155	58	(8)	-	-	205
FDS-NAC	135	9	(17)	-	-	127
Other Balances less than £100,000	1,259	2,645	(2,125)	-	(823)	956
Total Other Funds	2,193	2,725	(2,395)	-	-	2,020

Total Restricted Funds	4,517	2,999	(2,786)	53	-	4,280
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18. Endowed funds

	Unapplied Total Return	Permanent Capital	Total Endowment
	£000	£000	£000
Endowed Funds at 1 July 2024	27,084	14,951	42,035
Investment income	354	-	354
Legacy income	53	2,700	2,753
Investment gains	980	-	980
Total income and gains	1,387	2,700	4,087
Application of total return	(1,749)	-	(1,749)
Investment management fees	(324)	-	(324)
Total application and fees	(2,073)	-	(2,073)
Net movement in year	(686)	2,700	2,014
Total Endowed Funds at 30 June 2025	26,398	17,651	44,049

RCS England has 22 endowed funds and the 2024–25 position is set out below by fund.

	Unapplied Total Return 2024	Investment Income	Legacy income	Investment Gains	Applied Total Return 2025	Investment Fees	Unapplied Total Return 2025	Permanent Capital	2025 Total
Fund Name	£000	£000	£000	£000	£000	£000	£000	£000	£000
RCSE Research Fund	5,862	81	-	225	(450)	(74)	5,644	3,784	9,428
RCSE Education Fund	4,780	60	-	167	(410)	(55)	4,542	2,262	6,804
RCSE Cancer Research Fund	3,666	46	-	126	(280)	(42)	3,516	1,756	5,272
Presidents Finch Fund	1,791	32	-	89	(26)	(29)	1,857	2,108	3,965
Dental Science Research Fund	1,654	24	-	66	(135)	(22)	1,587	1,016	2,603
Rank Chair Physics in Surgery	1,598	22	-	60	(140)	(20)	1,520	955	2,475
The Mullally-Mancer Fellowship	-	-	2,700	-	-	-	-	2,700	2,700
RCSE Library Fund	1,483	19	-	53	(97)	(17)	1,441	833	2,274
RCSE Biochemical Research Fund	879	11	-	29	(46)	(10)	863	374	1,237
Witt Fund	745	8	53	21	(32)	(7)	788	182	970
Macrae-Webb Johnson Fund	484	7	-	21	(60)	(7)	445	425	870
Moser Trust (FDS)	650	7	-	19	(3)	(6)	667	173	840
HS Morton Travelling Fellowship	494	6	-	16	(12)	(5)	499	200	699
Groves Bequest for Museum	470	5	-	14	(22)	(5)	462	161	623
John Kinross Fund	500	5	-	14	(2)	(5)	512	104	616
George Qvist for Hunterian	398	5	-	14	(22)	(5)	390	209	599
RCSE Prize Fund	434	4	-	11	(2)	(4)	443	61	504
Sims Commonwealth Travelling Fell.	303	3	-	9	(1)	(3)	311	106	417
Commemoration Fund (FDS)	247	2	-	7	(1)	(2)	253	66	319
RCSE Scholarship Fund	210	2	-	6	(1)	(2)	215	51	266
Rishworth Fund for Annals	170	2	-	5	(1)	(2)	174	50	224
Darlow Fellowship Fund	145	2	-	5	(2)	(1)	149	67	216
RCSE Museum Fund	121	1	-	3	(4)	(1)	120	8	128
Total Endowed Funds	27,084	354	2,753	980	(1,749)	(324)	26,398	17,651	44,049

9 of the 22 funds have closing balances greater than £1m, amounting to £36.5m of the £43.8m of funds at 30 June 2025. A brief description of their purposes is provided below.

