
**Academy of
Medical Royal
Colleges**

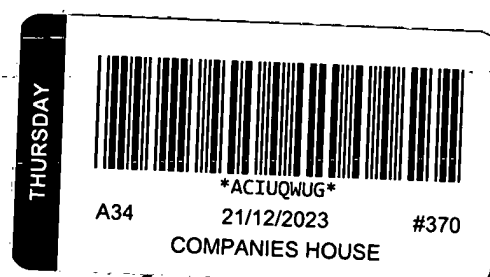


The Academy of Medical Royal Colleges Trustees' Annual Report

For the year 1 April 2022 to 31 March 2023

Company Number: 03166361

Charity Number: 1056565



The Trustees present their report and the financial statements of the Academy of Medical Royal Colleges ("the Academy"). The financial statements comply with current statutory requirements, the memorandum and articles of association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP) applicable to charities preparing their accounts in accordance with FRS 102.

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The charitable objectives for which the charity was established and registered are stated in the Academy's Memorandum and Articles of Association as follows:

"The protection and preservation of health and the relief of sickness by supporting, promoting and co-ordinating the work of the Medical Royal Colleges and their Faculties as defined in their respective Charters and by providing a forum for discussion and collaboration among the Medical Royal Colleges and their Faculties (but without prejudice to the autonomy of each such body) so as to promote for the benefit of the public the efficiency and effectiveness of the Medical Royal Colleges and their Faculties"

Benefits and Beneficiaries

The charity's ultimate beneficiaries are patients, and benefits to patients are provided through continuing to share and co-ordinate the work of the Colleges and Faculties.

Trustees' Assessment of Public Benefit

The Trustees have taken the Charity Commission's general guidance on public benefit into consideration in preparing their statements on public benefit contained within this Trustees' annual report. The Trustees are of the view that the pursuit of the Academy's objects provides public benefit as follows:

- Through ensuring that all the work of the Academy starts from a patient-centred approach and either is aimed directly or indirectly at improving the quality of care for patients.
- Through the delivery of projects which have potential benefit to patients.
- Through the work of the Academy's Patient/Lay group, the co-option of the Chair of the Patient/Lay group onto the Academy Council and the involvement of lay members in all the major work streams run by the Academy such as education and quality improvement.
- Through the support of cross-College activity which has an express aim of providing public benefit.

Main Activities

- In pursuance of its charitable objectives, the Academy's principal activity is sharing and coordinating the work of the Colleges and Faculties.
- The Academy undertakes project work in areas which cross College/Faculty boundaries. In particular, the Academy co-ordinates College and Faculty activity on issues relating to education and training, quality improvement and workforce.
- The Academy also supports and promotes the Medical Training Initiative (MTI) which enables overseas doctors to train in the UK for a limited period.
- The Academy regularly meets Ministers and senior staff from the UK Department of Health and Social Care and national level health services bodies to discuss issues of concern to the Colleges and Faculties relating to quality standards and postgraduate training and education. The Academy also responds to relevant consultation documents on generic issues.

Policy Priorities

The Academy reviews its policy priorities on an annual basis. In 2022-23 this was achieved in the context of two overarching health policy objectives:

- Addressing the workforce requirements of the health and care sector in order to improve patient care, and
- Articulating a practical vision for a sustainable health and care system for the benefit of patients and the public.

These overarching health policy objectives were achieved through the following workstreams:

- Workforce
- Education and training
- System improvement (Today's NHS)
- Rethinking medicine and a sustainable future NHS (Tomorrow's NHS)

ACHIEVEMENTS AND PERFORMANCE

The Academy achieved its objectives through the following specific projects and activities:

- *Workforce: Seeking to ensure we have the appropriate workforce, in the right numbers, properly supported and valued.*

- Creation of a new workforce committee to identify, explore, and agree an Academy position on key workforce issues, including recruitment and retention, flexible working (including portfolio careers), wellbeing, future workforce planning, the changing shape of the profession (including trainees, Speciality and Specialist doctors (SAS), Locally Employed Doctors, and consultants and GPs), multi-professional team working, and new ways of working across healthcare.
- We continue to provide a cross-college view on cross-cutting issues which affect doctors and patients to government and other policy makers in all four nations as well as many national working groups and committees. Our work on 'enhancing junior doctors' working lives', the Medical and Dental Recruitment and Selection Board and the GMC consultation on updating Good Medical Practice – where we are coordinating members' views - are good examples of this.
- We continue as the national visa sponsor for the Medical Training Initiative scheme, providing advice and support to members where appropriate.
- The major accomplishment was to ensure the publication of a Long-Term Workforce Plan for the NHS in England in June 2023. This set out how many new doctors will be trained and entering the healthcare system in the coming years. It also outlined changes to the way doctors will be educated and trained and set out some new flexible ways of working which will be required in the coming years. The Academy has led the campaign for this important work for the last three years and has been at the forefront of a network of more than a hundred charities, think tanks and lobby groups in ensuring this document is published by NHSE.
- Education and Training: *Supporting Colleges in maintaining excellence in medical education and training to ensure the highest quality delivery of care.*
 - The creation of principles and guidance for all members on exam preparation, feedback, and support; nullification of exam attempts; and jointly hosting a workshop with the GMC on fairer training cultures.
 - Evaluating a new foundation programme curriculum proved very positive with a few areas highlighted for continued consideration.
 - Evaluation is also being undertaken of the new Medical Appraisal 2022 guide, and consideration of better ways of seeking patient feedback. Work is being undertaken to optimise assessment for all parties.
 - Contributions were made by the SAS and trainee doctors to the NHS@75 celebrations.
- System improvement (i.e. Today's NHS) – *Seeking to improve the operational efficiency and effectiveness of the NHS for the benefit of patients and staff.*

