

A woman with light-colored hair tied back, wearing a dark jacket, is looking off to the side with a slight smile. The background is a blurred stable or farm setting with wooden stalls and a horse visible in the distance. The image has a dark, teal-tinted overlay.

**Royal College of
Veterinary
Surgeons
Annual Report &
Financial
Statements 2023**



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Reference and administrative details: Officers and professional advisers

Council members

Elected members

Dr Louise H Allum MRCVS
Linda Belton MRCVS
Dr Abbie Calow MRCVS
Dr Niall Connell FRCVS

(Treasurer and Council member to 07.07.23)

Dr Olivia Cook MRCVS
Dr Melissa Donald MRCVS

(President to 07.07.23; Vice-President from 07.07.23)

Dr Tshidi Gardiner MRCVS
(Treasurer from 07.07.23)

Timothy Hutchinson MRCVS
(From 07.07.23)

Dr Alice McLeish MRCVS
(From 07.07.23)

Professor Stephen May FRCVS
Dr Susan Paterson FRCVS
(Vice-President to 07.07.23; President from 07.07.23)

Dr Kate Richards MRCVS
(Vice-President to 07.07.23)

William Wilkinson MRCVS

Appointed lay members

Professor Derek Bray
Brigadier (retired) J Mark Castle
Linda Ford
Claire McLaughlan
Tim Walker
Judith Worthington

Privy Council-appointed members

Dr Christine Middlemiss MRCVS *(Observer)*

Veterinary Schools Council-appointed members

Professor Chris Proudman FRCVS *(To 07.07.23)*
Professor Mathew Jones MRCVS *(From 07.07.23)*
Professor Tim Parkin FRCVS
Professor James Wood FRCVS

Appointed veterinary nurses

Belinda Andrews-Jones RVN
Susan Howarth RVN

Senior Team

(key management personnel)

Lizzie Lockett
Chief Executive Officer

Angharad Belcher
Director for Advancement of the Professions

Julie Dugmore RVN
Director of Veterinary Nursing

Eleanor Ferguson
Registrar and Director of Legal Services

Lisa Hall
People Director

Ian Holloway
Director of Communications

Corrie McCann
Director of Operations and Deputy Registrar

Dr Linda Prescott-Clements
Director of Education

Darren Tysoe
Chief Technology Officer

Audit and Risk Committee

Dr Tshidi Gardiner
Kalwant Grewal *(From 07.07.23)*
Victor Olowe
Janice Shardlow
William Wilkinson
Judith Worthington

Head Office

3 Waterhouse Square *(From 26.02.24)*
138-142 Holborn
London EC1N 2SW

The Cursitor *(To 26.02.24)*
38 Chancery Lane
London WC2A 1EN

Bankers

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Solicitors

Capsticks
1 St George's Road
Wimbledon
London SW19 4DR

Auditors

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



2023: Highlighting our societal significance

A message from the President and CEO

Amidst the hustle and bustle of daily life at the College – with things to do, meetings to attend, emails to respond to and so on – it can be easy to forget that above all of our everyday tasks, there is an overarching purpose and mission to what we do.

Whether it's providing guidance to improve the sustainability of the veterinary sector to try and lower its carbon footprint; widening participation in the veterinary professions so that they draw from a broader and more reflective pool of talent; or helping our vets and vet nurses better meet their professional obligations to animals and their owners/keepers, our work has society-wide implications.

In the section of this Annual Report on our achievements in 2023 (see pages 14 to 27), you will find a detailed account of everything we did throughout the year and how it relates to the fulfilment of our 2020 to 2024 Strategic Plan. It's a reminder that everything we do – no matter how small and tangential it may seem – feeds into this greater mission, which is underpinned by our values and which all our people play their role in meeting.

It should be noted that there are sometimes wider events that truly bring the purpose of our organisation and our role in animal health and welfare into focus, and so it was in 2023 with the launch of the initial stages of a review into the household pet veterinary services sector by the Competition and Markets Authority.

This was the first such comprehensive review in almost two decades and involved the examination of a whole

range of issues including pricing, transparency, business structures and the governance and regulatory structure of the veterinary sector.

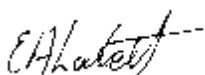
The initial response alone demonstrates the immense interest in and significance of veterinary medicine, animal health and welfare and public health, with some 45,000 animal owners/keepers and 11,000 members of the veterinary team responding to the call for evidence. Once again, this serves as a reminder of the overarching societal impact of everything within the veterinary scope: such as the care for and treatment of the beloved animals that play such a significant role in our mental and physical health, and other public goods, such as food safety and disease control.

It all serves to remind us of what a privilege leading this organisation is – because we provide animal owners and keepers, and the public at large, with reassurance around the standards of education, training and professionalism of their vets and vet nurses. This privilege also comes with a great responsibility to try our best to get it right in terms of our decision making and to make sure we act in accordance with our values of integrity and compassion. When we do everything we can to help the professions better meet their responsibilities, we create a better society as well.

We hope you enjoy this Annual Report.



Susan Paterson FRCVS
President



Lizzie Lockett
CEO



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"It all serves to remind us of what a privilege leading this organisation is – because we provide animal owners and keepers, and the public at large, with reassurance around the standards of education, training and professionalism of their vets and vet nurses."

Report to RCVS members

The RCVS Council presents its report and the audited financial statements of the RCVS for the year ended 31 December 2023. The reference and administrative information set out on page 4 forms part of this report.

The College has adopted the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP) (FRS 102), to provide a comparable framework with other organisations. The accounts have been prepared in accordance with the SORP, with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Structure, governance and management

The RCVS regulates the veterinary profession in the UK in accordance with the Veterinary Surgeons Act 1966 (VSA). It discharges duties and exercises powers under the VSA but was created by, and still exists by virtue of, a Royal Charter of 1844. Most of the original Charter was superseded by the Supplemental Charter of 1967. This revoked the Charter of 1844 except so far as its provisions 'incorporate the College, recognise the veterinary art as a profession, authorise the College to have a Common Seal, to hold property, and to sue and be sued'.

A Supplemental Charter to replace that of 1967 came into operation on 17 February 2015. It does two important things. First, it sets the objects of the College, 'to set, uphold and advance veterinary standards, and to promote, encourage and advance the study and practice of the art and science of veterinary medicine, in the interests of the health and welfare of animals and in the wider public interest'. The Charter gives the College power to 'undertake any activities that seem to it necessary or expedient to help it to achieve its objects' and mentions a number of specific activities.

Second, the Charter recognises veterinary nursing as a profession. It requires the College to continue to keep a Register of Veterinary Nurses, and gives registered veterinary nurses (RVNs) the formal status of associates of the College. The Veterinary Nurses Council is required to set standards for their education, training and conduct. Bye-laws attached to

the Charter require RCVS Council to make rules dealing with the registration of veterinary nurses and the supervision of their professional conduct.

The bye-laws attached to the Charter supersede all former RCVS bye-laws, but RCVS Council is given power to make rules, protocols and procedures related to its activities under the Charter and the transaction of the business of the College. In November 2014, in preparation for the new Charter coming into operation, RCVS Council made rules and a protocol that preserve some of the content of the former bye-laws.

