

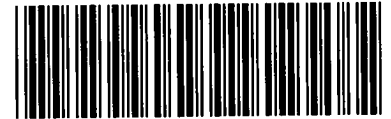
# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

FOR THE YEAR ENDING 31 MARCH 2019



TUESDAY



A11 24/12/2019 #373  
COMPANIES HOUSE

## ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

Companies House Registered No. 518344; Charity Commission Registered No. 273724; Office of Scottish Charity Regulator No. SC041191

### ANNUAL REPORT 2018-2019

#### Message from the chair and CEO (2018-2019)

This report highlights the key achievements over the past year along with areas that we are taking forward in line with RCSLT's strategic plan, which was reviewed and updated for 2018-2021.

#### For all RCSLT members

Over the year a key aim has and continues to be ensuring that we are inclusive in our approach in the co-production of resources for all RCSLT members who work in a variety of settings and clinical areas.

The RCSLT digital strategy resulted in the launch of the first iteration of the new RCSLT website in November 2018. With the aim of improving personalisation of content, the clinical pages on the website enable members to find guidance on how to plan and improve their services in areas such as children's speech and language therapy services. A key aim going forward is supporting implementation of this guidance and learning from this approach to inform other areas of our work. The website has also enabled us to deliver access to a wider range of journals to support all members in delivering evidence-based care.

#### Engagement: communicating our message

We also aim to transform the RCSLT's communication and engagement across all areas of our work and with key stakeholders. Underpinning these new ways of working has been the development of an engagement framework that helps establish ways of measuring and growing member engagement in RCSLT activities and resources.

One example of how we are transforming our approach is to engender more two-way communication via the monthly Bulletin magazine, with a move towards integrating print and

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

social media channels to a far greater extent. This will enable Bulletin content to form the basis of conversations and connections in the social space post-publication, and extend Bulletin's reach to a wider audience beyond the immediate membership base.

#### **Workforce**

In December 2018, the RCSLT Board of Trustees discussed an overarching workforce strategy to support a 'life course' approach to the recruitment, education, training and career development of the speech and language therapy profession and reached consensus on key priorities to build on work to date.

Priorities include ongoing work on the development of a speech and language therapy degree apprenticeship in England, and supporting and informing work across the UK on the development of advanced clinical practice and consultant roles.

#### **Influencing**

Our work to influence at international, national and local levels has involved engaging and working in partnership with a range of stakeholders, including organisations which represent people with communication and swallowing needs. The impact of this work includes the Bercow: Ten Years On report in England and agreement by various government departments to support the implementation of a number of the report's recommendations.

As well as leading the coordination of work on a communication access symbol across the UK, we have been successful in working in partnership with Citizen's Advice Scotland, Inclusion Scotland and Camphill Scotland towards primary legislation requiring Scotland's new social security services to be communication inclusive in all that they do.

We aim to continue to influence at an international level by working with our partners through the International Communication Project to get communication recognised as a basic human right.

In support of this aim, we produced a narrative linking communication disability to the United Nations Sustainable Development Goals and ran a social media and awareness campaign around the 70th anniversary of the Universal Declaration of Human Rights.

#### **The RCSLT Strategic Plan 2018-2021**

The RCSLT Strategic Plan is a road map that sets out where we are as a profession and where we want to be by 2021.

The RCSLT's charitable purposes are stated in the Articles of Association as: "to promote for the public benefit the art and science of speech and language therapy, meaning the care for individuals with communication, swallowing, eating and drinking difficulties".

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

The RCSLT current strategic plan runs from 2018-2021. It breaks into three main areas: the mission, the purpose and the focus areas for how we achieve the mission and vision.

#### **Mission:**

Enabling better lives for people with communication and swallowing needs.

#### **Purpose:**

We are the professional body that promotes excellence in speech and language therapy.

The delivery of these high level aims is reflected in our strategic plan. We strive to place our service users at the centre of everything we do. This is reflected in the **three focus areas**, each of which are subdivided into key aims (table one below). These aims will also enable us to fulfil our legal purposes.

#### **Focus areas**

- Quality practice
- Innovative organisation
- Active influencing

**Table one: The RCSLT's focus areas 2018-2021**

|                  |                          |   |
|------------------|--------------------------|---|
| QUALITY PRACTICE | Research and innovation  | Shape research capacity, capability and culture within the profession                     |
|                  |                          | Promote the funding of key areas of speech and language therapy research                  |
|                  |                          | Promote understanding and use of an evidence-based approach to practice                   |
|                  | Workforce and leadership | Become an intelligence resource regarding workforce trends                                |
|                  |                          | Pre-registration and post-registration training is responsive to the changing environment |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

FOR THE YEAR ENDING 31 MARCH 2019

|                         |                                  |   |
|-------------------------|----------------------------------|---|
|                         |                                  | Support members throughout their careers to develop their leadership, knowledge, evidence based practice and skills       |
|                         | Professional guidance            | Support members to develop, critically evaluate, promote and improve their services, including through recording outcomes |
|                         |                                  | Understand the implications of new technology and supporting members to use it  |
|                         | Service users                    | Continue to co-produce with and advocate alongside service users and their representative organisations                   |
| INNOVATIVE ORGANISATION | Leadership within                | Ensure that the governance and finances of the RCSLT are sound and in accordance with the law and best practice           |
|                         |                                  | The RCSLT is a diverse and progressive employer   |
|                         | Member led                       | Enhance our communication, engagement and support to members, including resilience  |
|                         | Digital                          | Work with members to develop digital services and functionality that meet their needs and supports member engagement      |
| ACTIVE INFLUENCING      | Creating profile and opportunity | Be proactive in raising our profile across all mediums  |
|                         |                                  | Influence at regional, national and international levels  |
|                         | Developing evidence-             | Gather evidence, engage service users and   |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

FOR THE YEAR ENDING 31 MARCH 2019

|  |                            |   |
|--|----------------------------|---|
|  | based policy and resources | develop resources to underpin our influencing                 |
|  |                            | Respond effectively to policy developments across governments |

### SUPPORTING HIGH-QUALITY SERVICES TO MEMBERS TO PROMOTE BEST OUTCOMES FOR SERVICE USERS

#### Research and innovation

The RCSLT supports SLTs across the UK to develop the quality of their services in a variety of ways – from online guidance, to individual, expert clinical advice. Underpinning this is our focus on supporting research and evidence-based practice (EBP). Over the past year we have implemented a number of projects to support members in these areas.

The RCSLT Research Champion Network aims to provide networking, mentoring, resources and opportunities for members interested in carrying out research or research-related activities. We now have 292 members across the UK who are part of this group. They are committed to carrying out research-related activities and to disseminating research and EBP resources, and opportunities within their local area.

The profession relies on high-quality evidence to inform our clinical practice. This evidence should address questions of key clinical relevance to practising SLTs and others, service users first and foremost. The RCSLT, in liaison with the James Lind Alliance, has run, or has been planning, research priority setting partnerships in key clinical areas. Over the past year we have published the top 10 research priorities in dysphagia and learning disabilities and are in the final stages of identifying a top 10 in developmental language disorder.

A key issue for many SLTs is accessing the research evidence and, as a result, we have worked hard to secure access to a better selection of journals relevant to SLT practice. We now provide online access to journals from two more publishers, Emerald and Wiley, as well as a providing an improved selection of journals from current publishers.

Over the past year the RCSLT has helped members learn more about approaches to healthcare improvement and to draw from these to continue developing the quality of their services. This has focused on disseminating information and resources about quality improvement, improvement science and implementation science. We have published a series of articles in our professional

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

magazine, Bulletin, to introduce members to these fields and signpost them to key resources. We will focus on improvement methodology at our upcoming RCSLT conference.

Across healthcare research, a key development over the past few years has been the increasing focus on co-production of research and clinical services with service users and the public. Our work with INVOLVE, as a test bed site for national standards in patient and public involvement (PPI), exemplifies this development. As well as aiming for genuine co-production of RCSLT projects, we have also been working hard to disseminate information about best practice in PPI to our members, through a range of events and materials.

#### **Workforce and leadership**

The RCSLT Learning and Development Strategy focuses on six main areas, offering a breadth of approaches to our continuing professional development offer (such as face-to-face and online in a variety of formats); building a network of coaches within our membership; creating a clear development framework to support routes through the profession; supporting leadership skills; ensuring members have access to resources and training; and working with members and partners to inform areas of need and development.

The RCSLT held a workshop for our leadership mentors to reflect on the first year of the programme and to help shape its future direction. Leadership mentors provide local support for members to overcome local service challenges or identify and act on new opportunities for service development to support our service users.

We have also published two learning journeys for members: on 'Leadership' and 'Influencing'. The learning journeys allow members to complete the modules in whatever order works best for them. Each module is structured so that members can learn the basics from the main content, but also delve deeper into the subject via links to further information.

The RCSLT was successful in securing funding from Higher Education England to lead the update of the Interprofessional Dysphagia Framework and the work on this began in 2018.

#### **Become an intelligence resource regarding workforce trends**

2018 saw NHS England consult on and publish its new long-term plan. The RCSLT made significant input to the consultation. The plan recognises speech and language therapy as a profession in short supply and explicitly references SLTs as part of the new models of care that will bring together physical and mental health services for children. We have since engaged in numerous work streams relating to implementation.

The RCSLT has purchased data from the Higher Education Statistics Authority to help us monitor admissions, qualifications and diversity. This data has been used to inform RCSLT Board

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

discussions on workforce trends; in influencing activity with the Office for Students (OfS); in consultation responses; and in monitoring student numbers. A key outcome has been additional high-cost funding from the OfS for speech and language therapy courses being made available for a further year, as well as an additional new supplement for allied health profession (AHP) masters courses.

The reforms to the student bursary in England continue to bed in, with some professions seeing significant falls in applicants and some course closures. For speech and language therapy, provisional data indicates a fall in applications, but the number of admissions remaining broadly steady. However, this is against a picture of many universities going to clearing last year to fill places.

Our new customer relationship management system will allow for systematic analysis of trends and data.

In Northern Ireland the RCSLT has contributed to the Department of Health's ongoing workforce review. In Scotland, the Health and Care (Staffing) Bill was successfully amended to strengthen a multidisciplinary approach and the RCSLT is influencing the Scottish Labour Workforce Commission.

#### **Pre- and post-registration including apprenticeships**

##### **Careers and diversity**

The RCSLT worked in 2018 to promote the profession via social media to tie in with university key dates for applications and clearing. We will continue this focus and ensure that activity relating to promoting the diversity of the profession is embedded. In England, we worked with Higher Education England (HEE) on a range of resources to promote SLTs and the other AHPs.

##### **Speech and language therapy degree apprenticeships**

There has been significant progress on the speech and language therapy apprenticeship in England, with a public consultation and the draft standard and end point assessment submitted for formal approval to the Institute for Apprenticeships and Technical Education (IATE). We are receiving increasing enquiries from potential speech and language therapy apprentices. We will produce guidance for potential apprentices, employers and universities setting out RCSLT expectations on what a high-quality apprenticeship will look like.

Together with other AHPs, the RCSLT successfully lobbied the IATE to change their rules to allow AHP apprenticeships at both undergraduate and masters level, ensuring a wider appeal for speech and language therapy apprenticeships once they start.

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

In Wales, we have been involved in the development of an AHP apprenticeship framework at assistant level to facilitate a more flexible workforce and career progression.

#### **Curriculum guidance**

In August 2018, the RCSLT published revised curriculum guidance, along with an updated process for the accreditation of pre-registration speech and language therapy programmes and implementation arrangements for the new guidance.