- Supporting NHS initiatives to help ease the post-Covid backlog. These specifically included continued work on the Evidence-based Interventions programme which is led by the Academy and is now in its fourth year. This initiative is designed to ensure the reduction of inappropriate tests, treatments and procedures where alternatives may be better and safer for the patient. The current focus is on urology, but there is a suite of more than 60 interventions now being used by clinicians to improve the quality of care and which have a direct benefit to patients and the public.
- The Academy also published a well-received report in September 2022 - Fixing the NHS which attracted widespread media attention because it outlined what problems the NHS is currently facing and what the solutions might be. It did not apportion blame directly, but it did set out a pathway towards recovery for the NHS.
- In the Winter of 22/23 a team from the Academy researched and wrote a report Working Better Together which gave more than fifty examples of how doctors and system leaders can remove the friction that occurs at the primary and secondary care interface. This has a direct benefit on patients and NHS staff freeing up valuable time and resources which can be more appropriately directed towards patient care. The work was highly regarded and was published by NHSE in May alongside its Primary Care Recovery Plan.
- The Academy is also leading the work on assuring the quality of NHS pathways. This involves coordinating the work of many clinicians who are asked to look at the way NHS 111 operates for patients with particular conditions and assesses whether it offers safe and reliable guidance.
- The Academy's Patient and Lay Group is also working on an audit of the impacts of the cost-of-living crisis on patients and will make a series of recommendations about ways the NHS can lessen the financial burden on those seeking treatment.
- The Academy hosts high-level meetings with the Chief Medical Officer and the NHS Medical Director on a weekly basis to ensure they are informed by medical royal college presidents of what is actually happening at the coal-face in healthcare.
- Rethinking Medicine and ensuring a sustainable future NHS (i.e. Tomorrow's NHS) – *Seeking to help reshape the future delivery of health and care to provide person-centred equitable services in the future for the whole population.*
 - The Academy continues to support Choosing Wisely which operates in parallel to the EBI programme and is focussed on helping doctors and patients make better decisions about their care, by discussing the benefits, risks, alternatives as well as what will happen if they do nothing. The BRAN acronym is now firmly

embedded in a range of public and patient involvement programmes across the UK. The Academy is in active discussions with a number of organisations about how to progress this work and other initiatives designed to tackle over-medicalisation and attract additional funding.

- The Academy is continuing to host a genomics clinical associate programme which is funded to help ensure clinicians are involved in the design and implementation of a national genomics strategy.
- The Academy is leading the development of an education and workforce research hub which will provide opportunities for the NHS staff and wider multi-disciplinary teams to learn from and contribute to research and medical education innovation to the NHS community. The sharing of up-to-date research, case studies and innovation in medical research offers an opportunity for the NHS workforce to improve patient care.

Indicators, Milestones and Benchmarks

The Academy Council and Board of Trustees reviews and agrees its work programme on an annual basis and considers the potential for public benefit of all work undertaken. The Council identifies its policy priorities and progress on delivering these is reported to the Council and Board. Progress in specific areas is monitored by the appropriate Committee and Council.

Copies of the Academy's reports and consultation responses are freely available and can be found on the Academy's website www.aomrc.org.uk.

FINANCIAL REVIEW

Financial Results of Activities and Events

The financial results of the charity's activities for the period ended 31 March 2023 are set out in the Statement of Financial Activities and supporting notes. The Academy's financial position is almost always finely balanced across its various programmes of work. The Trustees carefully monitor performance against budgets via quarterly management accounts to ensure that the charity remains financially viable.

During the 12-month period, the charity generated total incoming resources of £1,122,969 (2022: £1,451,085) and expended total resources of £1,727,886 (2022: £1,577,268). In addition to its standing committees and associated work programmes, the Academy undertakes project work funded by national health bodies and fitting with the Academy's strategic aims. Some of these projects straddle more than one financial year and payment schedules vary. The deficit in the current year was planned, mainly due to the timing difference that arises when income received in advance is recognised in a previous year

but spent in the current year.

Restricted Funds

The Academy holds a number of restricted funds relating to project work commissioned by external bodies. A number of these relate to activity which is expected to be undertaken on a continuing basis over more than a single year. Expenditure on the projects is managed carefully and allocated on an annual basis, as appropriate. The Board is aware of the need to ensure that restricted funds are fully utilised. Details of individual funds can be found in note 14 of the financial statements.

Remuneration Policy

Remuneration policy is determined by the Board with decisions on any pay uplift made in relation to economic indices and to the level of any rise in subscriptions.

Reserves Policy and Going Concern

The Trustees recognise the need to keep unrestricted free reserves at a level appropriate to the needs of the organisation.

The Academy has given consideration to its requirements in terms of reserves and believes free reserves are required by the organisation to

- Fund unexpected expenditure, e.g. unplanned events, project overruns, staffing cover for long term sickness;
- Ensure continuity and fund shortfalls in income when income does not reach expected/required levels;
- Provide funds to replace assets or capital development; and
- Cover the cost of the closure of the charity.