RCVS Council

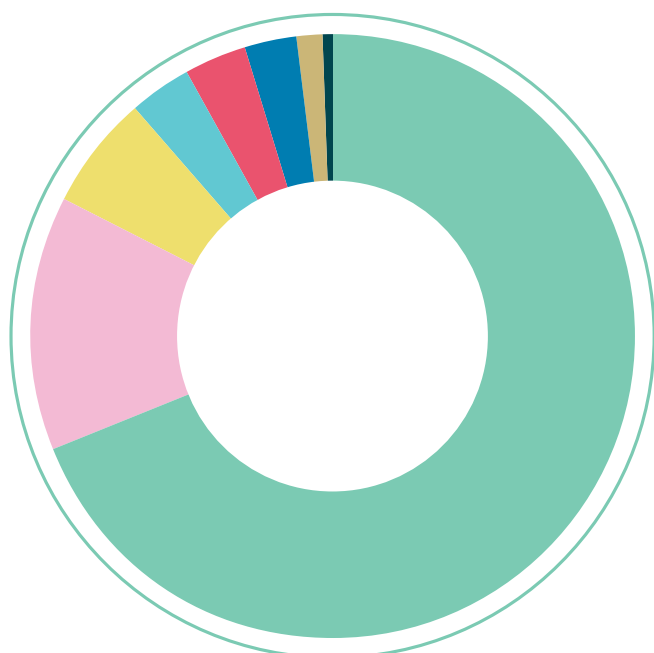
Under our Royal Charter, RCVS Council is responsible for managing the affairs, concerns and property of the College, for example, making decisions on major policy issues, senior staff appointments and the strategic direction of the RCVS. Council has the power to act through and delegate functions to committees, subcommittees or boards, as well as to any of its own number and to the employees and agents of the College.

The VSA determines the composition of RCVS Council. There are 24 members on RCVS Council: 13 elected members (all veterinary surgeons); three members appointed by the Veterinary Schools Council, the body that represents the eight Universities with an RCVS-accredited veterinary degree programme (Bristol, Cambridge, Edinburgh, Glasgow, Liverpool, London, Nottingham, and Surrey); two appointed veterinary nurses; and six appointed lay members. In addition, the UK Chief Veterinary Officer is an ex-officio observer.

The terms and conditions of office are:

- elected Council members serve a term of office of four years, but have a maximum limit of three consecutive terms, with a mandatory two-year break before a person may stand again; and,
- Council members must abide by a Code of Conduct for Council and Committee Members and are subject to a complaints process.

More information about the function of RCVS Council and the role of Council members can be found in our 'How we work' statement at www.rcvs.org.uk/how-we-work.

**Figure 2: Income 2022****£'000**

Veterinary surgeons	11,279
Veterinary nurses	2,567
Practice Standards Scheme	903
Rental income	792
RCVS examinations	359
Investment income	316
Register of Veterinary Practice Premises	212
Publications and other income	93

Election and induction of Council Members

Every year, the terms of office for three elected members of Council begin at the Annual General Meeting. The election process starts in the preceding year, when the retiring members eligible for re-election, as well as the profession and veterinary press, are notified of the details of how to stand for election to Council. Only veterinary surgeons on the RCVS Register may stand for election.

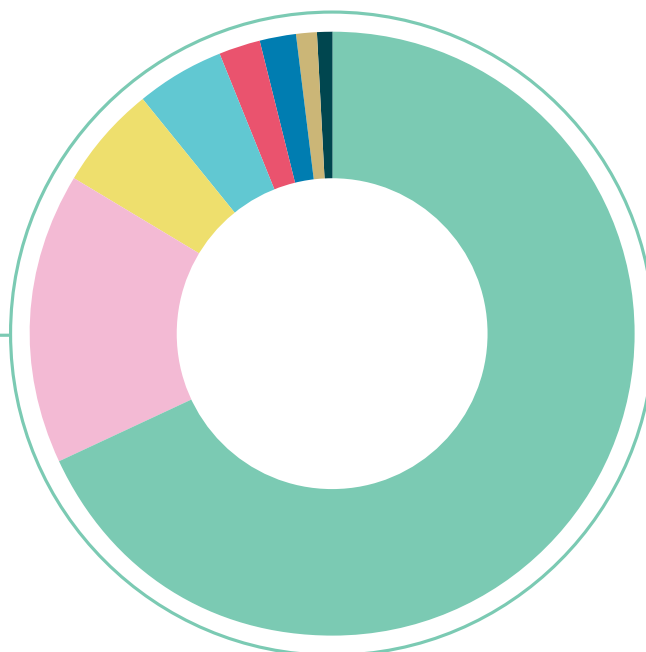
Voting opens in March for all members of the College (other than those who are resident in the Republic of Ireland, who have not retained their right to vote in Council elections).

Online voting is made available to members via emails sent from Civica Election Services containing unique links to a secure voting website. Since 2021, the voting for the RCVS Council election has been online-only.

A Council member's period of office is usually four years.

Figure 1: Income 2023**£'000**

Veterinary surgeons	12,188
Veterinary nurses	2,391
Practice Standards Scheme	1,071
Rental income	622
RCVS examinations	584
Investment income	493
Register of Veterinary Practice Premises	227
Publications and other income	72



Newly-appointed members receive an induction with the Executive Office and Senior Team members. Council members' expenses reclaimed from the College are set out in note 5 to the accounts.

RCVS committees

RCVS Council is supported by a system of committees, subcommittees and working parties, on which sit various members of Council and other appointed individuals. The statutory and non-statutory disciplinary and investigation committees, and appeals committees are:

- the Disciplinary Committee (statutory committee);
- the Examination Appeals Committee (appeals committee);

- the Preliminary Investigation Committee (statutory committee);
- the Veterinary Nurses Preliminary Investigation Committee;
- the Veterinary Nurses Disciplinary Committee; and,
- the Specialist and Advanced Practitioner Appeals Committee (appeals committee).

The standing committees are:

- the Advancement of the Professions Committee;
- the Audit and Risk Committee;
- the Education Committee;
- the Finance and Resources Committee;
- the Registration Committee;
- the Preliminary Investigation Committee and Disciplinary Committee Liaison Committee;
- the Standards Committee; and,
- the Veterinary Nurses Council.

Standing committees report to Council and are constituted and work within their terms of reference. Their Chairs are elected by Council unless the Chair is role-based (for example, Treasurer for Finance and Resources Committee), and with the exception of VN Council, which elects its own Chair. Committees select their own Vice-Chairs, unless otherwise specified.

All the standing committees generally meet between three and six times a year. The quorum for standing committees will generally be a simple majority of the total number of members, unless otherwise specified.

The committees may appoint one or more subcommittees or working parties for such general or special purpose as they may think fit, subject to the approval of the Finance and Resources Committee and/or Council. Subject to any contrary direction from the Council, committees may on behalf of the Council delegate to such subcommittees or working parties power to act in the name of the College and the Council in relation to the matters set out in their terms of reference.

Veterinary Nurses Council differs from the other standing committees in that it has annual elections whereby the veterinary nursing profession directly elects candidates on to VN Council to serve three-year terms. VN Council itself has overall responsibility for all matters concerning veterinary nurse training, post-qualification awards and the registration of qualified veterinary nurses.

Details about the roles and terms of reference for each committee can be found on the RCVS website at www.rcvs.org.uk/committees.

Senior Team (key management personnel)

The purpose of the Senior Team is to enable Council to set the strategic direction and oversee governance of the RCVS, and to enable the College staff team to deliver on its remit and strategic objectives.

The Senior Team comprises the RCVS Departmental Directors and is led by the CEO, who takes responsibility for delivery of the RCVS Strategic Plan, as agreed by Council, and the day-to-day running of the College.

The CEO chairs regular meetings of the Senior Team, and the CEO of RCVS Knowledge is invited to sit as an observer.