Fund name	Purpose of fund
RCSE Research Fund	To promote, carry on and fund study and research into surgery and related subjects and to publish useful results of such study and research
RCSE Education Fund	To educate surgeons, medical practitioners and the general public in the art, science and practice of surgery and related subjects and to further instruction and training in surgery
RCSE Cancer Research Fund	To promote, carry on and fund study and research into cancer and its preventative treatment and care and to publish useful results of such study and research
Presidents Finch Fund	Income to be applied for charitable purposes which will be of service for the welfare and advancement of the Science and Art of Surgery
Dental Science Research Fund	For the promotion of research into improving dental treatment and dental health
Rank Chair Physics in Surgery	To support research work
The Mullally-Mancer Fellowship	To support research fellowships
RCSE Library Fund	To promote, carry on, maintain and fund the establishment of libraries of the RCS for the furtherance of study and research into surgery and related objects
RCSE Biochemical Research Fund	To further biochemical research by such means as the Trustees shall from time to time see fit

The remaining 14 funds with balances of less than £1m, and amounting to £7.3m, are summarised under the following categories:

Research Funds	Faculty of Dental Surgery Funds	Museum Funds	Travelling Fellowship (F/S) Funds	Other Funds
Darlow Fellowship Fund	Commemoration Fund	Macrae-Webb Johnson Fund	HS Morton Travelling F/S	Rishworth Fund for Annals
RCSE Prize Fund	Moser Trust	Groves Bequest for Museum	Sims Commonwealth Travel F/S	John Kinross Fund
RCSE Scholarship Fund		George Qvist for Hunterian		
Witt Fund		RCSE Museum Fund		

19. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2025
As at 30 June 2025	£000	£000	£000	£000
Tangible fixed assets	93,047	-	-	93,047
Intangible fixed assets	6,803	15	-	6,818
Investments	36,374	2,158	41,873	80,405
Current assets	15,370	5,565	2,954	23,889
Current liabilities	(15,557)	(3,458)	(778)	(19,793)
Liabilities after 1 year	(40,044)	-	-	(40,044)
Total Funds	95,993	4,280	44,049	144,322

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2024
As at 30 June 2024	£000	£000	£000	£000
Tangible fixed assets	96,123	-	-	96,123
Intangible fixed assets	2,000	6	-	2,006
Investments	39,996	2,328	43,039	85,363
Current assets	12,466	5,630	18	18,114
Current liabilities	(13,809)	(3,447)	(1,022)	(18,278)
Liabilities after 1 year	(40,043)	-	-	(40,043)
Total Funds	96,733	4,517	42,035	143,285

20. Pension liabilities and charges

	2025	2024
	£000	£000
USS Defined pension liability	-	-
Liability greater than 1 year	-	-
Summary of pension scheme charges to Statement of Financial activities:		
USS	670	(2,316)
SAUL	838	797
Standard Life	141	108
NHS	116	40
Total	1,765	(1,371)
Charges in respect of the USS scheme to Statement of Financial activities:		
Employer contributions	670	785
Change in contributions from past expectations	-	(2,956)
Total pension contribution cost	670	(2,171)
Interest payable	-	(145)
Total pension charge	670	(2,316)
Scheme employee members		
	Nos.	Nos.
USS	79	80
SAUL	124	116
Standard Life	51	40
NHS	15	10
Total employees in a pension scheme	269	246

The College participates in two multi-employer defined benefit pension schemes, USS and SAUL. Both schemes carry out a formal actuarial valuation every three years as required by the Pensions Act 2004. The latest available complete actuarial valuations were carried out with an effective date of 31 March 2023. Both schemes carry out informal reviews of the funding position between formal valuations, reflecting changes in market conditions, cash flow information and new accrual of benefits.

According to the latest valuations, both the USS and SAUL schemes are in technical surplus and there is no liability for the College to recognise.

The USS 2023 valuation and funding proposals were filed with The Pensions Regulator in December 2023.

Under the 2023 valuation, the scheme contribution rates were set at 31.4% of salaries (employer 21.6%, employee 9.8%) to 31 December 2023 and 20.6% of salaries (employer 14.5%, employee 6.1%) from 1 January 2024 with no deficit contribution payment required.

The SAUL 2023 valuation confirmed that the scheme was 105% funded on its Technical Provisions basis at 31 March 2023 with its assets valued at £3,092m. As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required and there is no defined benefit liability to be recognised.

The 31 March 2024 update showed a further increase in the funding level to 109%. As a result, the trustees decided to reduce the contribution rate to 19% from 1 September 2024 (previously 21%).