Consideration was also given to the level of reserves that would be appropriate for each of these categories. The approach used to calculate the organisation's target level of reserves is in line with the risk-based methodology promoted by the Charity Commission. It is based on six months' running costs for the organisation in terms of staffing, administration and running costs together with costs of closure. As such the suggested required total would be £650,000.

The Board has designated a "Development Fund" to cover specific expenditure related to the Academy's development programme and reserves requirements. This includes funds to manage potential loss of project income from national bodies. Having this fund does mean that formally the organisation's reserves are above the recommended limit. The Board is aware of this and recognises the obligation, as a registered charity, to spend funds

in line with our charitable aims. Unrestricted designated funds have been used for a range of development activities this year. However, the Board is also mindful of the increasingly volatile investment and funding environment. This means ensuring a balance between financial prudence to preserve longer term viability and expenditure of accumulated funds in delivery of the charitable aims. The Trustees therefore consider it necessary to hold reserves sufficient to offset the potential for deficit budgets in the years ahead.

The Trustees considered that there were no material uncertainties about the Academy's ability to continue as a going concern. The Academy has been fortunate that it was not directly impacted in its operation or income by the pandemic. However, there is a potential for adverse impact on long-term subscription income if finances of member organisations are severely impacted on a permanent basis. The Board is keeping the situation under close review.

This policy will be considered annually by the Board of Trustees when approving the annual accounts.

Investments Policy

The Trustees are empowered to invest any monies not immediately required in such investments, securities or property, as may be thought fit. The Board has reviewed its investment policy during the year to ensure an even spread of investment avoiding risk to the organisation's funds. The Board has adopted a policy of ethical investment.

Fundraising practice

The Academy does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Academy nevertheless observes the relevant fundraising regulations and codes. During the year the Academy received no complaints relating to its fundraising practice.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and History

The Academy of Medical Royal Colleges is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

The Academy was incorporated on 29 February 1996 and became a registered charity on 3 July 1996. New Governance arrangements and Articles of Association came into effect from April 2011 and new Regulations were adopted by the Trustees in May 2011 and have

been revised annually subsequently. The Articles of Association were reviewed and minor changes made in September 2022.

Organisational Structure

The overall strategic direction of the charity is determined by the Board of Trustees advised by the Council, a standing committee of the Board. The work of the Academy is centred on the Council which comprises the Presidents or equivalent Head Officers of all member Colleges and Faculties. The Council has established a series of sub-committees to carry out the organisation's work. These comprise representatives of member Colleges and Faculties and, where appropriate, representatives from outside organisations.

There is an Officers' Group comprising the Chair of Council supported by two council elected Officers, an Independent Clinician Trustee, and a RCGP representative. These four officers are all designated Vice Chairs. Officers direct work between Council meetings.

The Academy has a senior executive officer (the Chief Executive until 31st March 2023, the Executive Director thereafter) and employs other full and part time employees, who all work closely with the elected Officers.

Governance

Under the governance structure Colleges are corporate members of the Academy and their nominated representatives, who must be their current Presidents or equivalent head officers, form the bulk of the Academy Council¹. The Council has delegated responsibility for the development and implementation of Academy policy on healthcare issues and the healthcare profession.

The Board of Trustees is responsible for the governance of the organisation and comprises an appointed Chair of Trustees, three further lay trustees, three members of the Academy Council (one of whom may remain on the Board for a period of two years after they demit office as a Council member to provide clinical continuity. They are known as the Independent Clinician Trustee) and the Chair of Council. At least two of the lay trustees must not be medically qualified.

The Board has an Audit and Risk Committee comprising a minimum of three trustees and the Chair of Trustees who attends ex officio. The Audit and Risk Committee looks at specific financial and risk issues in detail on behalf of the Board.

¹ The Council also includes the Chair of Council, the Independent Clinician Trustee and the second Royal College of General Practitioners representative

Method of Recruitment, Appointment, Election, Induction and Training of Trustees

Recruitment, Appointment and Election

The lay trustees are appointed through a process of public advertisement and appointment. The Regulations set out the composition of the panel required to appoint lay trustees. The Council trustees are elected by the members of the Council following a call for nominations. The Independent Clinician Trustee is one of the previous Council members invited to stay on the Board when they demit office as a Council member. The Chair of Council is a trustee by virtue of their role.

Induction and Training

Trustees receive copies of Charity Commission guidance for trustees together with the organisation's Articles and Regulations. The Academy also produces a handbook with information on each of its members, the Council's meeting dates and its subcommittees. This is updated on a regular basis. Trustees receive a briefing on the organisation from the Chair of Trustees and the senior executive officer. Trustees can attend meetings of the Council to gain an understanding of the current policy issues. Trustees receive a weekly update of Academy activity by email.

There is an annual process of performance review for trustees on an individual and collective basis and on seeking re-appointment.

External training is also available for trustees on financial and governance issues through the Auditors.

Resources

The principal sources of income of the Academy comprise annual subscriptions from its constituent corporate members, the Colleges and Faculties, and monies payable to the Academy as administrator or manager of projects to be carried out either by the Academy directly or by Colleges and Faculties.