The key responsibilities of the Senior Team are as follows:

- Support and advise the Officers (President, Vice-Presidents and Treasurer), Council and committee members in the development and delivery of the Strategic Plan;
- Ensure delivery of the Strategic Plan and keep Council regularly updated on progress against time, budget and intended impact;
- Enable understanding of the RCVS purpose and Strategic Plan throughout the organisation and to ensure continual, coherent and consistent communication;
- Create an environment in which the College's people can deliver, learn and thrive;
- Ensure the effective and efficient day-to-day direction and management of the organisation in line with key functions as a Royal College and regulator;
- Propose and manage the College budget ensuring the most effective use of resources;
- Recommend Key Performance Indicators and service standards, and review activities against these, making adjustments to procedures and resources as applicable in association with the relevant Committee Chairs;
- Utilise the collective wisdom and expertise of the Senior Team and wider organisation by collaborating to exploit synergies and advance our organisational priorities;
- Ensure appropriate mitigations against risk, keeping the organisational and departmental Risk Registers up-to-date and report regularly to the Audit and Risk Committee;
- Horizon-scan for opportunities and threats, building networks to understand, for example, research and best practice from other similar organisations both at home and overseas, and act on this information appropriately; and,
- Identify and consider issues and activities for communication to the wider organisation, professions and public.

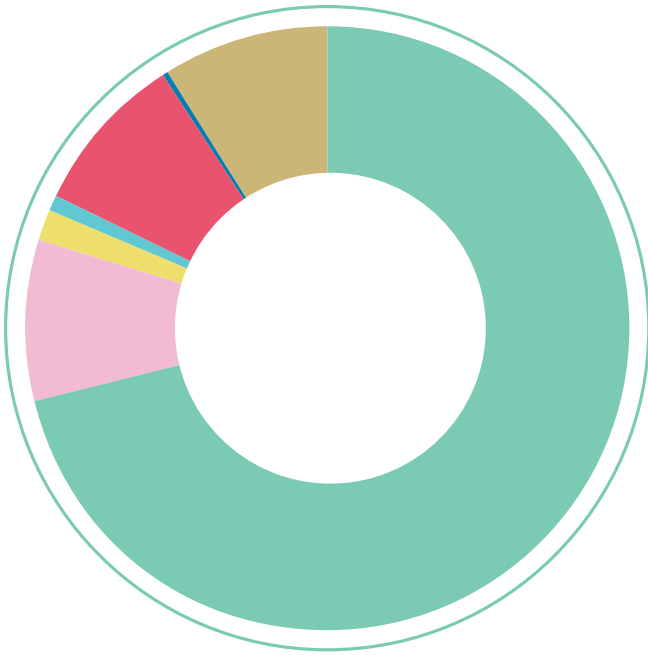


Figure 2: Expenditure 2022 £'000

Regulatory functions	11,355
Veterinary Nursing	1,193
RCVS Examination costs	222
Register of Veterinary Practice premises	166
Practice standards scheme	1,222
Investment management costs	67
Support for RCVS Knowledge and other trusts	1,140

Details about the Senior Team members can be found on page 4.

The Chief Executive Officer and Registrar/Assistant Registrars are appointed by Council, while the other Senior Team members are appointed by the Chief Executive Officer.

Financial review

For the 2023 Annual Report, all financial information is presented in round thousands to increase readability, in line with standard practice.

Total income for the year was £17.6m per SOFA page 35 (2022 £16.5m).

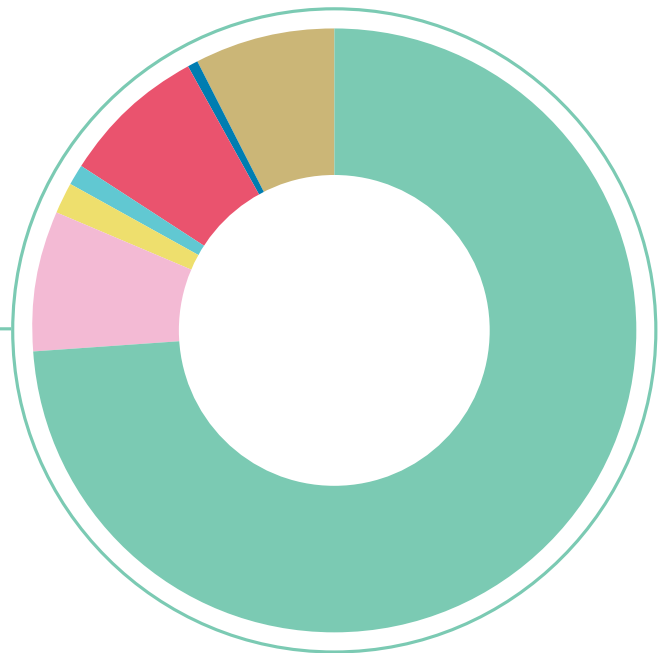
Income in 2023 is 7% higher than in 2022. This is partly due to the increase in MRCVS examination income of 63%, an increase in investment income of 56% and an increase in income from the Practice Standards Scheme by 19%. Income also includes £622k of rental income (2022: £792k) received from the tenants at Hardwick Street. The property was vacated in September 2023. Comparative income (excluding rental income) for 2023 is 8% higher than in 2022.

Expenditure in 2023, excluding corporation tax payable,

Figure 1: Expenditure 2023

£'000

Regulatory functions	11,639
Veterinary Nursing	1,397
RCVS Examination costs	251
Register of Veterinary Practice premises	161
Practice standards scheme	1,415
Investment management costs	50
Support for RCVS Knowledge and other trusts	1,406



has increased by 6% and includes general inflationary rises, additional costs relating to the increase in RCVS examinations activity, along with increased expenditure supporting the rise in income in the Practice Standard Scheme.

There were gains on investments of £601k against portfolio losses of £1.9m in 2022.

The value of the investments can rise and fall and the RCVS holds them for the longer term. Further information is included under 'Investment powers and performance' on page 30.

Public benefit statement

As a regulator, the RCVS sets, upholds and advances veterinary standards. As a Royal College, it promotes, encourages and advances the study and practice of the art and science of veterinary surgery and medicine. The RCVS does all these things in the interests of animal health and welfare, and in the wider public interest. In so doing, the RCVS considers itself to be a public benefit entity. ●



The relationship with RCVS Knowledge



"RCVS Knowledge is an independent charity sitting at the heart of the veterinary professions with a mission to advance the quality of care for the benefit of animals, the public and society."

Founded by the RCVS in 1958, the RCVS Trust (known since 2013 as RCVS Knowledge) is an independent charity that enjoys a close relationship with the College, which is its major funder and provides a range of services to it, including use of College premises.

A Memorandum of Understanding is in place between the RCVS and RCVS Knowledge. The purpose of this Memorandum is to record an agreement between the College and RCVS Knowledge about the resources and services made available by one organisation to the other and the necessary arrangements for managing these resources.

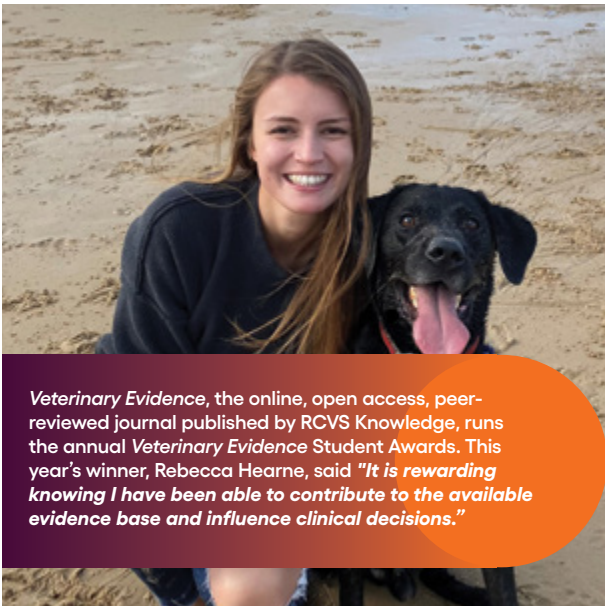
The relationship continues to be kept under review and the contents of the Memorandum are reviewed periodically, last in April 2024. Joint meetings are held between the RCVS and RCVS Knowledge to consider items of mutual interest.