#### **Advanced clinical practice and consultant roles**

We have responded to the significantly increased focus on this area during 2018. In England, HEE has set up an 'Advancing Practice Academy', whose role will be to accredit and credential advanced practice courses and experience. We have responded to consultations, taken part in working groups and publicised opportunities to get involved in the development of a level 8 consultant apprenticeship. In Scotland, work has begun on an advanced practice AHP framework and a similar framework was developed in Northern Ireland. We have also set up a senior leaders SLT virtual group to assist in responding to this activity.

#### **Professional guidance**

During 2018-2019, the RCSLT restructured and reviewed all of its online guidance for members as part of the development of the new website. Members can now use new A-Z pages to find guidance on how to plan and improve their services and meet the standards of the regulator, the Health and Care Professions Council. They can also find clinical information and resources. New guidance is now available for managing risk, safeguarding, training the wider workforce, goal setting, local influencing and raising awareness.

We also published new direction for members working in children's speech and language therapy services. This was co-produced with the RCSLT children's services steering group, members, and parents and carers. It includes a set of key principles and SLT activities and outcomes for children and young people. Two accompanying webinars took place and we are considering additional ways to support members to use the guidance. A position statement, 'Supporting access to and engagement with children's services', has also been published.

All SLTs should feel supported by the RCSLT whatever their employment context and we have been liaising with members and the Association of Speech and Language Therapists in Independent Practice about how we can ensure this. There is already a requirement for all project working groups to include appropriate representation. We have published new information for members working in independent practice. Guidance is now also available for members with portfolio careers. Our new resource on collaborative working includes guidance for SLTs who may work with the same individual across different settings.



# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

Across the UK, there have been several policy developments related to digital, data and technology across health and care. These include the NHS England Long-term Plan, Scotland's Digital Health and Care Strategy and the Topol Review into innovative healthcare technologies. We have engaged members to contribute to national initiatives, including the 'Digital innovation and technology' component of the NHS England long-term Plan. Members are also involved in ongoing work to develop and maintain the clinical terms available in SNOMED for SLTs to use in digital record keeping, and in the development of record keeping standards by the Professional Record Standards Body. Changes to data protection legislation, including the General Data Protection Regulation (GDPR) and Data Protection Act 2018, necessitated a review of the RCSLT guidance on information governance. We have developed and published a suite of guidance, with support from the Information Commissioner's Office. This includes supplementary guidance on GDPR, answers to frequently-asked questions and a set of scenarios to support members in independent practice. The RCSLT website also contains updated guidance for members regarding technology, telehealth and apps.

To help members evidence the impact of their services, we continue to provide tools to gather this evidence. The roll-out of the RCSLT Online Outcome Tool (ROOT) goes from strength to strength, with 21 services now signed up following successful adoption at 10 pilot sites. Another of the parallel work streams of the RCSLT Outcomes Programme has focused on the development of guidance to support speech and language therapy services to measure the impact of universal, targeted and public health activity.

### **A member-led organisation**

#### **Communicating our message**

The RCSLT continues to use social media to raise awareness of people with communication and swallowing needs. We use 13 social media channels to engage with members and the public and all have grown their audience share. The primary Twitter account @RCSLT has 16,350 followers – an increase of 2,350 during the last financial year. YouTube content continues to be updated with videos gathered from members via our UK-wide initiative – The Storytelling Project. This provides insight into how people at any stage of their lives can have communication and/or swallowing needs, and how SLTs assess and support those needs. Social media content which proved to be particularly popular in the last financial year included:

- The RCSLT's Swallowing Awareness Day 2019 social media campaign reached 2.46 million people across 55 countries on six continents, using the hashtag #swallowaware2019.
- @RCSLT's tweet announcing Nick Hewer's appointment as our new president made 22,130 impressions (audience reach), was retweeted 89 times and drove 690 people to the RCSLT's website to read the press release.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

- @RCSLT's tweet linking to the Sunday Mirror article 'Speech therapy lottery leaves a million children languishing on waiting lists', secured by the RCSLT in March 2019 made 18,951 impressions, with 144 retweets and 95 Likes.
- The YouTube video 'Speak up for communication', created by an RCSLT member for the Bercow: Ten Years On first anniversary campaign reached 11,238 people when we shared it on Facebook.

In 2018, the RCSLT's Voice Box joke competitions in England, Scotland, Wales and Northern Ireland for children in mainstream and special schools helped to raise awareness of the importance of communication and the work of the speech and language therapy profession. More than 5,000 schoolchildren participated at a local level, with 25 short-listed finalists invited to the Westminster Parliament. We also made preparations for a first Voice Box event in the Welsh Assembly.

In March 2019, the RCSLT led a successful European Swallowing Awareness Day campaign, generating considerable interest and engagement and media coverage. The campaign reached 2.46 million people in 55 countries across six continents. We updated and published a downloadable campaign toolkit, on the RCSLT's website.

We secured more than 250 items of media coverage on the Bercow: Ten Years On report.. Notable national press coverage included a BBC Radio 5 Live interview with RCSLT CEO Kamini Gadhok MBE; a service user interview on Sky News Radio; and articles in The Sunday Mirror, The Sun, Huffington Post UK and Times Education Supplement.

The monthly print magazine Bulletin remains a highly-valued member benefit and, with distribution averaging more than 17,000 members every month, sustains an almost-global reach across the membership base. In the past year, we have made a concerted effort to drive greater levels of member engagement. One of the main ways of achieving this has been with the move towards integrating print and social media channels to a far greater extent. This has enabled Bulletin content to form the basis of conversations and connections in the social space post-publication, and has extended Bulletin's reach to a wider audience of stakeholders beyond the immediate membership base.

The monthly RCSLT newsletter has grown in the past year and is now received by approximately 16,000 members (up from 14,800 as of April 2018). The open rate for newsletters remains extremely high, at around 42 per cent (far in excess of industry standard rates) with almost 17,000 unique clicks on newsletter content over the 12-month period.

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

#### **Digital**

##### **Member engagement**

The RCSLT digital strategy, co-produced with members, included the launch of a new initial iteration of the RCSLT website in November 2018 and a new membership database. Both aim to transform RCSLT communication and engagement across all areas of our work. Underpinning these new ways of working has been the development of an engagement framework that helps establish ways of measuring and growing member engagement in RCSLT activities and resources.

#### **INFLUENCING POLICY AND INFORMATION**

##### **Continue to co-produce with and advocate alongside service users and their representative organisations**

##### **International**

The RCSLT has a focused amount of international work. As part of the International Communication Project, we produced a narrative linking communication disability to the United Nations Sustainable Development Goals and ran a social media and awareness campaign around the 70th anniversary of the Universal Declaration of Human Rights. With an RCSLT member preparing to assume the presidency of the International Association of Logopedists and Phoniatrists, we supported and engaged in work, for example on rehabilitation, with the World Health Organisation. We have also supported the European network – the Comité Permanent de Liaison des Orthophonistes/Logopedes de l'Union Européenne – to move towards being more efficient and effective.

The RCSLT has continued to widen and deepen its joint work with people with communication and swallowing needs and the organisations that represent them. We met with a number of such organisations in the development of our strategic plan. We are also working in partnership with the Stroke Association, Communication Matters, Headway and the Motor Neurone Disease Association to develop a symbol for communication access and underpinning standards. We have also produced joint webinars and factsheets with, for example with Parkinson's UK and the Motor Neurone Disease Association.

Following the publication of the Bercow: Ten Years On report in March 2018, the RCSLT met with ministers from the Department for Education and Department of Health and Social Care to discuss its recommendations. As part of the activity to mark the first anniversary of the report, we published an update, which highlighted that 17 of the report's 47 recommendations had been implemented. We also worked with the National Network of Parent Carer Forums to gather the views of parents and carers of children and young people with speech, language and communication needs (SLCN). We invited organisations to join us in urging the government to take

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

action to improve support for children with SLCN by signing a letter to the Prime Minister. More than 60 organisations supported the letter, including the National Autistic Society, Mencap and Sense.

The current development and update of RCSLT online clinical guidance and resources will include consultation with service users and service user representative organisations for specific resources, for example public-facing webpages and documents.

We worked with National Deaf Children's Society to develop recommendations for provision of highly-specialist speech and language therapy services for children and young people who are deaf.

Workshops were held with service user organisations on the commissioning of low-incidence, high-need conditions, and on developmental language disorder.

In Scotland, the RCSLT worked in partnership with Citizen's Advice Scotland, Inclusion Scotland and Camphill Scotland towards primary legislation requiring Scotland's new social security services to be communication inclusive. There was a joint publication with Alzheimer's Scotland and wide collaboration implementing a new law on the provision of assistive technology.

In Wales, we worked with the Stroke Association, ADHD Connect, Age Cymru, Alzheimer's Society, BHF, Carers Trust, Diabetes UK, MS Society Cymru and Parkinson's UK.

In Northern Ireland, we continued our partnership with the Stroke Association, developing shared messages in briefings to the Northern Ireland Affairs Committee on the Northern Ireland Stroke Strategy. We have engaged a range of service user organisation, including Early Years, Play Board NI, The Childminders Association of NI, Libraries NI and Save the Children as part of our work on early years.

We worked on a series of service user features in print and online media. These included the story of a young woman who experienced dysphagia as a result of surgery, as part of our work around swallow awareness day, and a large piece in the Irish News featuring two families whose children have moderate to severe communication difficulties, speaking about their journeys and experience with speech and language therapy.

### **Creating profile and opportunity**

The RCSLT has continued to provide the secretariat to the All Party Parliamentary Group on Speech and Language Difficulties. We have also added to our suite of factsheets, with topics including SLTs supporting virtual school heads in England and Parkinson's disease.

Select committee submissions included life chances, the first 1,000 days of life, and special educational needs and disability (SEND), on which we were invited to provide oral evidence. We

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

also responded to UK government consultations on school exclusions and children in need, and the review of post-18 student finance and education.

The RCSLT responded to NHS England consultations on the proposed integrated care contract and a Public Health England consultation on a public health outcomes framework.

We developed a narrative for communication disability to complement the UN Sustainable Development Goals, on behalf of the ICP. We also responded to several National Institute for Health and Care Excellence consultations, including those on acute stroke, dementia, mental capacity and intermediate care.

In Scotland, the guidance to the Children and Social Work Act includes speech and language therapy and looked-after children's communication needs. Regular meetings with ministers and others covered, for example, service funding and primary care. We have secured Scottish Government funding for a screening and profiling tool.

In Wales, the Assembly Health Committee report on the use of anti-psychotic medication made a specific recommendation that the Welsh Government address the shortage of SLTs working with people with dementia – posts are now available in five out of seven health boards.

We gave oral and written evidence to the health committee scrutiny of the Wales autism bill and provided joint briefings for AMs ahead of key debates. We are part of expert groups to inform the Additional Learning Needs code on early years and health.

We have made submissions to the Northern Ireland Affairs Committee on education funding and stroke services and responded to departmental consultations on looked after children and early years SEND provision.

We have continued to influence developments to support the roll out of the Northern Ireland Mental Capacity Act, with an emphasis on communication support and the role of SLTs.