Risk and Corporate Governance Matters

A formal risk register is maintained, under the headings of strategic, operational, people/staff, reputational and financial and investment risks. Key risks identified during the year and the methods to reduce, manage or eliminate these risks are:

- **Failure to succession plan for the CEO's retirement.** A paper to consider succession planning, and the optimum configuration of the senior leadership team was considered at the March 2022 meeting of the Board of Trustees. A new structure was approved at the July 2022 meeting and appointments to the newly created posts

were made in Autumn 2022. The CEO retired on 31st March 2023, and the Board continues to monitor the implementation of the new senior leadership team structure to ensure that risks are minimised and benefits realised.

- **Failure to secure new long-term funding sources.** The Trustees are seeking to ensure continued external funding in the more difficult economic climate. This remains a key issue for the Board.
- **Failure to maintain good relations with the external sources (e.g. political).** The political instability and rapid turnover of ministers during the financial year covered by this report created challenges, however, this was mitigated by long-standing relationships with DHSC and NHSE. The newly created Director of Policy and Government Affairs post has renewed the Academy's focus on relationships with political stakeholders. Political stakeholder engagement is particularly important in the context of a potential change in government in 2024.
- **Failure to receive anticipated project income.** This risk arises from delays in the sign-off of contracts and payment of invoices by the Academy's funders. NHSE was merged with Health Education England, NHS Digital and NHSX in early part of this year and continues to implement a programme of significant headcount reductions. This has resulted in changes and delays to NHSE's procurement and finance processes. The risk of losing project income is not judged to be high, however, further delays are expected, and the Board continues to monitor the situation.
- **Failure of IT security.** This is mitigated through the creation and implementation of an IT security policy, regular meetings with the Academy's outsourced IT provider, employee cyber security training and obtaining Cyber Essentials certification. IT security is continually monitored and reviewed by the Board and employee training is ongoing.

Monitoring of the risk register is the responsibility of the Audit and Risk Committee and Board of Trustees. The Audit and Risk Committee has kept the content and format of the Risk Register under review and changes have been made to simplify the document.

The Board receives a report on the performance of the organisation at each meeting and also on financial projections.

There is a policy on conflict/declaration of interests, and individual Trustees are asked to complete a declaration of interests form on an annual basis. This is compiled into a register of interests which is reviewed annually by the Board and published on the Academy's website.

Staffing and HR

There is a rolling programme to review all HR policies at least once every 3 years. The pay and reward structure was revised in April 2019 and remains in place (with annual salary

reviews).

In 2022, the Board agreed and implemented a new leadership structure for the organisation. It was recognised that with the growth of the Academy, it was no longer practical for the full span of duties to be covered by a single CEO role. Therefore, responsibility for external government affairs and policy development at the Academy is now the remit of a newly created post, the Director of Policy and Government Affairs. Internal operational issues, business management, and corporate governance are the responsibility of the newly created Executive Director post. The Executive Director has overall accountability. There was a period of overlap with the outgoing Chief Executive, prior to his retirement at the end of March 2023, to ease the transition.

Indemnity Insurance

The charity has taken out an insurance policy that provides professional indemnity cover for the Trustees, Officers, and employees of the charity.

Trustees' and Directors' Responsibilities in the Preparation of Financial Statements

The Trustees (who are also the directors of The Academy of Medical Royal Colleges for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of the incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements, the Trustees as directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Audit and Risk Committee meets with the auditors to consider and discuss their findings.

The Trustees are responsible for keeping adequate accounting records that disclose with

reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from the legislation in other jurisdictions.

Statement as to Disclosure of Information to the Auditor

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The Trustees have taken all steps that 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.

PLANS FOR FUTURE PERIODS

Future Strategy, Activities and their Impact

The Academy has a clear work plan and budget. Future activities are planned by the Council at its annual policy away day and this feeds into the business planning and budget setting cycle introduced by the Board.

The Trustees are very aware of the decline in funding for projects from national bodies and of the need to generate further income. The last strategic review of the organisation's activities was conducted in 2021 and considered options for the development of future activity in conjunction with members. In essence, members were strongly supportive of the Academy's role in representing and advocating for members and were keen to see the organisation's focus remains on this. Widening membership of the Academy beyond medical organisations was not felt to be appropriate at the current time. Members recognised the need for the Academy to generate income through project activity, but this should not distract from the organisation's core representational role.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trustees of the charity, who are also the directors of the company, are:

Professor Andrew Eder, Chair of Trustees (throughout the period covered by this report, commenced first term on 1st April 2022)

Mr Miller McLean, Lay Trustee and Chair of the Audit and Risk Committee (demitted November 2022)

Mrs Suzanne McCarthy, Lay Trustee (demitted December 2022)

Mrs Sarah Harkness, Lay Trustee and Chair of the Audit and Risk Committee (throughout the period covered by this report and Chair of the Audit and Risk Committee from December 2022)

David Stout, Lay Trustee (from 1st December 2022)

Graham Smith, Lay Trustee (from 1st December 2022)

Professor Dame Helen Stokes-Lampard, Chair of Council (demitted 7th July 2023)

Dr Jeanette Dickson, Chair of Council (from 7th July 2023)

Professor Bernie Chang, Council Trustee (demitted as a Council Trustee 25th May 2023, reappointed as Independent Clinician Trustee from 1st November 2023)

Dr Mike Osborn, Council Trustee (will demit on 30th November 2023)

Dr Anne de Bono, Independent Clinician Trustee (demitted on 31st October 2023)

The address of the charity and the registered office of the company is at:

10 Dallington Street, London EC1V 0DB.

The charity is registered under charity number (England and Wales) 1056565, and the company is incorporated in the United Kingdom with the company registration number 03166361.