RCVS Knowledge is an independent charity sitting at the heart of the veterinary professions with a mission to advance the quality of care for the benefit of animals, the public and society. To meet its goals, the charity empowers the veterinary community with information and tools to deliver evidence-based quality care. It translates and disseminates the latest research from across the globe, and fosters approaches to shared learning with training and tools. And it logs and tracks the evolving professions, underpinned by the veterinary archive.

RCVS Knowledge has 10 Trustees, of whom three are RCVS Council members and seven are external trustees. Transactions with RCVS Knowledge are shown in Notes 4, 6 and 16 in the Financial Statements. ●



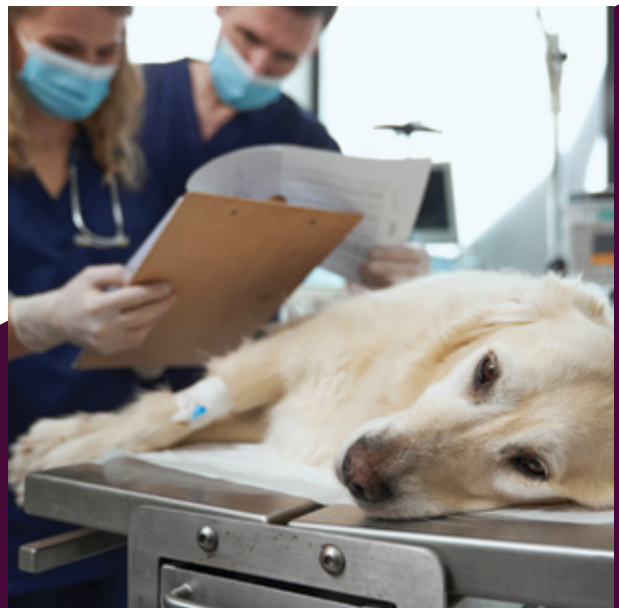
RCVS Knowledge supports antimicrobial stewardship for companion animal, equine, and farm animal practices. Speaking about support available for farm veterinary teams, Mark Jelley, National Farmers Union National Livestock Board member, said the charity has **“played a key role in reinforcing the ruminant sector reputation and helped ensure farm vets have easy access to a reputable source of CPD.”**



Veterinary Evidence, the online, open access, peer-reviewed journal published by RCVS Knowledge, runs the annual *Veterinary Evidence* Student Awards. This year’s winner, Rebecca Hearne, said **“It is rewarding knowing I have been able to contribute to the available evidence base and influence clinical decisions.”**



The inaugural annual report for the *RCVS Knowledge Canine Cruciate Registry (CCR)* was published using data logged by veterinary surgeons and dog owners across the country. The CCR revolutionises how we capture real-world data to benefit dogs with canine cruciate ligament rupture and provides a template for how we might run similar initiatives for other conditions.



2023 Overview



"The core vision of the plan is to be recognised as a trusted, compassionate and proactive regulator, and a supportive and ambitious Royal College, underpinning confident veterinary professionals of whom the UK can be rightly proud."

This overview of 2023 is designed to demonstrate how we have, throughout the year in review, delivered on our five-year (2020-24) Strategic Plan, with reference to the actions under its four key ambitions.

After several years of disruption and subsequent recovery, 2023 was something of a return to normality for the College, although the 'long tail' of events such as the coronavirus pandemic and Brexit, as well as ongoing issues such as inflation and cost of living, still had an impact on our priorities and how we work.

However, as the penultimate year of our five-year strategy, it was also a period of action, in which the remaining strategic priorities were either completed, or plans were set in motion for their completion in 2024, for example, our new building and customer relationship management system. We also made preliminary steps for putting together the College's next strategic plan starting in 2025, the development of which will be taken forward in 2024 with widespread consultation with staff, Council and other stakeholders.

The 2020-24 Strategic Plan

The five-year Strategic Plan was approved by members of RCVS Council in January 2020 and was published in spring that year.

The core vision of the plan is to be recognised as a trusted, compassionate and proactive regulator, and a supportive and ambitious Royal College, underpinning confident veterinary professionals of whom the UK can be rightly proud.

Building on the achievements of its predecessors, the plan addresses the kind of regulator and Royal College that we should be, our place in the world, and how we can continue to remain relevant with the changing times while also being



ambitious for the veterinary professions, animal health and welfare and public health in the UK.

The plan is built on a foundation of four key ambitions, each of which has a number of actions contained within it:

- Clarity: simplifying, unpicking and modernising what we do in order to remain relevant to both the profession and the wider public;
- Compassion: embracing a more compassionate approach to regulation by treating everyone as individuals, communicating promptly, explaining appropriately, and being fair, particularly in relation to the College's concerns investigation and disciplinary processes;
- Courage: taking a leadership role within the professions and considering how we can ensure the professional culture within the veterinary world is healthy, sustainable, inclusive, innovative and respectful; and,
- Confidence: recognising that we can only deliver on our plans if we have the right systems, skills and capacities in place in terms of our staffing, facilities, governance, finance, IT and communications. The



decisions we make on the above factors will, in turn, be underpinned by our mission, vision and culture.

Under the four overarching themes, there are a total of 33 actions, which set out the steps we will take to meet our ambitions.

The Strategic Plan is available to download and read at www.rcvs.org.uk/strategy, but before we detail how we met its aims in 2023, we first want to pick out a few highlights from the year:

- The launch of the Veterinary Clinical Careers Pathway project, an ambitious new initiative to expand and diversify the career options available to the profession, including new training programmes and statuses;
- The recruitment for and first meeting of the Public Advisory Group, which is made up of a broad range of animal owners and keepers, and which will aim to help us better understand some of the issues affecting the public and improve our public-facing services; and,

- The launch of new online RCVS Academy resources, including those specifically aimed at helping the transition of newly-qualified veterinary nurses into life as an RVN, as well as those returning to the profession after an extended absence.

Clarity

The actions that are encompassed within this ambition are about ensuring clarity of purpose and that the College's internal and external stakeholders and service-users understand its role as both a regulator and a Royal College. The ambition seeks to ensure the RCVS is a proactive regulator that remains a step ahead, even in the face of constant change and uncertainty. It means that the College will listen widely, consult meaningfully, make confident decisions, then communicate with clarity, appreciating that the final outcome may not suit everyone.

Legislative reform

Throughout the year we continued to engage with political and professional stakeholders on the need to replace



the Veterinary Surgeons Act 1966 with new legislation that would underpin the modern, forward-looking and inclusive vet-led team both now and into the future. Our calls for legislative reform were backed by other veterinary organisations including the British Veterinary Association (BVA), which took part in a joint parliamentary outreach session in April 2023, hosted by Conservative MP and vet Dr Neil Hudson. A follow-up event, jointly hosted by us and the British Veterinary Nursing Association (BVNA), was held in December, in which the focus was on some of the specific opportunities that new primary legislation would bring to VNs in terms of expanded roles and remit. The events were attended by MPs from all the major parties, with whom we had a chance to speak about the urgent need to replace the current legislative framework.

One of the key changes we would be looking for in any new veterinary legislation would be the ability to regulate whole practices – and not just the individuals that work within them – in a way that would be similar to the Care Quality Commission's remit over health and care settings.



"One of the key changes we would be looking for in any new veterinary legislation would be the ability to regulate whole practices"

In order to help map out this process of transitioning from the voluntary Practice Standards Scheme, 2023 saw the formation of a new Mandatory Practice Regulation Working Group, which will be holding its first meetings in 2024.