## RISK STATEMENT

The RCSLT has a robust risk management framework. Major risks to which the RCSLT is exposed are contained in a separate risk register, which is informed by the strategic plan. The current highest-level risks are shown in the table below:

**Table two: High-level risks to the RCSLT (those risks with a mitigated risk score of 10 or above in accordance with the risk management framework, which are borderline risk appetite or greater, and which require reporting to committees and Board)**

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

| Risk   | Mitigation  |
|--|---|
| Digital Strategy - a key project that is developing the RCSLT's overall IT offering to directly support members in their professional lives. | This is a large-scale project, that requires significant financial investment and which impacts on the services the RCSLT can offer its members. It has its own governance committee, on which trustees are represented, together with key senior staff and external experts. This committee meets monthly, reviews the project's comprehensive risk register and reports to the Board. |
| Loss of investment assets due to poor performance investment performance due to external factors.  | This is being mitigated by monthly reports to management, ongoing daily monitoring by Epoch (investment advisers) with quarterly reports to the Finance and Resources Committee /Board.   |

The RCSLT senior management team reviews the risk register monthly; all project working groups and steering committees maintain their own risk registers, and the highest-level risks from those registers are included in the main risk register. The Finance and Resources Committee, the Professional Practice and Policy Committee and the Digital Strategy Oversight Committee further review their own risk registers at their regular meetings. The Board reviews all risks that are owned by the Board quarterly, and signs off the whole risk register annually. The Board is satisfied that appropriate controls are in place to manage risks.

## FINANCIAL REVIEW

The overall aim of RCSLT's financial strategy is to maintain a sound financial base to support the resourcing of the organisation and deliver its mission. Specifically, the aim is to maintain long-term financial viability in order to achieve the objectives in the strategic plan.

The overarching financial objectives approved by the Board and performance against them in 2018-2019 were as shown below.

| Objective  | Performance   |
|--|---|
| To ensure that the organisation has financial models which support strategic goals | There is a rigorous budget setting and monitoring process through appropriate governance systems and good management of investments |
| That funds and reserves are invested prudently (low to medium risk)                | Achieved: Ongoing monitoring of the portfolios by the investment adviser  |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

|   |   |
|---|---|
| 70% of income to be generated from long-term sources  | Membership subscription income – 81% (2018: 78%)  |
| To achieve a ratio of fixed costs to long term income of no greater than 1:1  | Fixed costs: Long-term income<br>Achieved 0.91:1.0 (2018: 0.96:1.0)   |
| To generate an annual surplus before investment gains/losses of between 2 – 4% of income  | Net deficit of 5% of income achieved (2018: net deficit of 5% of income)  |
| To maintain free reserves which represent 6-10 months of anticipated operating costs  | Achieved 9.6 months of anticipated operating costs (2018: 10.3 months)  |
| Maintain minimum cash days in hand of 30 days' anticipated operating expenses (or 1.5x the monthly anticipated operating outgoings) | 96 days (2018: 155 cash days in hand). Cash in hand includes monies held in instant access deposit accounts. Excluding these balances cash days in hand would be 30 days (2018: 60 days)<br><i>(Note: this is a snapshot as at balance sheet date – throughout the FY, 30 days or more cash was kept in hand)</i> |
|   |   |

#### Financial performance for the year

The financial position for the year ended 31 March 2019 was a consolidated planned net deficit of £166,000 (2018 net deficit £220,000). The deficit arose due to planned spending of £850,000 on a range of projects in support of our charitable objects.

RCSLT reported income of £4.6 million in 2018-2019, an increase of 2% on the income of £4.5 million in 2017-2018.

Membership income of £3.7 million (2018 £3.5 million) is the principal funding source for the charity accounting for 81% of total income. Average membership numbers for the year increased by 0.8%. This income is used to support the core activities of the charity. Additional income is earned from commercial activities and investments and this is used to fund major projects.

Expenditure in 2018-2019 amounted to £4.8 million, an increase of 2.6% on expenditure of £4.7 million in 2017-2018. The increase is attributable to a number of factors including higher spend on various projects including the digital development project, which included the launch of our new website in November 2018.

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

Expenditure on raising funds amounted to £0.6 million. £0.5 million of this relates to the cost of commercial trading operations with a further £0.1 million attributable to investment management fees and costs associated with the hiring out of the RCSLT's London based meeting rooms. The RCSLT does not engage in any public fundraising activities.

### **Financial position at 31 March 2019**

At 31 March 2019, the RCSLT has net assets of £9.6 million, a decrease of £0.2 million from the position at 31 March 2018.

Overall fixed assets increased by £0.1 million with spend of £0.3 million on digital development offset by depreciation of £0.1 million and write offs against digital spend of £0.1 million.

Investments have increased by £0.1 million reflecting strong performance on investments in the last quarter of 2018-2019.

Cash balances have decreased by £0.6 million reflecting spend of £0.3 million on digital development and the deficit on operating activities of £0.3 million.

### **Reserves policy**

The Board of Trustees has agreed an overall reserves policy encompassing restricted funds and unrestricted funds. Unrestricted funds are further divided into designated funds, revaluation reserve and general funds. Restricted funds represent those monies given to the charity for a particular purpose and were not available for the general purpose of the charity. Designated funds represent those funds set aside for major projects which do not form part of the day-to-day activities of the charity. The revaluation reserve reflects the net gains on investments and freehold property. The balance will be reduced by any subsequent loss on investments and freehold property and the depreciation on freehold property attributable to the revalued amount.

The Board of Trustees has agreed a reserves policy whereby free reserves representing 6-10 months of anticipated operating costs must be held. Free reserves are those assets held in the form of cash or investments after taking account of any restricted or designated funds. The Board believes that in the unlikely event of a winding up of the charity the equivalent of 6-10 months of operating costs would be sufficient to allow the charity to meet its obligations to its members, staff and other creditors.



# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

The level of reserves required is reviewed annually by the Board of Trustees and informs the fee setting process and preparation of the annual budget. The required and forecast levels of reserves are submitted to the Board for approval via the Finance and Resources Committee.

The total charity reserves at 31 March 2019 were £9.6 million (2018 £9.8 million) of which £0.2 million (2018 £0.2 million) related to restricted funds and to the reserves of CSLT (Trading) Ltd and were not available for the general purpose of the charity. Note 18 of the accounts shows the various restricted funds or reserves by type and summarises the year's movements on each fund.

A further £0.8 million (2018 £0.8 million) of reserves have been designated for key projects. Note 19 shows the various funds or reserves by type and summarises the year's movements on each fund.

Unrestricted funds amounted to £8.6 million (2018 £8.8 million). After taking account of tangible and intangible fixed assets of £5.2 million (2018 £5.5 million) the charity considers it has reserves of £3.4 million (2018 £3.3 million) which were considered to be free reserves (i.e. not earmarked for particular purposes or represented by fixed assets). The level of free reserves represents 9.6 months' (2018 10.3 months') anticipated operating costs and is within the target range of 6-10 months; these funds will enable the long-term funding of projects in line with the implementation of the strategic plan.

### **Investment policy and performance**

The Board approved a statement of investment principles and supporting investment policies, with the overall aim to generate a regular income of approximately 3% p.a. net of fees while preserving capital in real terms. The Board approved an ethical investment policy seeking constructive engagement with the corporate world with negative screening for investments in the tobacco, alcoholic drinks and armaments industries. The investment portfolio is divided into three sub-components, comprising a short-term cash portfolio, a medium term low volatility portfolio and a long-term growth portfolio. The overall risk profile is "cautious to balanced" although the individual sub-components vary in risk when viewed in isolation. Based on the assessment of long-term strategic plans in 2015 the Board approved the split of the overall portfolio between a long-term growth portfolio of £2.0 million, managed by Waverton Investment Managers Limited, a medium-term low volatility portfolio of £1.0 million, managed by Standard Life Wealth and the balance in cash. In 2018 the Board approved the transfer of the funds held within the medium-term portfolio from Standard Life Wealth to a separate portfolio managed by Waverton Investment Managers Limited.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

Realised losses on the disposal of investments were £0.1 million compared to £0.0 million in 2017-2018 while an unrealised gain of £0.3 million was achieved compared to unrealised gains of £0.0 million in 2017-2018.

### LEGAL AND ADMINISTRATIVE INFORMATION

The Charity is known as the Royal College of Speech and Language Therapists (the RCSLT); registered number 273724. It is a registered charity in Scotland, registered number SC041191. The RCSLT is also a company limited by guarantee, registered number 518344, and therefore has no share capital. In the event of its winding up, the members' liability is limited to £1 per member. The Memorandum and Articles of Association, which were last amended at AGM on 27 September 2017, govern the RCSLT. It has a trading arm, known as CSLT Trading Ltd; registered number 0268820.

### Charitable objectives and intended impact

The RCSLT was established on 6 January 1945. Its object is to promote for the public benefit the art and science of speech and language therapy, meaning the care for individuals with communication, swallowing, eating and drinking difficulties. It is the professional body providing leadership and setting professional standards for SLTs in the UK. It facilitates and promotes research into the field of speech and language therapy, promotes better education and training of SLTs and provides information for members and the public about speech and language therapy.

|                                 |  |
|---------------------------------|--|
| <b>Patron</b>                   | HRH The Countess of Wessex   |
| <b>President</b>                | Sir George Cox   |
| <b>Honorary Vice Presidents</b> | The Baroness Jay<br>The Right Honourable John Bercow MP  |
| <b>Registered Office</b>        | 2 White Hart Yard<br>London<br>SE1 1NX   |
| <b>Auditors</b>                 | Haysmacintyre LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG                               |
| <b>Bankers</b>                  | National Westminster Bank<br>Liverpool Street Station<br>216 Bishopsgate<br>London<br>EC2M 4QB |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

|                                   |   |
|-----------------------------------|---|
| <b>Solicitors</b>                 | Camerons Solicitors LLP<br>70 Wimpole Street<br>London<br>W1G 8AX                                       |
| <b>Investment Managers</b>        | Waverton Investment Management Ltd<br>21 St James's Square<br>London<br>SW1Y 4HB                        |
| <b>Investment Advisors</b>        | Epoch Wealth Management Ltd<br>First Floor, Queen Square<br>House Queen Square Place<br>Bath<br>BA1 2LL |
| <b>Membership and Information</b> | 020 7378 3008/3009  |
| <b>Switchboard</b>                | 020 7378 1200   |

## GOVERNANCE STRUCTURE

The Board of Trustees (the Board) is the highest governing body of the RCSLT. There are four subordinate governing committees: the Finance and Resources Committee, Professional Practice and Policy Committee, Digital Strategy Oversight Committee and the Honours Committee.

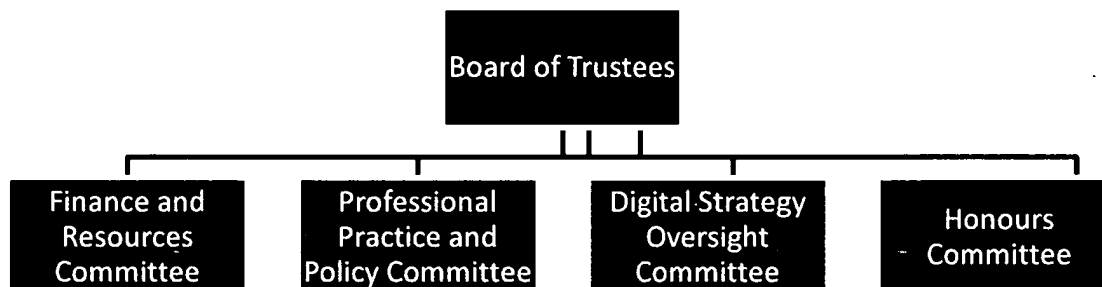
In addition, Hub Forums, whose purpose is to engage with members in each UK country, advise the Board, but are not in themselves governing committees. (See below for more details on committees and hubs).