The Trustees have made the following professional appointments:

Solicitor: Camerons Solicitors LLP, 70 Wimpole Street, London W1G 8AX

Accountant: Accountability Europe Ltd, Omnibus Workspace LTD, 39-41 North Road, London, N7 9DP

Auditor: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London EC1Y 0TL

Banker: National Westminster Bank plc, 1 Cavendish Square, London W1A 4NU

Asset Manager: CCLA, One Angel Lane, London, EC4R 3AB

The following key senior members of staff have been responsible for the day-to-day management of the charity: Mr Alastair Henderson Chief Executive and Company Secretary (until his retirement on 31st March 2023) and Mrs Amy White, Chief Operating Officer (until July 2022, then Executive Director. Mrs White succeeded Mr Henderson as the senior executive officer at the Academy from 1st April 2023).

EXEMPTIONS FROM DISCLOSURE

No exemptions from disclosure apply.

FUNDS HELD AS CUSTODIAN

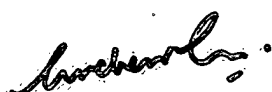
Although the Academy maintains restricted funds to deal with incoming resources that are allocated for a particular purpose by donors, sponsors, and other funders, the charity does not currently hold, and the Trustees do not anticipate that it will in the future hold, any funds as custodian for any third party.

OTHER INFORMATION

This report has been produced to comply with statutory reporting requirements and follows the structure for a Trustees Report as laid out in SORP FRS 102. For further information on the work of the Academy during this period, please see [the Academy website](#).

APPROVAL

This report was approved by the Trustees on 15 November 2023, and was signed for and on behalf of the board by:



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Professor Andrew Eder, Chair of Trustees



Independent auditor's report to the members of the Academy of Medical Royal Colleges

Opinion

We have audited the financial statements of The Academy of Medical Royal Colleges (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Academy of Medical Royal College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 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 trustees either intend to liquidate the 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.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.

-
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
 - We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
 - In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the 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.

Noelia Serrano (Senior statutory auditor)

14 December 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Sharing & co-ordinating the work of the Colleges & Faculties	2	705,659	411,411	1,117,070	657,027	793,887	1,450,914
Investment income	3	5,899	-	5,899	171	-	171
Total income		711,558	411,411	1,122,969	657,198	793,887	1,451,085
Expenditure on:							
Charitable activities:							
Sharing & co-ordinating the work of the Colleges & Faculties	4	860,235	867,651	1,727,886	611,801	965,467	1,577,268
Total expenditure		860,235	867,651	1,727,886	611,801	965,467	1,577,268
Net (expenditure) / income before net gains on investments		(148,677)	(456,240)	(604,917)	45,397	(171,580)	(126,183)
Net (loss) / gain on investments		(35,690)	-	(35,690)	157,129	-	157,129
Net (expenditure) / income for the year	5	(184,367)	(456,240)	(640,607)	202,526	(171,580)	30,946
Transfers between funds		-	-	-	1,145	(1,145)	-
Net movement in funds	14	(184,367)	(456,240)	(640,607)	203,671	(172,725)	30,946
Reconciliation of funds:							
Total funds brought forward		2,314,890	1,803,966	4,118,856	2,111,219	1,976,691	4,087,910
Total funds carried forward		2,130,523	1,347,726	3,478,249	2,314,890	1,803,966	4,118,856

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 14.

The attached notes form part of these financial statements.

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Balance sheet

As at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	8		764,311		811,898
Investments	9		<u>1,784,162</u>		<u>1,819,852</u>
			2,548,473		2,631,750
Current assets:					
Debtors	10	55,624		296,844	
Cash at bank and in hand		<u>1,119,318</u>		<u>1,359,280</u>	
		1,174,942		1,656,124	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>(245,166)</u>		<u>(169,018)</u>	
Net current assets			929,776		1,487,106
Total net assets			<u>3,478,249</u>		<u>4,118,856</u>
Funds	14				
Restricted funds			1,347,726		1,803,966
Unrestricted funds:					
Designated funds - building fund		764,311		811,898	
Designated funds - development fund		312,557		361,071	
General funds		<u>1,053,655</u>		<u>1,141,921</u>	
Total unrestricted funds			2,130,523		2,314,890
Total funds			<u>3,478,249</u>		<u>4,118,856</u>

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies regime.

Approved by the trustees on 15 November 2023
and signed on their behalf by:



Professor Andrew Eder
Chair of Trustees

Company registration no. 03166361

The attached notes form part of the financial statements.