Throughout the year a number of workshops were also held with RCVS Council and VN Council members to discuss the internal governance reforms that would need to go hand-in-hand with the broader legislative reforms. These workshops, some of which included the BVA and BVNA, served to gather information on and refine what reforms might be needed to ensure that our governance was aligned with the modern principles of regulatory best practice, and best meet our aims and objectives. These proposals – which include moving towards a fully independently-appointed governing body and greater parity between veterinary and lay members of Council – were discussed and voted on in the public session of the January 2024 meeting of RCVS Council. They will go out to consultation during 2024.

Professional conduct and concerns investigations

This year saw a period of bedding in of the new concerns investigation process structure, which had been brought in at the end of 2022. This involves a simpler 'two-stage' system, in which smaller, more flexible Preliminary Investigation Committees are involved in looking at whether, from the outset, there is a realistic prospect that the alleged conduct constitutes serious professional misconduct and that there is sufficient evidence to prove this. With this new simplified system in place, in 2023 we were able to formally launch the Charter Case Committee (CCC), more details

of which can be found in the 'Compassion' section of this overview.

In addition to the CCC, we also introduced a new private prosecutions protocol as part of our aim to review whether we could take a more proactive role in enforcement against breaches of the Veterinary Surgeons Act by unqualified individuals. Under the protocol trial, we can launch private prosecutions in respect of two specific breaches of the Veterinary Surgeons Act: breaches of the restriction of the practice of veterinary surgery by unqualified individuals (not including those with exceptions under Schedule 3 of the Act) and the section relating to the prohibition of use of the title veterinary surgeons by unqualified individuals. The trial, which runs until summer 2024, recognises that there are constraints on the time, resourcing, and budgets of both the police and public prosecutors, which means that the pursuit of these breaches isn't necessarily a priority and so the RCVS can potentially step in where needed.

Standards and guidance – under care

When it came to our Standards Committee, much of the business of the year was concerned with finalising and explaining the outcomes of our comprehensive multi-year consultation and review exercise that sought greater legal clarity on the meaning of the term 'under care' and how it applies in areas such as out-of-hours care and the responsible use of medicines.

The first iteration of the new guidance on 'under care' and 24/7 emergency cover was approved by RCVS Council in January 2023, having been preceded by a process of evidence-gathering and analysis that culminated, in the summer of 2022, with a consultation on the potential new guidance and its implications with the profession, as well as a YouGov survey with a representative sample of 2,000 animal owners.

The guidance, as approved in January, was set to be implemented in June 2023, although this was extended to September 2023 due to some further refinements being made to the guidance at the March 2023 meeting of RCVS Council. Ahead of the revised implementation date, members of our Standards Committee, our Officer Team, our Registrar Eleanor Ferguson and our Standards & Advice Team went to very considerable efforts to tell the professions what the new guidance means, the safeguards that we put in place to ensure animal health and welfare was the forefront consideration, and its implications for everyday clinical practice. In order to make the changes relevant to the professions, we used a mix of explainers,

case studies, FAQs, webinars, presentations and other learning resources with relevance to all different sectors of the professions.

It should be noted that the guidance and its implementation was not without controversy and difficulties, as its complicated nature led to some misunderstandings and misinterpretations of its impact. However, we made sure to listen to and collate the feedback that came into us in order to put right any misinformation and refine the supporting materials available to the profession accordingly. This flexibility and willingness to compromise and work with the professions was demonstrated when, in September 2023, we delayed the implementation of a specific part of the under care guidance – around the use of anti-parasitic prescription-only medications – in order to help veterinary practices comply with the guidance and the Veterinary Medicine Regulations (VMRs) in terms of carrying out physical examinations prior to prescriptions.

Towards the end of 2023 the new under care guidance was also integrated into the Core standards of the Practice Standards Scheme, in particular the veterinary medicines modules. Our Standards & Advice Team also worked with the Veterinary Medicines Directorate (VMD) to set out a series of agreed guidelines to assist the professions in understanding both the under care guidance, and recent changes to the VMRs. This guidance was published in February 2024.

International

In terms of our international engagement, this year saw a very significant milestone when City University of Hong Kong's veterinary degree became the first in Asia to be directly accredited by the RCVS, having received a recommendation for a full seven-year accreditation by our Primary Qualifications Subcommittee, which was in turn approved by Council. Our accreditation of the course means that graduates holding a BVM from City University will be eligible to register as a Member of the RCVS and practise in the United Kingdom without having to take the Statutory Examination for Membership (Stat Exam). Another major milestone this year was the fact that we had our first successful Statutory Exam candidate who had been a beneficiary of our refugee support scheme. The candidate, who left his home country due to political and religious persecution, was supported with exam fees, expenses, and free continuing professional development (CPD) and membership of veterinary organisations via our arrangements with the Refugee Council charity. He joined dozens of fellow successful Stat Exam candidates at a



"We also continued to highlight the contributions of members of the RCVS to animal health and welfare across the world via our 'International spotlight' feature"



special ceremony at the Law Society in October 2023, where he was formally welcomed to the profession by our President Sue Paterson.

We also continued to highlight the contributions of members of the RCVS to animal health and welfare across the world via our 'International spotlight' feature, profiling the work of our overseas members. Profiles this year included a veterinary surgeon who works as the marketing lead for animal health pharmaceutical company in New Jersey, in the United States, a UK veterinary surgeon now working as a locum vet (and ski instructor) in British Columbia, Canada, and an equine vet based in Brisbane, Australia, who also gets to treat much of the country's weird and wonderful wildlife.

We continued to work with international partner organisations as well, with RCVS representatives attending two general assemblies of the Federation of Veterinarians of Europe in June and November respectively. Such meetings provide an excellent opportunity to share information and best practice with our European partners, for example, we gave a presentation on our Veterinary Graduate Development Programme (VetGDP) at the November assembly. An RCVS representative will also be sitting on FVE's Statutory Bodies Working Group which will be looking to update the organisation's policy on

telemedicine. Other groups we work within include the International Veterinary Regulators Network, which held an event in Dublin in May, where discussion included the regulation of AI and workforce issues. Our CEO also attended the annual conference of the American Association of Veterinary State Boards in Kansas in September, to continue to build our international network post-Brexit, and discuss areas where we have been taking a lead, for example, around telemedicine and working culture. Mind Matters International, our project's global offshoot, has continued to meet with participating organisations sharing information in areas such as research, policy developments and best practice in their respective countries.

Public Advisory Group

As part of our strategic commitment to build closer relations between the College, the profession and the public as a way of gaining input and feedback from animal owners and keepers, this year we moved forward with the establishment of a Public Advisory Group (PAG).

The aim of the PAG is to support our activities in upholding and advancing the educational, ethical and clinical standards of veterinary surgeons and veterinary nurses by ensuring that animal owners and keepers are part of the



conversation and to gain insight into the experiences and opinions of animal owners and keepers. We began the recruitment process for the 30 or so PAG members in April 2023 and, by September that year, the first introductory meeting of the PAG took place.

The PAG members represent a broad range of different animal owners and keepers from across the UK and, at this first meeting, they discussed how the group will play a consultative role on RCVS policies, support the development and improvement of our public-facing services, and act as a sounding board for key messages and communications. One of the first major pieces of work that will be undertaken by the PAG is the creation of advice for animal owners and keepers, based on the advice and guidance already available for the veterinary professions, covering information such as what animal owners/keepers

should expect of their veterinary professionals, as well as owner/keeper responsibilities.

Education standards

As part of our aim to improve overall educational standards and processes, 2023 saw the first accreditation events taking place under the new and pioneering accreditation standards and methodology that was approved by RCVS Council in November 2021 and implemented from January 2023 onwards. As noted at the time of approval, the new standards are some of the most comprehensive and forward-thinking changes from a professional regulator and ensure that RCVS accreditation remains fit for purpose and offers value to vet schools, students and the wider profession. Furthermore, the new accreditation methodology has an increased focus on evidence of positive outcomes



relating to the standards rather than 'input' measures or processes alone.