The trustees' role (who are also the legal directors of the company) is primarily to ensure good governance of the organisation. They also provide appropriate representation of the views of members at a strategic level on the Board and take account of the financial and business implications of any decisions they make. The trustees conduct regular horizon scanning, and have a comprehensive three-year strategic plan containing high-level objectives which is kept under regular review at each Board meeting. The role of the chief executive and staff members is to implement these objectives. The governance structure is shown below.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

FOR THE YEAR ENDING 31 MARCH 2019



### Board of trustees

Currently 14 trustees make up the Board. The role of the Board is to:

- Give strategic direction to the RCSLT
- Set the organisation's values and standards
- Ensure compliance with its governing documents and relevant legislation
- Ensure that the RCSLT pursues its objectives as defined in its governing document
- Ensure that the RCSLT is a responsive and supportive organisation that promotes member and user engagement
- Ensure that the RCSLT applies its resources exclusively in pursuance of its objects
- Ensure that there is an appropriate scheme of delegation to its sub-committees and senior management team
- Be collectively responsible for adding value to the organisation
- Provide active leadership
- Safeguard the RCSLT's assets
- Promote diversity and equality

The committees report to the Board. The CEO and senior managers attend the Board to provide input as necessary. The Board meets four times per year.

During FY 2018/19, the Board members were:

Mrs Morag Dorward – Chair (to 4 October 2018)

Dr Della Money – Chair (from 4 October 2018)

Dr Della Money – Deputy Chair (to 4 October 2018)

Ms Mary Heritage – Deputy Chair (from 4 October 2018)

Ms Mary Heritage – Chair, Professional Practice and Policy Committee (throughout the reporting period)

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

Mrs Lorna Bailey – Honorary Treasurer (to 4 October 2018)  
Mr Richard Fass – Honorary Treasurer (from 4 October 2018)  
Ms Helen Rae – Country Representative for England  
Mrs Catherine Dunnet – Country Representative for Scotland  
Ms Rosalind Kyle – Country Representative for Northern Ireland  
Mrs Christine Dowle – Country Representative for Wales  
Dr Rebecca Palmer – Trustee for Research  
Mrs Maggie Cooper – General Trustee  
Mrs Ann Whitehorn – General Trustee  
Professor Caroline Pickstone – General Trustee  
Ms Lesley Cavalli – General Trustee (from 7 March 2019)  
Ms Nikki Richardson – Lay Member (HR/OD) (to 4 October 2018)  
Ms Leasil Burrow – Lay Member (HR/OD) (from 4 October 2018)  
Mr John Humphrey – Lay Member (digital)

### **Appointment of members of the Board of Trustees**

Nominations for trustees are sought by advertisement. Candidates are required to complete a skills matrix and have a telephone interview with the chair or deputy chair prior to being nominated, to ensure candidates fully understand the role and responsibilities of a trustee prior to election/appointment. Lay members and nominees for deputy chair have a formal interview. The trustees' terms of office (with the exception of the chair/deputy chair) are three years, with the option to stand for re-election for a further three years. The chair/deputy chairs' terms of office are two years in each role. The Articles allow for an appointed honorary treasurer and other members as the Board of Trustees requires. They also provide for co-opted lay members, with or without voting rights. In addition, the Articles require the approval of members at annual general meeting in the case of a trustee being appointed unopposed.

Trustees newly elected to the Board of Trustees during the period received a comprehensive induction pack, which contains reading material concerning both general trustee and governance issues provided by the Charity Commission and background material specific to the RCSLT. They are also invited to attend a formal induction day at which they receive briefings on general governance matters and a separate half day on finances and investments. They are normally invited to attend a Board of Trustees meeting as observers prior to them taking up their duties. Specific training is provided if required. Trustee development is a continuing theme being carried forward by the Board of Trustees into 2019-2020.

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

#### **Committee structure**

##### **Finance and Resources Committee (FRC)**

The FRC is responsible to the Board for overseeing all matters of finance, investments, contracting and tendering, risk management (FRC elements), HR, buildings and facilities, membership administration and heritage work. It has delegated powers up to approved limits to commit expenditure, invest assets and approve policies, and makes recommendations to the Board for other matters as set out in the Board's scheme of delegation. It meets four times a year.

##### **Professional Practice and Policy Committee (PPPC)**

The PPPC considers and makes recommendations upon matters relating to professional practice, standards, policy and public affairs, and ensures that the perspective of members and service users in the four UK nations is taken into account, in the development and pursuit of the strategic aims and objectives of the RCSLT and in supporting the Board.

The PPPC debates current and future cross-cutting issues in sufficient depth to inform policy decisions by the Board. In the process of consideration, discussion and debate, the PPPC consults with other RCSLT committees and groups and with the wider membership. It meets three times a year.

##### **Digital Strategy Oversight Committee (DSOC)**

The DSOC meets monthly and is comprised of three trustees and an expert RCSLT member. Its role is to oversee the development and implementation of the RCSLT's digital strategy at a high level, ensuring the best member digital experience.

##### **Honours committee**

The Honours Committee meets once a year and makes recommendations to the Board regarding awards, fellowships, honorary fellowships and suggestions for national honours.

##### **RCSLT Hubs**

The RCSLT has established 14 hubs across the UK. There are 10 RCSLT Hubs in England, and Northern Ireland, Scotland and Wales are each in themselves RCSLT Hubs. The Isle of Man and Channel Islands have also formed a hub. A member from each of the hubs in England sits on the RCSLT Hub Forum England to ensure joined up working across the hubs. They are a means for the RCSLT to ensure close communication with our members. The RCSLT Hubs are one means to engage more closely with members, which is key to successful delivery of the RCSLT's strategic objectives. The RCSLT Hubs can support:

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

- Two-way engagement and action between RCSLT and all areas of the membership
- Sustainable partnerships and communication between members at a local level
- Development and promotion of innovation, research and best practice

#### **RCSLT Hub Forums**

The RCSLT's regional and national hubs are supported by four hub forums, one for each UK nation. These are charged with developing the hub network and acting as a two-way channel of communication between the Board and the wider membership.

#### **The RCSLT executive**

The officers employed by the RCSLT are committed to the provision of a high-quality service to its members and the public. Most are based at White Hart Yard in London, which is the central point for information and resources. The head of country officers for Northern Ireland and Scotland and the country policy officer for Wales are based in the countries they represent.

#### **Senior management team**

**Chief Executive/Professional Director-** Kamini Gadhok MBE

**Director of Performance and Contracts and Company Secretary -** Brian Gopsill

**Director of Policy and Public Affairs -** Derek Munn

**Head of Professional Development -** Dominique Lowenthal

**Head of Finance and Membership -** Karen Willis

**Head of Events and Marketing -** Sarah Matthews

#### **Statement of policy on remuneration for key management personnel**

The policy of the Board is to report the remuneration of trustees, CEO and the senior management team. The trustees are not remunerated, with the exception of the honorary treasurer, which is allowed by the RCSLT's Memorandum of Association and properly approved by the Board. The employer of the chair is remunerated under contract to take account of the considerable time commitment of the chair to the charity. The senior management team is remunerated according to a fixed-salary scale, with the exception of the CEO, whose salary is determined upon successful performance as measured by key indicators.

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

#### **Relationships between the RCSLT and related parties**

The RCSLT is a member of the Allied Health Professions Federation (AHPF). The aim of this relationship is to bring together organisations to add value and maximise impact by working jointly and influencing on issues of common concern. The chair and CEO attend regular meetings of the AHPF. As reported in the International section above, the RCSLT has links with the International Communication Project and the International Association of Logopedists and Phoniatrists . The RCSLT also works with a range of other partners and stakeholders across research, health, education, social care and justice sectors in the pursuit of its charitable objectives. This includes a range of charities, as well as other sector organisations such as the Health and Care Professions Council and Unite the Union. The RCSLT has also developed working relationships with civil servants in order to influence government policy relating to the development of services to people with communication and swallowing needs and the future of the profession in providing these services.

#### **Statement of responsibilities of the Board**

Company law requires the trustees (who are the directors of the company for the purposes of the Companies Act 2006 and the charitable trustees) to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue on that basis

Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## TRUSTEES REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

#### Statement on public benefit

The trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in reviewing the RCSLT's activities and in planning its future priorities. The public benefits resulting from the activities of the RCSLT are various, from the benefits that members receive from being part of a group promoting best practice and sharing experiences of speech and language therapy, to the beneficiaries of those therapists in improved understanding and delivery of their work. We also seek to inform policy in the UK, ensuring the widest possible benefits to all.

The various aspects of public benefit are contained within the sections above on the focus areas of the RCSLT and our upcoming work in each of those areas.

#### Indemnity Provisions

Qualifying third party indemnity provisions are in force for the Directors throughout the year and remain in force. Under RCSLT's policy, qualifying third party indemnity provisions are also in force currently and throughout the year for the directors of the fully owned subsidiary, CSLT (Trading) Ltd.

#### Application of the Charity Governance Code

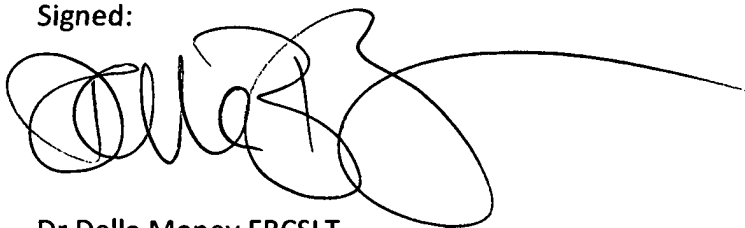
The trustees are committed to the principles of the Charity Governance Code in the ongoing governance of the RCSLT and the development of the Board of Trustees.

#### AUDIT INFORMATION

So far as each of the directors at the time the trustees' report is approved is aware:

- a. There is no relevant information of which the auditors are unaware
- b. They have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Signed:



Dr Della Money FRCSLT

Chair of the Board, on behalf of the trustees

Date: 4 July 2019

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDING 31 MARCH 2019

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

#### Opinion

We have audited the financial statements of The Royal College of Speech and Language Therapists for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheet, the Consolidated Cash Flow Statement, and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's and parent charitable company's net movement in funds, including the 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 Companies Act 2006.