Supplementary scheme disclosures

Since the College cannot identify its share of the assets and liabilities of the USS and SAUL schemes, the following disclosures have been provided by the respective pension schemes to reflect those relevant for the schemes as a whole.

USS

The 2023 valuation was the seventh valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective that is to have sufficient and appropriate assets to cover their technical provisions. An interim funding statement was issued as at September 2025 showing a significantly improved financial position.

Scheme summary position at 31 March	2025 2025 Update	2024 2023 Valuation
	£bn	£bn
Scheme assets	77.2	73.1
Scheme liabilities	61.8	65.7
FRS 102 Scheme surplus/(deficit)	15.4	7.4
FRS 102 Funding level	125%	111%

SAUL

SAUL is a centralised defined benefit scheme within the United Kingdom for the non-academic staff of over 50 colleges and institutions with links to higher education.

The SAUL Final Salary Section closed at 31 March 2016 and from 1 April 2016 all members now build up pension benefits on a CARE basis.

The College is not expected to be liable to SAUL for any other current participating employer's obligations under the rules of SAUL, but in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the Technical Provisions). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met. The Technical Provisions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

Scheme summary position at 31 March	2025 and 2024 2024 Update
	£m
Scheme assets	3,058
Scheme liabilities	2,815
FRS 102 Scheme surplus/(deficit)	243
FRS 102 Funding level	109%

Other pension schemes

The College pays a contribution rate of 9% into the Standard Life defined contribution scheme and a contribution rate of 16.64% (16.18% to March 2024) into the NHS Pension Scheme. No contributions in respect of these schemes were outstanding at the balance sheet date.

21. Related party transactions

No trustees receive any fees or honoraria for their services. Trustees may incur expenses in the carrying out of their duties; for example, travel, subsistence and accommodation costs. These expenses may be reimbursed to the trustees or paid directly by the College to third parties on their behalf. Expenses totalling £50k were incurred in respect of 12 trustees during the 2024–25 year (2024: £48k in respect of 11 trustees).

The President of the College received the following benefits during the reporting period in order to carry out his trustee duties:

- provision of rental accommodation amounting to £101k (2024: £61k);
- settlement of tax arising on the above benefits amounting to £122k (2024: £59k).

In addition, provision of broadband for a past President amounting to £8k (2024: £6k).

These benefits were approved by the lay trustees of the Board under the authority of the College's ordinances.

Donations totalling £3k were received from trustees during the current period (2024: nil). There were no related party transactions in the period.

22. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £0.8m in respect of software build and design contracts delivering the IT transformation programme (2024: £1.8m), £0.18m in respect of museum repairs following flood (2024: £0m) and £38k in respect of the contract for the build of the Immersive Suite (2024: £0.15m)

23. Operating leases

	2025	2024
	Office Equipment	Office Equipment
	£000	£000
Payments due:		
Within one year	9	13
Between one and two years	-	9
Total	9	22

These represent the future minimum payments that the College is committed to make under operating leases.