We also continued to carry out preparatory work ahead of the implementation of the changes to our policy on extra-mural studies (EMS) in September 2024, including the ongoing development and testing of a new EMS database to provide clearer information for veterinary students on what specific EMS placements can offer in terms of experience and support. This preparatory work included planning a campaign, launched in early 2024, to encourage more providers of animal-based services to sign up to host vet students for the non-clinical animal handling component of EMS.

In terms of veterinary nursing, as part of a five-year review cycle, a group was set up to review the standards, policies



This ambition is about ensuring our high standards continue to be met, while working in a compassionate way that respects all of our stakeholders and service-users as individuals."

and procedures for accredited educational institutions, delivery sites and training practices involved in delivering VN education and training. This group made a number of recommendations for changes to the standards framework – including around improving the environment sustainability of VN training and academic integrity – which went out to formal consultation in February 2024.

It is worth noting that, just as we seek to quality assure the standards of education for student veterinary surgeons and veterinary nurses, we also make sure to open our own processes and procedures up to scrutiny via our accreditation by the European Association for Quality Assurance in Higher Education (ENQA). We're delighted to report that, this year, we were successfully reaccredited by ENQA for a further five years following a review in June 2023.

Compassion

This ambition is about ensuring our high standards continue to be met, while working in a compassionate way that respects all of our stakeholders and service-users as individuals. It recognises that a compassionate approach involves helping members of the veterinary team build the skills and knowledge they need to meet our standards, and that this is ultimately in the interests of animal health and welfare.

Staff welfare and support

In our ongoing mission to become a compassionate regulator, we recognise that compassion should, ideally, 'start at home', meaning that we should be supporting our staff so that they can in turn provide the best and most compassionate service they can to the profession and public. In 2023 two internal staff groups were formed to help facilitate this mission: the growth (incremental mindset) group and the Alliance for Inclusion. The former was formed to help staff formulate fresh approaches to the challenges of their roles and have more open and honest conversations with themselves and their colleagues about what is and what is not working, and what could be done better. The Alliance for Inclusion was formed to help drive forward our agenda to make the RCVS an organisation with equity, diversity and inclusion (EDI) at its heart, tasked with looking at EDI issues that impact the organisation.

In autumn 2023, we also rolled out the award-winning MyMynd platform to the RCVS team. The platform is designed to help the team proactively take control of their mental health and improve wellbeing by using short, confidential online assessments and, depending on the results, providing targeted resources or confidential one-to-one support.

RCVS Academy

The RCVS Academy was founded to provide free, interactive and relevant learning resources to support vets and vet nurses to gain a better understanding of their professional standards and how to apply them in working life. It continued to fulfil this mission throughout 2023 with a wide range of new courses being published by the Academy – both general courses and those targeted at specific groups.

Courses published in 2023 include:

- Leadership vs Management, which explains the key differences between the two concepts and identify when you are leading and when you are managing and how to best switch between the two;
- A 'Working in the UK' course for overseas vets and VNs to provide them with the essential knowledge and understanding of how to register with the RCVS and practise as veterinary professionals in the UK;
- The 'RVN Starting Out' course to provide newly registered veterinary nurses (RVNs) with consistent, meaningful and personalised support during the transition from student to RVN;
- A new module within our 'Dealing with concerns' course co-developed with the Veterinary Client Mediation Service on how best to manage complaints with confidence and compassion;
- Two scenario-based courses to help veterinary professions navigate our professional guidance on treating wildlife and stray animals and the potential issues that can arise from this work; and,
- A course to provide support and guidance to veterinary nurses who are returning to the profession after a significant amount of time.

The RCVS Academy celebrated its first anniversary in July 2023 by highlighting its thousands of active learners and course enrolments, and as of early 2024 it had over 19,000 course enrolments and over 9,500 active learners.

Concerns investigation

While investigating concerns raised about the professional conduct of veterinary surgeons and veterinary nurses is an absolutely crucial part of our statutory role, as a compassionate regulator we also recognise the significant toll that such processes can take on the mental health and wellbeing of respondents. In 2021 we launched our ProfCon Investigation Support Service, in partnership with VetSupport.me, to provide a confidential listening and emotional support service for those going through the process. We continued to aid VetSupport to deliver the service this year, and highlighted its work with an article by one of the charity's veterinary volunteers talking about how the service works and the kind of advice they provide to help the service users help themselves.

As mentioned in the 'Clarity' section of this overview, this year we also formally launched the Charter Case Committee (CCC) to provide an alternative and streamlined way of dealing with cases where the conduct of a veterinary surgeon or veterinary nurse has fallen far below the level of conduct expected of them, but is not serious enough to warrant a full, public Disciplinary Committee hearing. The introduction of the Charter Case Committee plays a vitally important role in balancing our statutory role of upholding professional conduct standards and protecting animal health and welfare and public confidence in the professions, with our mission to become a compassionate regulator.

Mind Matters Initiative

As our external-facing mental health and wellbeing project, the Mind Matters Initiative has always been crucial to our aim to become a compassionate regulator, with its

research projects, training courses and resources often feeding into and influencing other aspects of our work – from how we should treat our people, to the support we provide to complaint respondents.

In 2023 we had the opportunity to take stock of the project's impact so far and look forward to its next phase with the publication of two separate documents – an evaluation report and a five-year strategy (both downloadable from www.rcvs.org.uk/publications). The evaluation looked at how the project has delivered in its three main workstreams – prevent, protect and support – since its foundation in 2015, using tangible data to measure impact and outreach, drawing forth points of learning based on this data, and making conclusions about what did and didn't go well and how to make future improvements. The five-year Strategy outlines the workstreams and areas of focus for the initiative for 2023 – 2028, informed by a thorough consultation process, as well as feedback and interactions with the professions by the MMI Team. While still keeping the three main workstreams, the Strategy sought to expand and further the reach and ambition of MMI into new areas. These include:

- equity, diversity, inclusion and civility - in recognition of the fact that people with mental ill-health and other vulnerabilities are disproportionately more likely to face injustices such as workplace bullying, discrimination and incivility;
- widening the conversation to include other topics such as neurodiversity and the impact of the menopause and how they interact with mental health and wellbeing; and,
- making sure to include lesser heard voices in the conversation such as rural, farm and equine vets and student veterinary nurses.

In addition to these two landmark publications, the day-to-day work of the Mind Matters Initiative continued with a special neurodiversity stream taking place at the British Small Animal Veterinary Association (BSAVA) Congress in March 2023, the regular programme of mental health training for veterinary professionals, and the biennial MMI Symposium, which took place in October 2023. The latter event, held in Manchester, saw the awarding of the final Sarah Brown Mental Health Research Grant, with five of the previous recipients giving presentations on the outcomes of their MMI-funded research. The day also saw a number of presentations, with our keynote speaker Dr Leah Quinlivan talking about evidence-based care, after-care and prevention strategies for people who have



The RCVS Academy celebrated its first anniversary in July 2023 by highlighting its thousands of active learners and course enrolments

self-harmed or attempted suicide, and talks on other issues such as the impacts of workplace-based moral stress and injury, mental health in veterinary nurses, and post-Covid wellbeing.

Reflective culture

With our aim to foster a reflective, learning culture within the veterinary team, we continued to promote the importance of reflection in the context of continuing professional development (CPD) as a way of consolidating learning and making veterinary professionals think about how they will apply learning in practice. With the use of our 1CPD platform to record learning and reflection on learning both becoming mandatory at the beginning of 2023, we sent out regular reminders and communications about the importance of reflection and the advantages of using the 1CPD platform to plan and record CPD throughout much of the year. As of early 2024, 98% of veterinary nurses and 96% of veterinary surgeons were using 1CPD, and 59% of vets and 66% of VNs had made sure to add reflective notes to their recorded learning.