#### Basis for opinion

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

#### Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees (who are also the directors of the charitable company for the purposes of company law) 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's and the parent charitable company'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

# **ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS**

## **INDEPENDENT AUDITOR'S REPORT**

### **FOR THE YEAR ENDING 31 MARCH 2019**

trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **Conclusions relating to going concern**

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

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

#### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## INDEPENDENT AUDITOR'S REPORT

### FOR THE YEAR ENDING 31 MARCH 2019

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included in the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception


In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kathryn Burton (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors

4 July 2019

10 Queen Street Place

London

EC4R 1AG

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2019

|  | Note | Unrestricted<br>General<br>Funds<br>£'000 | Unrestricted<br>Designated<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Total Funds<br>2019<br>£'000 | Total Funds<br>2018<br>£'000 |
|--|------|---|--|------------------------------|------------------------------|------------------------------|
| <b>Income and endowments</b>   |      |   |  |                              |                              |                              |
| Donations and legacies   |      | 6   | -  | -                            | 6                            | -                            |
| Charitable activities  | 3    | 3,791                                     | -  | 63                           | 3,854                        | 3,727                        |
| Other trading activities   | 4    | 639                                       | -  | -                            | 639                          | 688                          |
| Investments  | 6    | 71  | -  | -                            | 71                           | 72                           |
| <b>Total income and endowments</b>                                       |      | <b>4,507</b>                              | <b>-</b>                                     | <b>63</b>                    | <b>4,570</b>                 | <b>4,487</b>                 |
| <b>Expenditure</b>   |      |   |  |                              |                              |                              |
| Raising funds  | 7    | 570                                       | -  | -                            | 570                          | 565                          |
| Charitable activities  | 8    | 3,332                                     | 841  | 72                           | 4,245                        | 4,130                        |
| <b>Total expenditure</b>   |      | <b>3,902</b>                              | <b>841</b>                                   | <b>72</b>                    | <b>4,815</b>                 | <b>4,695</b>                 |
| <b>Net income/(expenditure) before<br/>gains/(losses) on investments</b> |      | <b>605</b>                                | <b>(841)</b>                                 | <b>(9)</b>                   | <b>(245)</b>                 | <b>(208)</b>                 |
| Net gains/(losses) on investments  | 15   | 79  | -  | -                            | 79                           | (12)                         |
| <b>Net income/(expenditure) before<br/>transfers</b>                     |      | <b>684</b>                                | <b>(841)</b>                                 | <b>(9)</b>                   | <b>(166)</b>                 | <b>(220)</b>                 |
| <b>Transfers between funds</b>   |      | <b>(795)</b>                              | <b>795</b>                                   | <b>-</b>                     | <b>-</b>                     | <b>-</b>                     |
| <b>Net movement in funds</b>   |      | <b>(111)</b>                              | <b>(46)</b>                                  | <b>(9)</b>                   | <b>(166)</b>                 | <b>(220)</b>                 |
| Fund balances brought forward  |      | 8,824                                     | 825  | 106                          | 9,755                        | 9,975                        |
| <b>Fund balances carried forward</b>                                     |      | <b>8,713</b>                              | <b>779</b>                                   | <b>97</b>                    | <b>9,589</b>                 | <b>9,755</b>                 |
|  |      | (Note 19)                                 | (Note 19)                                    | (Note 18)                    |                              | (Note 26)                    |

All gains and losses arising in the year are included in the Statement of Financial Activities and arise from continuing activities.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

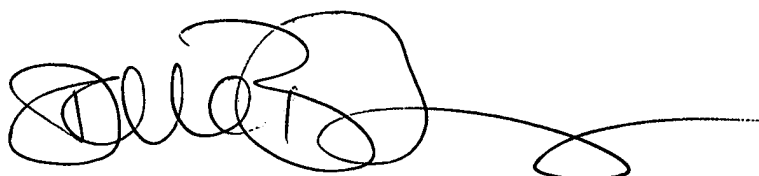
BALANCE SHEET AT 31 MARCH 2019

|   |      | Group               |                     | Charity             |                     |
|---|------|---------------------|---------------------|---------------------|---------------------|
|   | Note | 2019<br>£'000       | 2018<br>£'000       | 2019<br>£'000       | 2018<br>£'000       |
| <b>Fixed Assets</b>                                   |      |                     |                     |                     |                     |
| Tangible fixed assets                                 | 13   | 4,750               | 4,814               | 4,750               | 4,814               |
| Intangible fixed assets                               | 14   | 502                 | 402                 | 502                 | 402                 |
| Investments   | 15   | 3,109               | 3,037               | 3,109               | 3,037               |
|   |      | <u>8,361</u>        | <u>8,253</u>        | <u>8,361</u>        | <u>8,253</u>        |
| <b>Current Assets</b>                                 |      |                     |                     |                     |                     |
| Stock of goods for resale                             |      | 6                   | 7                   | 6                   | 7                   |
| Debtors   | 16   | 482                 | 357                 | 450                 | 359                 |
| Cash at bank and in hand                              |      | 476                 | 850                 | 345                 | 598                 |
| Short-term deposits                                   |      | 768                 | 943                 | 768                 | 943                 |
|   |      | <u>1,732</u>        | <u>2,157</u>        | <u>1,569</u>        | <u>1,907</u>        |
| <b>Creditors: amounts falling due within one year</b> | 17   | <u>(504)</u>        | <u>(655)</u>        | <u>(411)</u>        | <u>(543)</u>        |
| <b>Net Current Assets</b>                             |      | <u>1,228</u>        | <u>1,502</u>        | <u>1,158</u>        | <u>1,364</u>        |
| <b>Net Assets</b>                                     |      | <u><u>9,589</u></u> | <u><u>9,755</u></u> | <u><u>9,519</u></u> | <u><u>9,617</u></u> |
| <b>RESERVES</b>                                       |      |                     |                     |                     |                     |
| <b>Restricted funds</b>                               | 18   | 97                  | 106                 | 97                  | 106                 |
| <b>Unrestricted funds</b>                             | 19   |                     |                     |                     |                     |
| Designated funds                                      |      | 779                 | 825                 | 779                 | 825                 |
| Other unrestricted funds                              |      |                     |                     |                     |                     |
| General funds   |      | 5,639               | 5,653               | 5,639               | 5,653               |
| Revaluation reserve - property                        |      | 3,004               | 3,033               | 3,004               | 3,033               |
| Non charitable trading funds                          |      | 70                  | 138                 | -                   | -                   |
|   |      | <u>9,589</u>        | <u>9,755</u>        | <u>9,519</u>        | <u>9,617</u>        |

The result of the parent Charity for the year was a deficit £98,000 (2018: deficit £353,000).

The financial statements were approved and authorised for issue by the Board on and were signed below on its behalf by:

Della Money Cert MRCSLT  
Chair



Richard Fass FCA  
Hon. Treasurer



4 July 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2019

|  | Note | Total<br>2019<br>£'000 | Total<br>2018<br>£'000 |
|--|------|------------------------|------------------------|
| Operating activities                                   | 22   | (349)                  | (134)                  |
| Investing activities                                   |      |                        |                        |
| Dividends and interest received                        |      | 56                     | 87                     |
| Purchase of tangible fixed assets                      |      | (1)                    | -                      |
| Purchase of intangible fixed assets                    |      | (255)                  | (322)                  |
| Net cash provided/(used) in investing activities       |      | (200)                  | (235)                  |
| Change in cash and cash equivalents in the year        |      | (549)                  | (369)                  |
| Cash and cash equivalents at the beginning of the year | 23   | 1,793                  | 2,162                  |
| Cash and cash equivalents at the end of the year       | 23   | 1,244                  | 1,793                  |

No separate cashflow statement has been prepared for the Charity alone as permitted by section 1 of FRS102.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, with the exceptions of investments and freehold land and buildings which are included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), the Financial Reporting Standard applicable in the UK and Ireland (FRS102) and the Companies Act 2006.

**Preparation of accounts on a going concern basis**

The Charity reported a cash outflow for the year of £428,000 for the charity and £549,000 on a group basis. The Charity holds free reserves after designating funds for projects, in the form of cash and investments, equivalent to 9.6 months' operating costs. After having considered future income and expenditure and cash flow forecasts the Trustees are of the view that the Charity is a going concern.

**Group financial statements**

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are those funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**1. ACCOUNTING POLICIES (continued)**

**Income**

Income is included in the SOFA when the Charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors that a distribution will be made, or when a distribution is received from the estate. Receipt of legacy is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donations and grants, including capital grants, are included in income when these are receivable unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases the amount received is treated as deferred income. Donations and grants for particular purposes are included in income as restricted funds.

Royalties are included in income on an accruals basis.

**Expenditure**

Expenditure is included in the SOFA on an accruals basis. Expenditure attributable to more than one activity is apportioned across cost categories on the basis of the estimated time spent by staff on those activities.

Cost of raising funds is those costs relating to the generation of income and include costs related to the commercial trading activity and the management of investments.

Costs of charitable activities are those costs relating to the activities carried out to meet the objectives of the organisation. These include both directly attributable costs and apportioned support costs.

Support costs relate to those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include administrative support, finance, personnel, general administrative and IT support, premises and governance and are apportioned on a basis considered appropriate to the underlying activities. The bases on which costs have been allocated are set out in note 9.

**Pension costs**

The company makes payments to a defined contribution pension scheme on behalf of all eligible employees. The cost of contributions for the year is shown in note 10. Contributions totalling £nil were outstanding at the end of the year (2018: £nil).

**Operating leases**

The company classifies the lease of printing equipment and short-term accommodation as operating leases. Title to the printing equipment remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (continued)

**Financial instruments**

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable.

Debt instruments that are payable or receivable within one year, being trade and other payables and trade and other receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the SOFA. Any impairment loss is measured as the difference between an asset's carrying amount and recoverable amount.

**Stocks**

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete or slow moving items.

**Tangible fixed assets**

Individual tangible fixed assets costing more than £1,000 are capitalised at cost.

Tangible fixed assets are depreciated at rates calculated to write off the cost of each asset over its anticipated useful life at the following rates:

|                                |               |
|--------------------------------|---------------|
| Freehold building              | 2% per annum  |
| Computer equipment             | 25% per annum |
| Office furniture and equipment | 20% per annum |

Assets under development or construction are not depreciated until brought into operational use.

Freehold land and buildings are recognized at a valuation arrived at by an external valuer in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors. Properties are revalued on a five-year basis.

The freehold land and buildings at White Hart Yard were revalued by BGW McDaniel, a commercial property consultancy company, as at 31 March 2016 on the basis of open market value.

All upward revaluation adjustments are held in the revaluation reserve. Downward revaluation adjustments as a result of consumption of economic benefits are charged to the SOFA. Other downwards revaluations are taken to the revaluation reserve to the extent of previous upwards revaluations and thereafter charged to the SOFA.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 1. ACCOUNTING POLICIES (continued)

#### Intangible fixed assets

Individual intangible fixed assets costing more than £1,000 are capitalised at cost.

Intangible fixed assets are depreciated at rates calculated to write off the cost of each asset over its anticipated useful life at the following rate:

|                      |               |
|----------------------|---------------|
| Software development | 20% per annum |
|----------------------|---------------|

Assets under development or construction are not depreciated until brought into operational use.

#### Investments

Investments are included at market value at the year end.

### 2. COMPANY STATUS

The Charity is a company limited by guarantee. The members of the company are the members of RCSLT. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the RCSLT.

### 3. CHARITABLE ACTIVITIES

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| Subscriptions   | 3,702         | 3,520         |
| Services to Federation of Allied Health Professional Bodies | 79            | 70            |
| Events  | 6             | 89            |
| Grants received   | 64            | 40            |
| Sundry income   | 3             | 8             |
|   | <u>3,854</u>  | <u>3,727</u>  |

### 4. OTHER TRADING ACTIVITIES

|                                     | 2019<br>£'000 | 2018<br>£'000 |
|-------------------------------------|---------------|---------------|
| Commercial trading operations       | 586           | 633           |
| Corporate membership (universities) | 13            | 13            |
| Hire of premises                    | 40            | 42            |
|                                     | <u>639</u>    | <u>688</u>    |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 5. COMMERCIAL TRADING OPERATIONS

The wholly owned trading subsidiary CSLT (Trading) Limited which is incorporated in England and Wales, pays all its profits to the Charity by gift aid. CSLT (Trading) Limited publishes the Bulletin on behalf of the RCSLT, runs its biennial conference and receives royalties in respect of publications.

The Charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

| <b>Summary Profit and loss account</b>   | <b>2019<br/>£'000</b> | <b>2018<br/>£'000</b> |
|--|-----------------------|-----------------------|
| <b>Turnover</b>  |                       |                       |
| Advertising  | 331                   | 350                   |
| Royalties  | 236                   | 242                   |
| Sponsorship Income   | 19                    | 41                    |
|  | <hr/> 586             | <hr/> 633             |
| <b>Cost of sales</b>   |                       |                       |
| Bulletin   | 339                   | 322                   |
| International Journal of Language and Communication Disorders                            | 122                   | 124                   |
|  | <hr/> 461             | <hr/> 446             |
| <b>Gross Profit</b>  | <hr/> 125             | <hr/> 187             |
| Administration expenses  | (2)                   | (2)                   |
| Interest payable   | -                     | -                     |
|  | <hr/> 123             | <hr/> 185             |
| <b>Net profit before transfers to Charity</b>  |                       |                       |
| Payments to Charity for staff costs and overheads attributable to CSLT (Trading) Limited | (58)                  | (52)                  |
| Amount gifted to Charity   | (133)                 | -                     |
|  | <hr/> (68)            | <hr/> 133             |
| <b>Movement in equity</b>  | <hr/> <hr/> (68)      | <hr/> <hr/> 133       |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 5. COMMERCIAL TRADING OPERATIONS (continued)

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| <b>The assets and liabilities of the subsidiary were:</b> |               |               |
| Current assets  | 255           | 368           |
| Creditors: amounts falling due within one year            | (185)         | (230)         |
| <b>Total net assets</b>                                   | <b>70</b>     | <b>138</b>    |
| <b>Represented by:</b>                                    |               |               |
| Aggregate share capital and reserves                      | -             | -             |
| Retained profit in the subsidiary                         | 70            | 138           |
| <b>Aggregate share capital and reserves</b>               | <b>70</b>     | <b>138</b>    |
| <b>Administration expenses</b>                            |               |               |
| Administration expenses include:                          |               |               |
| Audit fees – current year                                 | 1             | 1             |

The administration expenses are included in costs of generating funds in the Consolidated Statement of Financial Activities.

### 6. INVESTMENTS

|                     | 2019<br>£'000 | 2018<br>£'000 |
|---------------------|---------------|---------------|
| Quoted investments  | 66            | 69            |
| Short-term deposits | 4             | 3             |
| Bank interest       | 1             | -             |
|                     | <b>71</b>     | <b>72</b>     |

### 7. RAISING FUNDS

Costs incurred in raising funds were:

|                               | Activities<br>undertaken<br>directly<br>£'000 | Support<br>Costs<br>£'000 | 2019<br>£'000 |
|-------------------------------|---|---------------------------|---------------|
| Investment management fees    | 18  | 16                        | 34            |
| Hire of premises costs        | 5   | 5                         | 10            |
| Sundry trading                | 3   | 2                         | 5             |
| Commercial trading operations | 463   | 58                        | 521           |
|                               | <b>489</b>                                    | <b>81</b>                 | <b>570</b>    |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

7. RAISING FUNDS (continued)

Comparative figures were:

|                               | Activities<br>undertaken<br>directly<br>£'000 | Support<br>Costs<br>£'000 | 2018<br>£'000 |
|-------------------------------|---|---------------------------|---------------|
| Investment management fees    | 22  | 17                        | 39            |
| Hire of premises costs        | 12  | 10                        | 22            |
| Sundry trading                | 2   | 2                         | 4             |
| Commercial trading operations | 448   | 52                        | 500           |
|                               | <u>484</u>                                    | <u>81</u>                 | <u>565</u>    |

8. CHARITABLE ACTIVITIES

|   | Activities<br>undertaken<br>directly<br>£'000 | Support<br>Costs<br>£'000 | 2019<br>£'000 |
|---|---|---------------------------|---------------|
| Supporting high-quality services to members to<br>promote best outcomes for service users | 692   | 1,802                     | 2,494         |
| Influencing policy and information  | 225   | 1,526                     | 1,751         |
|   | <u>917</u>                                    | <u>3,328</u>              | <u>4,245</u>  |

Comparative figures were:

|   | Activities<br>undertaken<br>directly<br>£'000 | Support<br>Costs<br>£'000 | 2018<br>£'000 |
|---|---|---------------------------|---------------|
| Supporting high-quality services to members to<br>promote best outcomes for service users | 763   | 1,550                     | 2,313         |
| Influencing policy and information  | 200   | 1,617                     | 1,817         |
|   | <u>963</u>                                    | <u>3,167</u>              | <u>4,130</u>  |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 9. ANALYSIS OF SUPPORT COSTS

|                      |                              |                           | Supporting<br>high-quality<br>services to<br>members to<br>promote<br>best<br>outcomes<br>for service<br>users | Influencing<br>policy and<br>information | 2019         |
|----------------------|------------------------------|---------------------------|--|--|--------------|
|                      | Basis of allocation          | Raising<br>Funds<br>£'000 | £'000  | £'000                                    | £'000        |
| Direct staff costs   | Allocated on time            | 40                        | 768  | 663                                      | 1,471        |
| Indirect staff costs | Pro-rata to direct staff FTE | 16                        | 373  | 295                                      | 684          |
| Staff related costs  | Pro-rata to staff costs      | 2                         | 31   | 27                                       | 60           |
| General admin costs  | Pro-rata to staff costs      | 2                         | 46   | 40                                       | 88           |
| Premises             | Pro-rata to staff costs      | 3                         | 57   | 48                                       | 108          |
| IT support costs     | Pro-rata to staff costs      | 5                         | 84   | 73                                       | 162          |
| Digital development  | Pro-rata to staff costs      | -                         | 211  | 181                                      | 392          |
| Finance              | Pro-rata to staff costs      | 11                        | 186  | 160                                      | 357          |
| Governance           | Pro-rata to staff costs      | 2                         | 46   | 39                                       | 87           |
|                      |                              | <u>81</u>                 | <u>1,802</u>   | <u>1,526</u>                             | <u>3,409</u> |

Comparative figures were:

|                      |                              |                           | Supporting<br>high-quality<br>services to<br>members to<br>promote<br>best<br>outcomes<br>for service<br>users | Influencing<br>policy and<br>information | 2018         |
|----------------------|------------------------------|---------------------------|--|--|--------------|
|                      | Basis of allocation          | Raising<br>Funds<br>£'000 | £'000  | £'000                                    | £'000        |
| Direct staff costs   | Allocated on time            | 36                        | 640  | 716                                      | 1,392        |
| Indirect staff costs | Pro-rata to direct staff FTE | 17                        | 397  | 321                                      | 735          |
| Staff related costs  | Pro-rata to staff costs      | 5                         | 75   | 84                                       | 164          |
| General admin costs  | Pro-rata to staff costs      | 3                         | 52   | 59                                       | 114          |
| Premises             | Pro-rata to staff costs      | 3                         | 43   | 49                                       | 95           |
| IT support costs     | Pro-rata to staff costs      | 3                         | 52   | 59                                       | 114          |
| Digital development  | Pro-rata to staff costs      | -                         | 91   | 103                                      | 194          |
| Finance              | Pro-rata to staff costs      | 11                        | 163  | 184                                      | 358          |
| Governance           | Pro-rata to staff costs      | 3                         | 37   | 42                                       | 82           |
|                      |                              | <u>81</u>                 | <u>1,550</u>   | <u>1,617</u>                             | <u>3,248</u> |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 10. ANALYSIS OF REMUNERATION

|                                       | 2019<br>£'000 | 2018<br>£'000 |
|---------------------------------------|---------------|---------------|
| Salaries and wages                    | 1,926         | 1,782         |
| Social security costs                 | 207           | 190           |
| Pension costs                         | 328           | 307           |
| Staff employed by other organisations | 18            | 18            |
| Temporary staff costs                 | 159           | 139           |
| <b>Total staff costs</b>              | <b>2,638</b>  | <b>2,436</b>  |

The number of higher paid employees was:

|                     | 2019<br>No. | 2018<br>No. |
|---------------------|-------------|-------------|
| £60,001 - £70,000   | 1           | 1           |
| £70,001 - £80,000   | 4           | 4           |
| £120,001 - £130,000 | 1           | 1           |

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are charged to designated, restricted and unrestricted funds as appropriate.

Reimbursement was made to the employers of 3 (2018: 2) trustees under the provisions of the Memorandum and Articles of the charity totalling £21,000 (2018: £24,000) in respect of the time spent by those trustees on charity business. No other trustees were paid or received any benefits from employment with the charity or its subsidiary in the year. Payments during the year were:

|  | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| Marlingford Consulting – in respect of Lorna Bailey, Honorary Treasurer to 4 October 2018              | 2             | 6             |
| Tayside NHS Board – in respect of Morag Dorward, Chair to 4 October 2018                               | 9             | 18            |
| Nottinghamshire Healthcare NHS Foundation Trust – in respect of Della Money, Chair from 4 October 2018 | 10            | -             |
| <b>Total reimbursement to employers of trustees</b>  | <b>21</b>     | <b>24</b>     |

Expenses totalling £29,000 (2018: £33,000) relating to 17 (2018: 16) trustees were reimbursed in the year. These related to travel and incidental costs incurred in carrying out their duties.

The key management personnel of the parent charity, RCSLT, comprise the trustees, the CEO and the other members of the senior management team. The total benefits of the key management personnel of the charity were £611,000 (2018: £606,000).

Payments arising from the termination of 1 (2018: 1) contract of employment totalling £11,000 (2018: £2,000) were made during the year.



# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 11. STAFF NUMBERS

The average monthly number of employees and the average monthly number of full-time equivalents (including ex-officio directors) employed by the group during the year were:

|  | 2019<br>No. | 2018<br>No. |
|--|-------------|-------------|
| Raising funds  | 1           | 1           |
| Supporting high-quality services to members to promote best outcomes for service users | 19          | 18          |
| Influencing policy and information   | 18          | 19          |
| Administration   | 13          | 12          |
| <b>Actual</b>  | <b>51</b>   | <b>50</b>   |
|  |             |             |
|  | 2019<br>No. | 2018<br>No. |
| Raising funds  | -           | -           |
| Supporting high-quality services to members to promote best outcomes for service users | 19          | 18          |
| Influencing policy and information   | 15          | 14          |
| Administration   | 13          | 13          |
| <b>Full-time Equivalents</b>   | <b>47</b>   | <b>45</b>   |

The subsidiary CSLT (Trading) Ltd had nil employees (2018: nil). A recharge of £40,000 (2018: £36,000) was made to CSLT (Trading) Ltd in respect of staff costs attributable to CSLT (Trading) Ltd.