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Statement of cash flows

For the year ended 31 March 2023

	Note	£	2023 £	£	2022 £
Net cash (used in) operating activities	a		(239,962)		(111,370)
Cash flows from investing activities:					
Purchase of fixed assets		-	(32,826)		
Cash used in investing activities			-		(32,826)
Change in cash and cash equivalents in the year			(239,962)		(144,196)
Cash and cash equivalents at the beginning of the year			1,359,280		1,503,476
Cash and cash equivalents at the end of the year	b		1,119,318		1,359,280
a) Reconciliation of net expenditure to net cash flow from operating activities					
			2023 £		2022 £
Net (expenditure) / income for the reporting period (as per the statement of financial activities)			(640,607)		30,946
Depreciation			47,587		37,812
Losses / (Gains) on investments			35,690		(157,129)
Decrease / (Increase) in debtors			241,220		(27,289)
Increase in creditors			76,148		4,290
Net cash (used in) operating activities			(239,962)		(111,370)
b) Analysis of cash and cash equivalents					
		At 1 April 2022 £	Cash flows £	Other changes £	At 31 March 2023 £
Cash at bank and in hand		1,359,280	(239,962)	-	1,119,318
Total cash and cash equivalents		1,359,280	(239,962)	-	1,119,318

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies

Statutory information

The Academy of Medical Royal Colleges is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 10 Dallington Street, London, EC1V 0DB.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Credit is taken in the accounts for all membership subscriptions, which are receivable, as the membership year is co-terminus with the Academy's financial year. All other similar income are also accounted for on an accruals basis.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

Allocation of support costs

All costs that cannot be identified as relating directly to the charity's principal activities are categorised as either support costs or governance costs. Any costs that cannot be specifically categorised are allocated in proportions based upon a suitable ratio applicable to the nature of the costs involved.

Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Tangible fixed assets

All tangible assets purchased that have an expected useful economic life that exceeds one year and purchase price exceeds £1,000 are capitalised and classified as fixed assets. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold property	over 50 years
Furniture and fittings	15% straight line
Computer equipment	over 3 to 5 years

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

The charity makes contributions into defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year.

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Grant making

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

2 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Sharing and co-ordinating the work of the Colleges and Faculties:						
Subscriptions from members	469,125	-	469,125	447,859	-	447,859
Grants and other similar funding	236,534	411,411	647,945	209,168	793,887	1,003,055
Total income from charitable activities	705,659	411,411	1,117,070	657,027	793,887	1,450,914

3 Income from investments

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Bank interest	5,899	-	5,899	171	-	171
	5,899	-	5,899	171	-	171

4 Analysis of expenditure Current year

	Sharing and co-ordinating the work of the Colleges and Faculties				
	Charitable activities £	Support costs £	Governance costs £	2023 Total £	2022 Total £
Direct costs	432,096	-	-	432,096	530,451
Staff costs (See note 6)	528,385	517,975	-	1,046,360	814,552
Committees & forums expenses	-	31,392	161	31,553	16,156
Operating lease rentals	-	10,136	-	10,136	10,079
Premises costs	-	26,352	-	26,352	30,623
Admin costs	-	34,718	-	34,718	33,717
Insurance	-	10,380	-	10,380	9,342
Communication costs	-	30,651	-	30,651	28,839
Audit fees	-	-	10,826	10,826	9,660
Accountancy services	-	41,500	-	41,500	42,157
Legal and professional fees	-	4,323	-	4,323	12,772
Bank and credit card charges	-	1,404	-	1,404	1,108
Depreciation - owned assets	-	47,587	-	47,587	37,812
	960,481	756,418	10,987	1,727,886	1,577,268
Support costs	756,418	(756,418)	-	-	-
Governance costs	10,987	-	(10,987)	-	-
Total expenditure 2023	1,727,886	-	-	1,727,886	1,577,268

Of the total expenditure £864,155 (2022: £611,801) was unrestricted and £867,651 (2022: £965,467) was restricted.

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

4 Analysis of expenditure - continued Prior year

	Sharing and co-ordinating the work of the Colleges and Faculties			2022 Total £
	Charitable activities £	Support costs £	Governance costs £	
Direct costs	530,451	-	-	530,451
Staff costs (See note 6)	303,896	510,656	-	814,552
Committees & forums expenses	-	15,522	634	16,156
Operating lease rentals	-	10,079	-	10,079
Premises costs	-	30,623	-	30,623
Admin costs	-	33,717	-	33,717
Insurance	-	9,342	-	9,342
Communication costs	-	28,839	-	28,839
Audit fees	-	-	9,660	9,660
Accountancy services	-	42,157	-	42,157
Legal and professional fees	-	12,772	-	12,772
Bank and credit card charges	-	1,108	-	1,108
Depreciation - owned assets	-	37,812	-	37,812
	834,347	732,627	10,294	1,577,268
Support costs	732,627	(732,627)	-	-
Governance costs	10,294	-	(10,294)	-
Total expenditure 2022	<u>1,577,268</u>	<u>-</u>	<u>-</u>	<u>1,577,268</u>

5 Net expenditure for the year

	2023 £	2022 £
This is stated after charging / (crediting):		
Operating lease rentals:		
Other equipment	10,136	10,079
Depreciation	47,587	37,812
Auditor's remuneration:		
Audit fee (excl. VAT)	9,000	8,200
Trustees' expenses	161	634

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	852,793	674,015
Social security costs	97,377	72,068
Employer's contribution to defined contribution pension schemes	74,284	63,071
Luncheon vouchers	11,450	3,960
Temporary and other staff costs	10,456	1,438
	<u>1,046,360</u>	<u>814,552</u>

The following number of employees received employee benefits (excluding employer National Insurance and employer pension) over £60,000, during the year in the following band:

	2023	2022
	No.	No.
£60,000 - £69,999	-	1
£70,000 - £79,999	2	-
£80,000 - £89,999	1	1
£110,000 - £120,000	<u>1</u>	<u>1</u>

The total employee benefits including employer National Insurance and pension contributions of the key management personnel were £144,943 (2022: £138,960).