Courage

Under this ambition the College strives for the courage to take a leadership role within the professions, to ensure that the pervading culture is healthy, sustainable, inclusive, innovative and respectful and, through this, to develop confident veterinary professionals.

Diversity & inclusion

In 2023 we bolstered our Diversity & Inclusion Team (part of our Advancement of the Professions Department) with the hiring of a dedicated Diversity & Inclusion Senior



Officer. The Team's landmark project for this year was a comprehensive Chronic Illness and Disability Survey with the professions in order to gauge and gather a range of perspectives and information on the experiences of chronic illness and disability. The survey, run jointly with British Veterinary Chronic Illness Support (BVCIS), was started in recognition of the fact that people with chronic illnesses and disabilities in the veterinary professions may face additional challenges in the workplace and so need additional evidence-based support to ensure they can continue to work well in the professions. The survey, launched in April 2023, concluded in May with more than 3,000 people from all sections of the veterinary professions having taken part. The full results and analysis are expected to be published in the first half of 2024.

For the first time this year we also took part in Disability History Month – which runs from mid-November to mid-December – with a series of 'myth-busting' social media posts written by the BVCIS confronting some of the misconceptions and uninformed views and behaviours around disability and the workplace. Early in 2024 this was followed by a series of short 'spotlight' interviews with people in the professions with disabilities and conditions such as dyslexia, autism, attention-deficit/hyperactivity disorder (ADHD) and endometriosis.

Sustainability

With the climate emergency being an ever-present issue with great potential to cause harm to animal health and welfare, in 2023 we continued to examine not only how we can raise the issue of sustainability, but encourage it within the professions and our own internal processes and procedures.

Early in 2023 we announced that new sustainability requirements would be being introduced into the Core standards of the Practice Standards Scheme, meaning that veterinary practices within and without the Scheme would need to meet these (as working within a practice at Core level falls part of the Code of Professional Conduct for all veterinary surgeons and veterinary nurses). At Core standards level, all practices premises must now have a written sustainability policy and engage in the responsible and accountable use and prescription of both endo-and-ectoparasiticides in order to reduce the environmental and biodiversity impacts. RCVS-accredited practices at General Practice level must now have a dedicated sustainability champion and/or team, must advise clients to return unused medicines for safe and sustainable disposal, and must employ techniques to reduce the usage of anaesthetic gas.

Via our President Dr Sue Paterson, we also remained an active member of the UK Health Alliance on Climate Change (UKHACC), contributing to discussions and debates within that organisation and forming strong links with other healthcare professionals passionate about the need for greater sustainability. One such professional, Mahmood Bhutta, a consultant ENT surgeon and Professor of Sustainable Healthcare at the Brighton and Sussex Medical School, joined us at London Vet Show in November 2023 to talk about how his work on developing 'carbon neutral surgery' in human healthcare could be applied in the veterinary field. Furthermore, at the 2023 Fellowship Day, also in November, we held an interactive session on carbon neutral surgery hosted by Sue Paterson and featuring delegates from environmental organisation Vet Sustain.

Workforce

Our Workforce Action Plan, published in 2022, set out a broad range of actions for the RCVS and other stakeholder organisations to help improve the workforce situation within the veterinary professions, with particular focus on the recruitment of more people into the sector, the better retention of people within the professions and encouraging those who have left to return.

While a number of other projects that have already been mentioned in this overview have a workforce component – for example, EMS reforms and the Chronic Illness and Disability Survey – there were some projects for which improving the workforce situation was the primary goal.

First, in early 2023 we held a series of seven interactive online workshops focusing on each of the Workforce Action Plan ambitions in turn and featuring subject matter experts talking about how the workstreams for these ambitions would be taken forward. Among the topics covered by the workshops were shaping leaders at all levels, exploring greater responsibilities for veterinary nurses, and making the veterinary professions an attractive career for all, including those who have left.

On the retention front, there has been a recognition that making sure we have a happier and healthier workforce who have reasons to want to stay in the professions is just as important to solving the workforce crisis as getting more people through the door. Accordingly, we have continued to receive very positive feedback about our Veterinary Graduate Development Programme (VetGDP) from both new graduates and their VetGDP Advisers. Such feedback suggests it is continuing to work well to support new graduates as they make that first difficult step into the workplace, and providing a sound footing for their future working lives.

Making sure veterinary surgeons have satisfying and rewarding careers that keep them interested and engaged has also been an important theme underpinning our new Veterinary Clinical Careers Pathway Project (VCCP), which was approved by RCVS Council in November 2023. This ambitious project, while in its early stages, could be transformational in terms of its proposals as it seeks to embed a new status of primary care specialist, to reform the current Advanced Practitioner status, and to develop more flexible pathways to achieving RCVS Specialist status, including ones that would be more achievable for those in general practice, and the potential of a specialism in general practice. The Working Group tasked with exploring the implementation of the VCCP was formed in early 2024 and it is expected that there will be many exciting developments to come with this project over the next few years.

Fellowship

At the 2023 Fellowship Day in November we were delighted to welcome former Chief Medical Officer, and now UK Special Envoy to the UN for antimicrobial



"Making sure veterinary surgeons have satisfying and rewarding careers that keep them interested and engaged has also been an important theme"

resistance (AMR), Dame Sally Davies as our guest speaker. Dame Sally spoke powerfully about the One Health nature of AMR and praised the fact that the veterinary sector was, in many ways, ahead of the human healthcare professions in terms of antimicrobial stewardship and responsible use.

Her speech fit in very well with the new more interactive and discursive format for this year's Fellowship Day which, while featuring regular segments such as Fellows of the Future student research competition, also had panel question and answer sessions on carbon neutral surgery, as mentioned previously, and whether animal behaviourism is an act of veterinary care.

Regarding Fellows of the Future, it is worth noting that, while only three of the student research projects were selected to be presented on the day, we received a record number of entries this year, with 38 students putting their research proposals forward. In recognition of this we put details of the majority of these research projects on the Fellowship section of the RCVS website (www.rcvs.org.uk/fellowship) for more information.

VN Futures

Collaboration was a key theme for the joint RCVS and BVNA Veterinary Nurses (VN) Futures project this year, as it continued to work towards its stated aims of ensuring that veterinary nursing is a vibrant, rewarding and sustainable profession.



"VN Futures worked with the Mind Matters Initiative to expand a set of training collaborations to include new workshops on self-compassion and on managing anxiety"

In January 2023, VN Futures worked with the Mind Matters Initiative to expand a set of training collaborations to include new workshops on self-compassion and on managing anxiety, in recognition of the fact that these were both issues highlighted by a joint MMI and VN Futures research project on wellbeing for student and newly-qualified veterinary nurses.

The VN Futures project and our Veterinary Nursing Department were also heavily involved in developing the aforementioned RCVS Academy courses for helping new-qualified RVNs adapt to life as a working professional, and for helping those who are returning to the profession after a significant break.

As the year ended we and the BVNA were planning a refresh of the VN Futures project to take place in 2024 to ensure that the project is still focusing on the issues that matter to veterinary nurses now and to try and raise the amount of recognition of and engagement with the project.

Confidence

This ambition concerns much of the 'behind the scenes' work of the RCVS – the incremental improvements to our infrastructure, policies and processes that don't often get attention from the media or the professions at large, but which are integral to ensuring that the RCVS can function effectively and fulfil the remit of the Veterinary Surgeons Act and the Royal Charter.