24. Restricted funds 2024 for comparison

	2023	Income	Expenditure	Gains/(Losses)	2024
	£000	£000	£000	£000	£000
Trust Funds	1,978	468	(374)	252	2,324
Other restricted funds	2,732	2,178	(2,717)	-	2,193
Total Restricted Funds	4,710	2,646	(3,091)	252	4,517
RCS has 22 trust funds and their position is set out below:					
Research Trust Funds:					
Sir Alan Parks Research Fund	186	2	(2)	23	209
Saven Research & Development Programme	377	5	(96)	52	338
Surgical Research Fund	185	12	(77)	26	146
Mr Sorab J Lam Legacy	137	2	(59)	17	97
Ethicon Travelling Fellowship	189	2	(7)	23	207
Modi Fund	140	2	(2)	17	157
Blond McIndoe (Joint Fund with Education)	97	1	(40)	12	70
The Arthritis Research Trust	82	426	(10)	10	508
Roberta Swan Legacy	8	1	(8)	9	10
Preiskel Fund	73	3	(4)	7	79
RCSE Fellows Fellowship Fund	78	6	-	1	85
Miss Carol Rummey Legacy	54	1	(1)	7	61
Gunnar Nilsson Cancer Treatment Trust Fund	16	1	(1)	8	24
Curry Legacy Damage/Pain	17	-	-	2	19
H Speight Discretionary Trust	17	-	-	2	19
Phyllis A George Legacy	8	-	-	-	8
Cutner Legacy	7	-	-	-	7
Rex & Jean Lawrie O/S Fund	5	-	-	-	5
Ethicon Research Fund	1	-	-	-	1
Shrimpton Fund	1	-	-	-	1
Education & Training Trust Funds:					
E&T Haddock Legacy	99	1	(65)	12	47
Faculty of Dental Surgery Funds:					
J W Mclean Fund	201	3	(2)	24	226
Total Trust Funds	1,978	468	(374)	252	2,324
Grants and donations are summarised as follows:					
Other restricted funds:					
Transform Fundraising	403	-	-	-	403
National Lung Cancer Audit	350	74	(131)	-	293
eDEN (elearning for dentistry)	271	12	(1)	-	282
Expert Advisory Network	148	28	(21)	-	155
FDS-NAC	136	16	(17)	-	135
Other Balances less than £100,000	1,424	2,048	(2,547)	-	925
Total Other Funds	2,732	2,178	(2,717)	-	2,193
Total Restricted Funds	4,710	2,646	(3,091)	252	4,517

25. Endowed funds 2024 for comparison

	Unapplied Total Return	Permanent Capital	Total Endowment
	£000	£000	£000
Endowed Funds at 1 July 2023	23,704	14,951	38,655
Investment income	510	-	510
Investment gains/(losses)	4,837	-	4,837
Total income and gains	5,347	-	5,347
Application of total return	(1,672)	-	(1,672)
Investment management fees	(295)	-	(295)
Total application and fees	(1,967)	-	(1,967)
Net movement in year	3,380	-	3,380
Total Endowed Funds at 30 June 2024	27,084	14,951	42,035

RCS England has 22 endowed funds and the 2023–24 position is set out below by fund.

	Unapplied Total Return 2023	Investment Income	Investment Gains/ (Losses)	Applied Total Return 2024	Investment Fees	Unapplied Total Return 2024	Permanent Capital	2024 Total
Fund Name	£000	£000	£000	£000	£000	£000	£000	£000
RCSE Research Fund	5,110	118	1,116	(414)	(68)	5,862	3,784	9,646
RCSE Education Fund	4,289	88	837	(383)	(51)	4,780	2,262	7,042
RCSE Cancer Research Fund	3,239	66	631	(231)	(39)	3,666	1,756	5,422
Presidents Finch Fund	1,369	45	427	(24)	(26)	1,791	2,108	3,899
Dental Science Research Fund	1,533	34	322	(215)	(20)	1,654	1,016	2,670
Rank Chair Physics in Surgery	1,415	31	299	(129)	(18)	1,598	955	2,553
RCSE Library Fund	1,306	28	262	(97)	(16)	1,483	833	2,316
RCSE Biochemical Research Fund	763	15	144	(34)	(9)	879	374	1,253
Witt Fund	646	11	101	(7)	(6)	745	182	927
Macrae-Webb Johnson Fund	425	11	104	(50)	(6)	484	425	909
Moser Trust (FDS)	559	9	90	(3)	(5)	650	173	823
HS Morton Travelling Fellowship	440	8	78	(27)	(5)	494	200	694
Groves Bequest for Museum	419	7	71	(22)	(5)	470	161	631
George Qvist for Hunterian	349	7	68	(22)	(4)	398	209	607
John Kinross Fund	433	7	66	(2)	(4)	500	104	604
RCSE Prize Fund	379	6	54	(2)	(3)	434	61	495
Sims Commonwealth Travel Fellowship	258	5	44	(1)	(3)	303	106	409
Commemoration Fund (FDS)	212	4	34	(1)	(2)	247	66	313
RCSE Scholarship Fund	182	3	28	(1)	(2)	210	51	261
Rishworth Fund for Annals	145	3	24	(1)	(1)	170	50	220
Darlow Fellowship Fund	123	2	23	(2)	(1)	145	67	212
RCSE Museum Fund	110	2	14	(4)	(1)	121	8	129
Total Endowed Funds	23,704	510	4,837	(1,672)	(295)	27,084	14,951	42,035