### 12. NET INCOME/EXPENDITURE FOR THE YEAR

Net income/expenditure for the year are stated after charging:

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| Depreciation of tangible assets                                       | 65            | 75            |
| Amortisation of intangible assets                                     | 35            | -             |
| Impairment of intangible assets (charged to digital strategy project) | 120           | (23)          |
| Audit fee (Group)   | 11            | 13            |
| Non-audit fees (Group)  | 1             | 10            |
| Rental charge payable in respect of operating leases                  | 10            | 45            |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

13. TANGIBLE FIXED ASSETS

All tangible assets relate to the Charity and are used for charitable purposes.

|                          | Freehold Land<br>and Buildings<br>£'000 | Group and Charity<br>Office<br>Furniture and<br>Equipment<br>£'000 | Computer<br>Equipment<br>£'000 | Total<br>£'000 |
|--------------------------|---|--|--------------------------------|----------------|
| <b>Cost or valuation</b> |   |  |                                |                |
| At 1 April 2018          | 4,923                                   | 44   | 72                             | 5,039          |
| Additions                | -                                       | -  | 1                              | 1              |
| Disposals                | -                                       | -  | (26)                           | (26)           |
| At 31 March 2019         | 4,923                                   | 44   | 47                             | 5,014          |
| <b>Depreciation</b>      |   |  |                                |                |
| At 1 April 2018          | 119                                     | 43   | 63                             | 225            |
| Charge for the year      | 59                                      | 1  | 5                              | 65             |
| Disposals                | -                                       | -  | (26)                           | (26)           |
| At 31 March 2019         | 178                                     | 44   | 42                             | 264            |
| <b>Net book value</b>    |   |  |                                |                |
| At 31 March 2019         | 4,745                                   | -  | 5                              | 4,750          |
| At 31 March 2018         | 4,804                                   | 1  | 9                              | 4,814          |

The property was revalued at open market value with effect from 31 March 2016 by BGW McDaniel, Chartered Surveyors. The historical cost of the property was £1,833,000.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 14. INTANGIBLE FIXED ASSETS

All intangible assets relate to the Charity and are used for charitable purposes.

|                          | Group and Charity<br>Digital Development<br>£'000 |
|--------------------------|---|
| <b>Cost or valuation</b> |   |
| At 1 April 2018          | 522   |
| Additions                | 255   |
| Disposals                | (240)   |
|                          | <hr/>   |
| At 31 March 2019         | 537   |
|                          | <hr/>   |
| <b>Amortisation</b>      |   |
| At 1 April 2018          | 120   |
| Charge for the year      | 35  |
| Disposals                | (120)   |
|                          | <hr/>   |
| At 31 March 2019         | 35  |
|                          | <hr/>   |
| <b>Net book value</b>    |   |
| At 31 March 2019         | 502   |
|                          | <hr/>   |
| At 31 March 2018         | 402   |
|                          | <hr/>   |

### 15. INVESTMENTS

Movement in investments during the period was:

|  | Cash<br>£'000 | Group and Charity<br>Listed<br>Investments<br>£'000 | Total<br>£'000 |
|--|---------------|---|----------------|
| Market value at 1 April 2018                             | 130           | 2,907   | 3,037          |
| Disposal proceeds  | 1,683         | (1,683)   | -              |
| Investment income retained                               | 16            | -   | 16             |
| Purchases  | (1,615)       | 1,615   | -              |
| Gain/(loss) on disposal compared to opening market value | -             | (162)   | (162)          |
| Gain/(loss) on revaluation                               | -             | 241   | 241            |
| Management charges paid                                  | (23)          | -   | (23)           |
|  | <hr/>         | <hr/>   | <hr/>          |
| <b>Market value at 31 March 2019</b>                     | 191           | 2,918   | 3,109          |
|  | <hr/>         | <hr/>   | <hr/>          |
| <b>Historical cost</b>                                   | 191           | 2,524   | 2,715          |
|  | <hr/>         | <hr/>   | <hr/>          |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

16. DEBTORS

|                                | Group      |            | Charity    |            |
|--------------------------------|------------|------------|------------|------------|
|                                | 2019       | 2018       | 2019       | 2018       |
|                                | £'000      | £'000      | £'000      | £'000      |
| Trade debtors                  | 77         | 57         | 38         | 11         |
| Subsidiary undertaking         | -          | -          | 92         | 117        |
| Prepayments and accrued income | 379        | 286        | 294        | 217        |
| Other debtors                  | 26         | 14         | 26         | 14         |
|                                | <u>482</u> | <u>357</u> | <u>450</u> | <u>359</u> |

17. CREDITORS: amounts falling due within one year

|                              | Group      |            | Charity    |            |
|------------------------------|------------|------------|------------|------------|
|                              | 2019       | 2018       | 2019       | 2018       |
|                              | £'000      | £'000      | £'000      | £'000      |
| Trade creditors              | 114        | 271        | 89         | 224        |
| Accruals and deferred income | 278        | 258        | 210        | 192        |
| Taxation and social security | 93         | 113        | 93         | 113        |
| Other creditors              | 19         | 13         | 19         | 14         |
|                              | <u>504</u> | <u>655</u> | <u>411</u> | <u>543</u> |

Deferred income represents subscriptions received in advance of the annual renewal on 1 April.

|   | Group and Charity |           |
|---|-------------------|-----------|
|   | 2019              | 2018      |
|   | £'000             | £'000     |
| At 1 April  | 41                | 77        |
| Amounts received in advance of annual renewal of membership | 42                | 41        |
| Amounts released to Statement of Financial Activities       | (41)              | (77)      |
|   | <u>42</u>         | <u>41</u> |
| At 31 March   | <u>42</u>         | <u>41</u> |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 18. RESTRICTED FUNDS

|    |   | At 31 March<br>2018<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Transfers<br>£'000 | At 31 March<br>2019<br>£'000 |
|----|---|------------------------------|-----------------|----------------------|--------------------|------------------------------|
| 1  | Shirley Davis Welfare Fund                | 7                            | -               | (1)                  | -                  | 6                            |
| 2  | Catherine Renfrew Fund                    | 3                            | -               | -                    | -                  | 3                            |
| 3  | Penny Harrison Fund                       | 1                            | -               | -                    | -                  | 1                            |
| 4  | TASLTM Fund                               | 32                           | -               | (25)                 | -                  | 7                            |
| 5  | Sir Sigmund Sternberg Award               | -                            | 1               | (1)                  | -                  | -                            |
| 6  | Future Therapists' Fund                   | 4                            | -               | -                    | -                  | 4                            |
| 7  | RCSLT Hubs Fund                           | 16                           | -               | (3)                  | -                  | 13                           |
| 8  | My Journey, My Voice                      | 14                           | -               | (2)                  | -                  | 12                           |
| 9  | Workforce Transformation                  | 9                            | -               | 3                    | -                  | 12                           |
| 10 | Interprofessional Dysphagia Guidelines    | 20                           | -               | (1)                  | -                  | 19                           |
| 11 | AHP workforce                             | -                            | 20              | -                    | -                  | 20                           |
| 12 | Changing the Conversation                 | -                            | 18              | (18)                 | -                  | -                            |
| 13 | SLC Screening Tool for Appropriate Adults | -                            | 24              | (24)                 | -                  | -                            |
|    |   | <u>106</u>                   | <u>63</u>       | <u>(72)</u>          | <u>-</u>           | <u>97</u>                    |

Comparatives figures were:

|    |  | At 31 March<br>2017<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Transfers<br>£'000 | At 31 March<br>2018<br>£'000 |
|----|--|------------------------------|-----------------|----------------------|--------------------|------------------------------|
| 1  | Shirley Davis Welfare Fund             | 7                            | -               | -                    | -                  | 7                            |
| 2  | Catherine Renfrew Fund                 | 2                            | -               | -                    | 1                  | 3                            |
| 3  | Penny Harrison Fund                    | 1                            | -               | -                    | -                  | 1                            |
| 4  | TASLTM Fund                            | 32                           | -               | -                    | -                  | 32                           |
| 5  | Sir Sigmund Sternberg Award            | -                            | 2               | (2)                  | -                  | -                            |
| 6  | Future Therapists' Fund                | 4                            | -               | -                    | -                  | 4                            |
| 7  | RCSLT Hubs Fund                        | 18                           | -               | -                    | (2)                | 16                           |
| 8  | My Journey, My Voice                   | 16                           | -               | (2)                  | -                  | 14                           |
| 9  | Workforce Transformation               | -                            | 18              | (9)                  | -                  | 9                            |
| 10 | Interprofessional Dysphagia Guidelines | -                            | 20              | -                    | -                  | 20                           |
|    |  | <u>80</u>                    | <u>40</u>       | <u>(13)</u>          | <u>(1)</u>         | <u>106</u>                   |

- 1 The Shirley Davis Welfare Fund was established to assist members who are in hardship.
- 2 The Catherine Renfrew Fund was established to provide study grants to enable members to travel overseas.
- 3 The Penny Harrison Fund was established to fund bursaries for support workers, newly-qualified therapists and students to attend the RCSLT scientific conferences.

**18. RESTRICTED FUNDS (continued)**

- 4 The Association of Speech and Language Therapy Managers (TASLTM) Fund was set up for use by the Management Board to support development and training opportunities for SLTs in management.
- 5 The Sir Sigmund Sternberg Award represents an amount received which was awarded as two individual grants for clinical innovation.
- 6 The Future Therapists' Fund represents grants received from the Department of Health and the North West London Workforce Development Confederation for the development of a website and an educational resource on behalf of the Allied Health Profession Federation.
- 7 The RCSLT Hubs Fund represents grants received from the East Midlands Local Education and Training Board ("LETB") for the development of the East Midlands RCSLT Hub.
- 8 The My Journey, My Voice Project represents a grant received from the Health and Social Care Board Northern Ireland to support an exhibition of service user portraits and stories in the Northern Ireland Assembly and community venues.
- 9 The Workforce Transformation Fund represents monies received from Health Education England to support projects relating to workforce transformation.
- 10 The Interprofessional Dysphagia Guidelines Fund represents monies received from Health Education England to support development of the national dysphagia workforce competencies.
- 11 The AHP Workforce Fund represents monies received from Health Education England to support the updating of a national dysphagia workforce competency framework.
- 12 Changing the Conversation represents a grant received from Department for Education for a joint project with ICAN to improve vocabulary amongst pre-school children.
- 13 The SLC Screening Tool for Appropriate Adults represents a Scottish Government funded project to develop a tool to assess those entering the justice system.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 19. UNRESTRICTED FUNDS

|  | At<br>31 March<br>2018<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Investment<br>Gains/<br>Revaluation<br>£'000 | Transfers<br>£'000 | At<br>31 March<br>2019<br>£'000 |
|--|---------------------------------|-----------------|----------------------|--|--------------------|---------------------------------|
| <b>Designated funds</b>                |                                 |                 |                      |  |                    |                                 |
| <u>Supporting Members</u>              |                                 |                 |                      |  |                    |                                 |
| 1 Outcome Measures Project             | 76                              | -               | (78)                 | -  | 33                 | 31                              |
| 2 Professional Guidance                | 157                             | -               | (107)                | -  | 69                 | 119                             |
| 3 Learning Solutions and Products      | 54                              | -               | (34)                 | -  | 48                 | 68                              |
| 4 Research and Development             | 62                              | -               | (71)                 | -  | 75                 | 66                              |
| 5 Clinically Applied Research Resource | 15                              | -               | -                    | -  | (15)               | -                               |
| 6 Development of RCSLT Hubs            | 51                              | -               | (54)                 | -  | 9                  | 6                               |
| 7 Children's Services Strategy         | 1                               | -               | (2)                  | -  | 1                  | -                               |
| 8 75 <sup>th</sup> Anniversary         | -                               | -               | -                    | -  | 5                  | 5                               |
| <u>Influencing Policy</u>              |                                 |                 |                      |  |                    |                                 |
| 9 Giving Voice Campaign                | 35                              | -               | (31)                 | -  | 16                 | 20                              |
| 10 Public Affairs Support              | 62                              | -               | (66)                 | -  | 38                 | 34                              |
| 11 Research Projects                   | 5                               | -               | (6)                  | -  | 3                  | 2                               |
| 12 PR Support                          | -                               | -               | -                    | -  | 30                 | 30                              |
| 13 Communication Symbol                | -                               | -               | -                    | -  | 20                 | 20                              |
| <u>Admin</u>                           |                                 |                 |                      |  |                    |                                 |
| 14 IT Development                      | 158                             | -               | (243)                | -  | 285                | 200                             |
| 15 Digital Transition                  | 149                             | -               | (149)                | -  | 178                | 178                             |
| <b>Designated funds</b>                | <b>825</b>                      | <b>-</b>        | <b>(841)</b>         | <b>-</b>                                     | <b>795</b>         | <b>779</b>                      |
| <b>Other unrestricted funds</b>        |                                 |                 |                      |  |                    |                                 |
| General funds                          | 5,653                           | 3,921           | (3,439)              | 79   | (575)              | 5,639                           |
| Revaluation reserve - property         | 3,033                           | -               | -                    | -  | (29)               | 3,004                           |
| Non charitable trading funds           | 138                             | 586             | (463)                | -  | (191)              | 70                              |
| <b>Other unrestricted funds</b>        | <b>8,824</b>                    | <b>4,507</b>    | <b>(3,902)</b>       | <b>79</b>                                    | <b>(795)</b>       | <b>8,713</b>                    |
|  | <b>9,649</b>                    | <b>4,507</b>    | <b>(4,743)</b>       | <b>79</b>                                    | <b>-</b>           | <b>9,492</b>                    |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 19. UNRESTRICTED FUNDS (continued)