The charity has taken out an insurance policy that provides professional indemnity cover for the trustees, directors and staff of the charity. The cost of this insurance policy to the charity for the year was £10,380 (2022: £9,342).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil). Three trustees were reimbursed travel & accommodation expenses during the year for £161 (2022: £634).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023	2022
	No.	No.
Office and administration	2	2
Charitable activities	14	12
	<u>16</u>	<u>14</u>

7 Taxation

The Academy is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

8 Tangible fixed assets	Leasehold property	Furniture & fittings	Computer equipment	Total
Cost	£	£	£	£
At the start of the year	985,650	49,162	234,870	1,269,682
At the end of the year	985,650	49,162	234,870	1,269,682
Depreciation				
At the start of the year	223,348	49,053	185,383	457,784
Charge for the year	19,656	96	27,835	47,587
At the end of the year	243,004	49,149	213,218	505,371
Net book value				
At the end of the year	742,646	13	21,652	764,311
At the start of the year	762,302	109	49,487	811,898

All of the above assets are used for charitable purposes.

In 2019 the owners of the building at 10 Dallington Street indicated their desire to sell the freehold. In accordance with legislative requirements existing tenants were offered the opportunity of purchasing the freehold. The majority of residential and commercial tenants expressed a desire to do so and formed a company "10 Dallington Street Ltd" which purchased the freehold. The Academy is a member of "10 Dallington Street Ltd". The company has subsequently granted new 999 year leases to tenants including the Academy.

9 Investments	2023	2022
	£	£
Fair value at the start of the year	1,819,852	1,662,723
Net loss on revaluation	(35,690)	157,129
Fair value at the end of the year	1,784,162	1,819,852
Historic cost at the end of the year	1,000,000	1,000,000

10 Debtors	2023	2022
	£	£
Trade debtors	32,527	280,603
Other debtors	23,097	6,241
Accrued income	-	10,000
	55,624	296,844

11 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	47,198	78,005
Taxation and social security including pension	35,218	30,081
Other creditors	9,378	5,004
Accruals	67,222	55,928
Deferred Income	86,150	-
	245,166	169,018

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

12 Deferred income	2023 £	2022 £
Balance at the beginning of the year	-	-
Amount released to income in the year	-	-
Amount deferred in the year	86,150	-
Balance at the end of the year	86,150	-

Deferred income comprises funds received in advance of activities and events in the 2023/24 financial year.

13 Analysis of net assets between funds

Current year

	General unrestricted 2023 £	Designated 2023 £	Restricted 2023 £	Total funds 2023 £
Tangible fixed assets	-	764,311	-	764,311
Investments	1,471,605	312,557	-	1,784,162
Net current assets	(417,950)	-	1,347,726	929,776
Net assets at the end of the year	1,053,655	1,076,868	1,347,726	3,478,249

	General unrestricted 2022 £	Designated 2022 £	Restricted 2022 £	Total funds 2022 £
Analysis of net assets between funds				
Prior year				
Tangible fixed assets	-	811,898	-	811,898
Investments	1,458,781	361,071	-	1,819,852
Net current assets	(316,860)	-	1,803,966	1,487,106
Net assets at the end of the year	1,141,921	1,172,969	1,803,966	4,118,856

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

14 Movements in funds

Current year	At the start of the year	Income & gains	Expenditure & losses	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
e-Lfh Fund	56,559	-	24,922	-	31,637
Education and Training Projects	365,281	20,000	140,773	-	244,508
HEE	635,373	-	24,861	-	610,512
COPMed and COGPed	104,913	154,587	201,327	-	58,173
Medical Training Initiative(MTI)	178,277	132,635	178,451	-	132,461
Patient Safety	324,950	-	180,696	-	144,254
Wales Academy	8,116	-	3,000	-	5,116
Genomics	127,629	71,199	101,211	-	97,617
Changing Face of Medicine	726	23,000	8,518	-	15,208
Health Inequalities	-	9,990	1,750	-	8,240
Total restricted funds	1,803,966	411,411	867,651	-	1,347,726
Unrestricted funds:					
Designated funds:					
Designated Building Fund (STA)	811,898	-	47,587	-	764,311
Designated Development Fund	361,071	-	48,514	-	312,557
Total designated funds	1,172,969	-	96,101	-	1,076,868
General funds	1,141,921	711,558	799,824	-	1,053,655
Total unrestricted funds	2,314,890	711,558	895,925	-	2,130,523
Total funds	4,118,856	1,122,969	1,763,576	-	3,478,249