26. Prior year adjustment

During 2024/25 it was determined that contracts with the National Cancer Audit Collaborating Centre (NATCAN), which had previously been accounted for as Restricted Fund grants, should correctly be accounted for as unrestricted charitable contracts and classified as Quality & Standards charitable income. The contract began in July 2022 so the accounts have been restated as if the contract had always been correctly treated.

Restricted income is recognised on receipt while unrestricted contract income is recognised according to the best estimate of contract stage of completion.

	£
Restricted funds	
As previously stated at 30 June 2023	5,869 as per accounts
Defer NATCAN funds previously recognised in restricted funds at 2023	(1,160)
Restated restricted funds at 30 June 2023	4,709
As previously stated at 30 June 2024	6,396 as per accounts
Defer NATCAN funds previously recognised in restricted funds at 2024	(1,879)
Restated restricted funds at 30 June 2024	4,517
Balance Sheet	
Group deferred income previously reported FY24	4,562
Defer NATCAN funds previously recognised in income in FY23 and FY24	1,879
Restated group deferred income previously reported FY24	6,441
SOFA	
Income	
Restricted grants, donations and legacies reported in FY24	5,423 per SOFA
Reclassify NATCAN to unrestricted charitable activities	(2,198)
Defer income in FY24 not entitled to recognise	(719)
Restated grants, donations and legacies reported in FY24	2,506
Unrestricted charitable activities reported in FY24	26,528
Reclassify NATCAN from restricted grant income	2,198
Restated unrestricted charitable activities FY24	28,726
Expenditure	
Unrestricted charitable activities previously reported FY24	26,538
Reclassify NATCAN restricted expenditure to unrestricted expenditure	2,198
Restated unrestricted charitable activities FY24	28,736
Restricted charitable activities previously reported FY24	6,945
Reclassify NATCAN restricted expenditure to unrestricted expenditure	(2,198)
Restated restricted charitable activities FY24	4,747

27. Statement of financial activities for the year ended 30 June 2024 for comparison

		Unrestricted Funds	Restricted Funds	Endowed Funds	Totals 2024	Totals 2023
	Notes	£000	£000	£000	£000	£000
Income from						
Grants, donations and legacies	5a	241	2,506	-	2,747	5,940
Charitable activities	5b	28,726	43	-	28,769	24,924
Trading activities	5c	1,257	70	-	1,327	1,101
Investment Income	5d	1,035	27	510	1,572	1,580
Total Income		31,259	2,646	510	34,415	33,545
Expenditure On						
Raising funds	6a	575	15	295	885	1,036
Charitable activities	6b	26,538	6,945	-	33,483	30,090
Other expenditure	6c	853	-	-	853	4,983
Total Expenditure		27,966	6,960	295	35,221	36,109
Net income/(expenditure) before investment gains/(losses)		1,095	(1,397)	215	(87)	(2,564)
Net gains/(losses) on investments	11	5,128	252	4,837	10,217	111
Net income/(expenditure)		6,223	(1,145)	5,052	10,130	(2,453)
Application of total return	20	-	1,672	(1,672)	-	-
Net movement in funds for the year		6,223	527	3,380	10,130	(2,453)
Balances brought forward at 1 July 2023	16-18	90,510	5,869	38,655	135,034	137,487
Balances carried forward at 30 June 2024	16-18	96,733	6,396	42,035	145,164	135,034

Reference and administrative details

Principal advisors

Bankers

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Barclays Bank PLC	1 Churchill Place, London E14 5HP

External auditor

Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW
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Internal auditor

Mazars LLP	Tower Bridge House, St Katharine's Way, London E1W 1DD
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Solicitors

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Farrer & Co LLP	66 Lincoln's Inn Fields, London, WC2A 3LH
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Property development advisors

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Real estate advisors

Newmark LLP	72 Welbeck Street, London, W1G 0AY
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Registered Office

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