Comparatives figures were:

|   | At<br>31 March<br>2017<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Investment<br>Gains/<br>Revaluation<br>£'000 | Transfers<br>£'000 | At<br>31 March<br>2018<br>£'000 |
|---|---------------------------------|-----------------|----------------------|--|--------------------|---------------------------------|
| <b>Designated funds</b>                   |                                 |                 |                      |  |                    |                                 |
| <u>Supporting Members</u>                 |                                 |                 |                      |  |                    |                                 |
| 1 Outcome Measures Project                | 69                              | -               | (107)                | -  | 114                | 76                              |
| 2 Professional Guidance                   | 40                              | -               | (30)                 | -  | 147                | 157                             |
| 3 Learning Solutions and Products         | 55                              | -               | (51)                 | -  | 50                 | 54                              |
| 4 Research and Development                | 131                             | -               | (52)                 | -  | (17)               | 62                              |
| 5 Clinically Applied Research Resource    | -                               | -               | -                    | -  | 15                 | 15                              |
| 6 Development of RCSLT Hubs               | 55                              | -               | (44)                 | -  | 40                 | 51                              |
| 7 Children's Services Strategy            | 31                              | -               | (30)                 | -  | -                  | 1                               |
| Curriculum Guidelines                     | 73                              | -               | (61)                 | -  | (12)               | -                               |
| <u>Influencing Policy and Information</u> |                                 |                 |                      |  |                    |                                 |
| 9 Giving Voice Campaign                   | 27                              | -               | (16)                 | -  | 24                 | 35                              |
| 10 Public Affairs Support                 | 57                              | -               | (55)                 | -  | 60                 | 62                              |
| 11 Research Projects                      | 20                              | -               | (21)                 | -  | 6                  | 5                               |
| <u>Admin</u>                              |                                 |                 |                      |  |                    |                                 |
| 14 IT Development                         | 312                             | -               | (195)                | -  | 41                 | 158                             |
| 15 Digital Transition                     | -                               | -               | -                    | -  | 149                | 149                             |
| <b>Designated funds</b>                   | <b>870</b>                      | <b>-</b>        | <b>(662)</b>         | <b>-</b>                                     | <b>617</b>         | <b>825</b>                      |
| <b>Other unrestricted funds</b>           |                                 |                 |                      |  |                    |                                 |
| General funds                             | 5,959                           | 3,814           | (3,572)              | (12)   | (536)              | 5,653                           |
| Revaluation reserve - property            | 3,061                           | -               | -                    | -  | (28)               | 3,033                           |
| Non charitable trading funds              | 5                               | 633             | (448)                | -  | (52)               | 138                             |
| <b>Other unrestricted funds</b>           | <b>9,025</b>                    | <b>4,447</b>    | <b>(4,020)</b>       | <b>(12)</b>                                  | <b>(616)</b>       | <b>8,824</b>                    |
|   | <b>9,895</b>                    | <b>4,447</b>    | <b>(4,682)</b>       | <b>(12)</b>                                  | <b>1</b>           | <b>9,649</b>                    |

- 1 The Outcome Measures Project represents funding to support members with the development of outcome measures.
- 2 The Professional Guidance Fund has been established to ensure regular updates of current professional guidance and the development of new guidance and standards.
- 3 The Learning Solutions and Products Fund is money set aside to develop resources notably in connection with dementia and other age-related conditions leading to communication difficulties.
- 4 Research and development represents an amount set aside to fund research and development.
- 5 The Clinically Applied Research Resource is money set aside to support the dissemination of research into clinical practice.
- 6 The RCSLT Hubs Development Fund supports the development of regional professional networks, including supporting members to develop and disseminate research and evidence-based practice.



**19. UNRESTRICTED FUNDS (continued)**

- 7 The Children's Services Strategy is a project to co-produce a UK-wide strategy for speech and language therapy services for children and young people.
- 8 The 75th Anniversary Project is money set aside for events and other activities relating to the 75th Anniversary of the RCSLT in 2020.
- 9 The Giving Voice Campaign fund has been set up to undertake campaigns for engaging service users and carers, fellow professionals and partner groups to raise awareness and influence key decision makers to improve speech and language therapy services.
- 10 Public affairs Support represents the funds set aside to support campaigning and influencing activities.
- 11 Research Projects fund has been set aside to support the proactive commissioning of research to support the RCSLT's policy influencing goals.
- 12 PR support relates to media and influencing work in Northern Ireland.
- 13 Communication Symbol represents funds set aside for the joint development with other charities and international professional bodies of an international communication symbol and associated standards and training.
- 14 IT Development represents funds set aside for the redevelopment of the website and CRM system.
- 15 The Digital Transition Fund represents monies set aside to provide additional resources to support the delivery of the digital transformation strategy.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

20. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

|                         | Unrestricted funds |              | Restricted |              |
|-------------------------|--------------------|--------------|------------|--------------|
|                         | Designated         | Other        | Funds      | 2019         |
|                         | £'000              | £'000        | £'000      | £'000        |
| Tangible fixed assets   | -                  | 4,750        | -          | 4,750        |
| Intangible fixed assets | -                  | 502          | -          | 502          |
| Investments             | -                  | 3,109        | -          | 3,109        |
| Net current assets      | 779                | 352          | 97         | 1,228        |
|                         | <u>779</u>         | <u>8,713</u> | <u>97</u>  | <u>9,589</u> |

Comparative figures were:

|                         | Unrestricted funds |              | Restricted |              |
|-------------------------|--------------------|--------------|------------|--------------|
|                         | Designated         | Other        | Funds      | 2018         |
|                         | £'000              | £'000        | £'000      | £'000        |
| Tangible fixed assets   | -                  | 4,814        | -          | 4,814        |
| Intangible fixed assets | -                  | 402          | -          | 402          |
| Investments             | -                  | 3,037        | -          | 3,037        |
| Net current assets      | 825                | 571          | 106        | 1,502        |
|                         | <u>825</u>         | <u>8,824</u> | <u>106</u> | <u>9,755</u> |

21. OPERATING LEASE COMMITMENTS

At 31 March 2019 the Charity had commitments falling due under operating leases:

|           | Land & Buildings |          | Equipment |          |
|-----------|------------------|----------|-----------|----------|
|           | 2019             | 2018     | 2019      | 2018     |
|           | £'000            | £'000    | £'000     | £'000    |
| <1 year   | -                | -        | 3         | 3        |
| 1-5 years | -                | -        | 2         | 5        |
| >5 years  | -                | -        | -         | -        |
| Total     | <u>-</u>         | <u>-</u> | <u>5</u>  | <u>8</u> |

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 22. NET CASH FLOW FROM OPERATING ACTIVITIES

|  | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| Net incoming/(outgoing) resources                    | (166)         | (220)         |
| Adjustments for:                                     |               |               |
| Depreciation of tangible fixed assets                | 65            | 75            |
| Amortization of intangible fixed assets              | 35            | -             |
| Loss/(profit) on disposal of tangible fixed assets   | -             | -             |
| Loss/(profit) on disposal of intangible fixed assets | 120           | -             |
| Loss/(gain) on investments                           | (79)          | 12            |
| Investment income                                    | (71)          | (72)          |
| Investment management fee deducted from portfolio    | 22            | 22            |
| (Increase)/decrease in stock                         | 1             | (2)           |
| (Increase)/decrease in debtors                       | (125)         | (23)          |
| Increase/(decrease) in creditors                     | (151)         | 74            |
|  | <u>(349)</u>  | <u>(134)</u>  |

### 23. ANALYSIS OF CASH AND CASH EQUIVALENTS

|  | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| Cash in hand                             | 476           | 850           |
| Notice deposits (less than three months) | 768           | 943           |
|  | <u>1,244</u>  | <u>1,793</u>  |

### 24. RELATED PARTY TRANSACTIONS

In 2019 the following transactions took place between the Trust and its wholly owned subsidiary CSLT (Trading) Limited:

- The provision of various services including staff time and related overheads of £58,000 (2018: £52,000)
- The transfer under gift aid of the trading profits of CSLT (Trading) Limited to the Charity of £133,000 (2018: £nil) of which £nil was outstanding at 31 March 2019 (2018: £nil).

### 25. CORPORATION TAXATION

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains act 1992 to the extent that these are applied to its charitable objects.

# ROYAL COLLEGE OF SPEECH AND LANGUAGE THERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 26. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

|  | Note | Unrestricted<br>Funds<br>£'000 | Designated<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Total Funds<br>£'000 |
|--|------|--------------------------------|------------------------------|------------------------------|----------------------|
| <b>Income and endowments</b>   |      |                                |                              |                              |                      |
| Donations and legacies   |      | -                              | -                            | -                            | -                    |
| Charitable activities  | 3    | 3,687                          | -                            | 40                           | 3,727                |
| Other trading activities   | 4    | 688                            | -                            | -                            | 688                  |
| Investments  | 6    | 72                             | -                            | -                            | 72                   |
| <b>Total income and endowments</b>                                   |      | <b>4,447</b>                   | <b>-</b>                     | <b>40</b>                    | <b>4,487</b>         |
| <b>Expenditure</b>   |      |                                |                              |                              |                      |
| Raising funds  | 7    | 565                            | -                            | -                            | 565                  |
| Charitable activities  | 8    | 3,455                          | 662                          | 13                           | 4,130                |
| <b>Total expenditure</b>   |      | <b>4,020</b>                   | <b>662</b>                   | <b>13</b>                    | <b>4,695</b>         |
| <b>Net income/(expenditure) before gains/(losses) on investments</b> |      | <b>427</b>                     | <b>(662)</b>                 | <b>27</b>                    | <b>(208)</b>         |
| Net gains/(losses) on investments                                    | 15   | (12)                           | -                            | -                            | (12)                 |
| <b>Net income/(expenditure) before transfers</b>                     |      | <b>415</b>                     | <b>(662)</b>                 | <b>27</b>                    | <b>(220)</b>         |
| <b>Transfers between funds</b>                                       |      | <b>(616)</b>                   | <b>617</b>                   | <b>(1)</b>                   | <b>-</b>             |
| <b>Net movement in funds</b>   |      | <b>(201)</b>                   | <b>(45)</b>                  | <b>26</b>                    | <b>(220)</b>         |
| Fund balances brought forward  |      | 9,025                          | 870                          | 80                           | 9,975                |
| <b>Fund balances carried forward</b>                                 |      | <b>8,824</b>                   | <b>825</b>                   | <b>106</b>                   | <b>9,755</b>         |