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

14 Movements in funds (continued)

Prior year

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
e-Lfh Fund	124,931	-	68,372	-	56,559
Education and Training Projects	475,223	36,000	145,942	-	365,281
HEE	645,373	-	10,000	-	635,373
COPMed and COGPed	128,981	138,204	161,127	(1,145)	104,913
Medical Training Initiative	185,351	132,635	139,709	-	178,277
Matched Funds	43,703	-	43,703	-	-
Patient Safety	302,633	360,394	338,077	-	324,950
Choosing Wisely/ Decisions of Value	12,141	-	9,999	-	2,142
Wales Academy	12,116	-	4,000	-	8,116
Genomics	30,248	115,145	17,764	-	127,629
NHS Digital (AI) Artificial Intelligence	6,257	1,509	7,766	-	-
Changing Face of Medicine	9,734	10,000	19,008	-	726
Health and Work Funding	-	-	-	-	-
Total restricted funds	1,976,691	793,887	965,467	(1,145)	1,803,966
Unrestricted funds:					
Designated funds:					
Designated Building Fund (STA)	816,884	-	37,812	32,826	811,898
Designated Development Fund	389,032	-	-	(27,961)	361,071
Total designated funds	1,205,916	-	37,812	4,865	1,172,969
General funds	905,303	814,327	573,989	(3,720)	1,141,921
Total unrestricted funds	2,111,219	814,327	611,801	1,145	2,314,890
Total funds	4,087,910	1,608,214	1,577,268	-	4,118,856

THE ACADEMY OF MEDICAL ROYAL COLLEGES

Notes to the financial statements

For the year ended 31 March 2023

14 Movements in funds (continued)

Purposes of restricted funds

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out below:

E-Lfh (e-learning for health) Fund. This is from HEE enables the Academy to commission individuals producing e-learning material for joint projects between the Academy and e-Lfh. These include the Foundation e-Learning programme, leadership and mental health programmes

Education and training projects. This fund covers a number of specific commissioned projects or work areas in relation to education and training:

Foundation. This fund covers funding for specific work in relation to the regular review and updating of the Foundation curriculum which the Academy undertakes for the UK Foundation Programme.

Flexibility (including Generic Professional Capabilities and Shared content) – This funding from the GMC supports work for enabling more flexibility into curricula and specifically developing shared content across curricula. It also incorporates the remainder of work on Generic Professional Capabilities.

Education – Other - This covers other education work. e.g. DEMEC, Broad Based Training.

Gap Analysis - Funding from HEE for development of a process and digital tool for identifying gaps in trainee learning/experience when moving back to training. Project not progressing as originally intended and used for to draw down CEO secondment costs.

HEE. Research in medical education and workforce (previously Swanwick) Previously the funding for Tim Swanwick's project on leadership, this has been redesignated to cover a project with HEE on collating medical education and education workforce research.

COPMED/COGPED. Are the UK bodies bringing together representatives of Deaneries/LETBs to provide a strategic overview and operational delivery of postgraduate medical and GP training. The Academy hosts the CPMED/COGPED secretariat which support and manages their budget. £1,145 transfer relates to fixed assets purchased in 2021-22 for COPMED and COGPED.

Medical Training Initiative (MTI). The Academy is commissioned by NHS England to be the national sponsor of the MTI scheme which provides two-year training opportunities for overseas doctors in the NHS. Funding, supports the management of the scheme including MTI staff salaries.

Matched Funds. Funding was from the Department of Health / NHS England to support a range of projects undertaken by Colleges on the condition they matched the funding awarded.

Patient Safety. A project to develop a patient safety syllabus and training for a proactive approach to risk to improve safety. HEE funded.

Choosing Wisely / Rethinking Medicine. Projects related to the respective roles of clinicians and patients in selecting appropriate medical interventions.

Wales Academy. Including income from Wales's members. The fund covers the costs of administration and management of the Academy in Wales. The Wales Academy is delivered as a sub-committee of the UK Academy's Council.

Genomics. NHS England funded work to promote understanding and spread of genomics.

NHS Digital (AI) Artificial Intelligence. NHS Digital funded project to look at ethics of AI from a clinical perspective.

THE ACADEMY OF MEDICAL ROYAL COLLEGES
Notes to the financial statements
For the year ended 31 March 2023

14 Movements in funds (continued)

Changing Face of Medicine. Academy hosted project looking at the changing role of medicine and doctors. Funding from a number of sources. Work carried out by a contracted consultant.

Health and Work Funding – Funding received from Public Health England, for Academy to carry out Health And Work Conference funding.

Health Inequalities. A review of existing educational resources concerning health inequalities. Health inequalities are defined as the unfair and avoidable differences in health across the population, and between different groups within society.

Designated Funds:

Designated Funds are those allocated from within the Academy's overall general funds by the Trustees for specific purposes or projects determined by the Council and Trustees. They are kept as separate funds in the balance sheet for the duration of the project.

Designated Building Fund. Represents the value of the fixed asset of the Academy property at 10 Dallington Street. The outgoing resources are the depreciation of the capital value and minor repairs.

Designated Development Fund. This fund has been designated by the Trustees as a reserve to meet any shortfall in other funding sources and provide continued funding for the running of the Academy for a period of six months, in accordance with Charity Commission policy.

15 Lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Amounts payable		
Equipment:		
Less than 1 year	-	10,079
	-	10,079
	2023	2022
	£	£
Rent receivable:		
Less than 1 year	60,000	-
	60,000	-

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

18 Related party transactions

There are no related party transactions to disclose for 2023 (2022: none). There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. There are payments to and from members and trustees which are part of the normal course of business. Expenses reimbursed to trustees are disclosed in note 6.