Governance

Following feedback from the Council Culture Working Group, improvements were made this year to the election process to RCVS Council and VN Council. The feedback from the Group included making standing for election to Council more appealing and clearer, as well as ensuring candidates had a better idea of the role of the College and Council. In order to meet this challenge, we developed a new integrated candidate information and nomination booklet for both the RCVS Council and VN Council elections, meaning all the information candidates need is in one place with clearer explanations of what it means to be a Council member. The booklet also included additional guidance on the kind of information that candidates might like to put in their biographies and statements to ensure that they are demonstrating what they could contribute to the governance of the RCVS.

In addition to the recommendations on the election process, some amendments to the Code of Professional Conduct for Council and Committee Members were also made. We also asked all Council members to complete an independent governance questionnaire which has helped us to prioritise learning and training needs.

Risk

While further information on our specific risks and mitigations can be found on pages 28-29 of this Annual Report, in general we continued with our comprehensive and holistic approach to risk and its management. In terms of the structure for risk management, we have a Corporate Risk Register that then cascades down into departmental risk registers with 'risk champions' within each department taking the responsibility for keeping these updated. All of the registers are reviewed regularly by our Audit and Risk Committee.

We have continued to work on putting together an accessible 'risk dashboard' so that the corporate and departmental registers are easier to read and digest. We have also worked to increase the visibility of our Corporate Risk Register with Council members being given the opportunity to assess the register and make suggestions for further items to include. This work is all complemented by the annual review of our business continuity plan, which is supported by scenario planning exercises.

Customer service

2023 saw the formation of a dedicated Customer Service Team headed by our Head of Customer Service, which serves as a first line of engagement for the professions, dealing with calls and queries around, for example,

registration and the payment of fees. As part of its remit, team members are trained to guide members of the professions with their queries, for example, on managing their personalised accounts and making payments.

Allied to this, in 2023 we also started the process of reviewing and replacing our customer relationship management (CRM) system, to allow us better to meet the individual needs of our members and other stakeholders, and to ensure we are able more efficiently to access the information and data about our members that we need. The process started in 2023 with a wide-reaching and robust tender and partner selection process in order to choose the CRM supplier, which will help us transition our current main CRM to a modern Microsoft Dynamics CRM. A series of team workshops on the CRM took place in early 2024 to explore what staff would want to get out of a new system, following which the timeline for introducing the CRM system was finalised.

New building

With the remaining tenants having moved out of our new headquarters in Hardwick Street, Clerkenwell, we could start our work on getting the building up to our own specifications, using feedback from our staff consultation sessions on what people wanted to see from our new base in terms of features, facilities and accessibility. Some of this work has involved seeking planning permission, for example, for an accessible front entry and second fire escape, which has needed to be granted before we could start our renovation work in earnest. While this work is ongoing the College has continued to be based in temporary WeWork office space while also ensuring that staff have the means and capacity to work effectively from home. As it stands we hope to be able to move into Hardwick Street by early 2025.

Style, language and design

As a responsible professional regulator, it is important that the information we put out is clear, consistent, easy to understand and looks right. Under our Strategic Plan we have therefore committed to looking at how we can try to ensure consistent communications through carrying out a review and audit of our web content and developing a universal style guide for all internal and external communications. With the appointment of a new Senior Web Content Designer, the web content audit has involved going through the website section by section to see what can be removed, what can be simplified and what can be improved in order to make the overall experience of visiting the website better and easier. The style guide, which will be rolled out to apply to all RCVS communications, not only sets out grammatical and spelling rules, but also has guidance



on getting the right tone of voice for different audiences, occasions and types of communication.

Environmental footprint

While we are talking to the professions about sustainability, we are also making sure we actually live our values in terms of our own sustainability and environmental footprint by reviewing our processes to see where improvements could be made. For example, in the veterinary nursing team our VN Examinations Quality Lead has made considerable efforts in making the OSCE exams we runs for overseas VNs considerably 'greener', by repurposing and reusing equipment, only using eco-friendly kitemarked products and equipment and reducing the use of single use products.

Similarly, our Communications Department has been considering the carbon footprint of the events we both run and attend and how this can be reduced, for example, by bringing fewer printed products, and by making sure materials such as banners and display boards are made out of sustainable materials.

Our Green Team will also be heavily involved in the Hardwick Street refurbishment, again ensuring that the carbon footprint of both the work and the running and maintenance of the building is as low as it can be, and that any environmental impacts are offset and mitigated against. ●

Financial management policies

Reserves policy

Unrestricted reserves

The College holds unrestricted reserves to ensure its continuity, to enable its ability to discharge its statutory obligations, to cover liabilities that cannot be covered by insurance, to bridge cashflow problems and to fund long-term projects that cannot be quantified, such as introducing new legislation. The formula for calculating the total level of free reserves is reviewed annually, and the method adopted by the RCVS continues to be considered appropriate. The free reserves target is six months of expenditure and provision for risk cover.

The figure will change from year to year in line with levels of expenditure and the changing needs of the College. Based on current activity, the target level of reserves is £11m and the College currently exceeds this target. At 31 December 2023, the College held free reserves of £15.3m including investments at market value but excluding property. This is higher than the reserves calculation, per the formula, by £4.3m. The excess reserves balance is being retained to provide funds to refurbish the new property, alongside other projects.

Designated funds

Designated funds are amounts set aside by Council for specific projects. The funds are expected to be used within three years of being designated.

Discretionary Fund

The Discretionary Fund is a designated reserve to provide for one-off projects and new initiatives not provided for in the annual budget and is subject to a detailed approval procedure. Expenditure is reported at each RCVS Council meeting. As at 31 December 2023, the value of the fund was £153k (£61k in 2022).

Project Fund

In previous years, funds were designated for specific projects and this fund is the balance of expenditure not incurred by the year end. The projects in this fund are for the estates strategy, alternative dispute resolution,

the new Professional Conduct IT system and the Mind Matters Initiative. As at 31 December 2023 the value of the fund was £56k (2022 £56k).

Practice Standards Scheme

Practice Standards Scheme income can only be used to fund current or future scheme activities and is held as a designated fund.

Going concern

RCVS Council has assessed the ability of the College to continue as a going concern and has considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included identifying issues affecting the budget and cashflow forecasts to 31 December 2025, a consideration of the key risks and the latest available valuation of the investment portfolio.

The principal source of income for the RCVS is membership fees from veterinary surgeons and nurses. This represents over 82% of the College's income. Forecasts for other income and expenditure have been reviewed.

After considering these factors, RCVS Council has concluded that the College has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on a going concern basis.

Risk Management

As a regulator and Royal College, risk awareness and management is strongly embedded in the working culture of the RCVS. The Corporate Risk Register outlines organisation-wide risks, and the mitigating processes we have in place to control them. The register is regularly reviewed internally by the College Senior Team and is also externally reviewed by the Audit and Risk Committee. The RCVS Risk Management

Policy defines roles and responsibilities across the organisation to ensure that we remain risk adverse. This is coupled with a detailed assurance map that runs in tandem with the Corporate to ensure adequate levels of risk assurance is being applied and monitored across the risk register.

Our key risks in 2023; along with their mitigations, include the following:

- **Cost of living crisis and inflation**

The cost of living in the UK had increased markedly in late 2021 and throughout 2022, and although it stabilised in 2023, it remains the case that the prices for essential goods and services have increased far in excess of household incomes. In terms of the profession, it is acknowledged that the crisis can result in an increase in the cost of veterinary services, which would raise animal health and welfare concerns if the public struggle to pay veterinary bills. Additionally, the increased financial pressures on the public raise animal abandonment concerns. In respect of the impact on the College, our operational costs have increased and from an employee standpoint, we appreciate that the increased financial pressures can impact the mental wellbeing and health of our staff. We also recognise the potential effect on staff turnover. Actions taken in anticipation of these risks include having conversations with UK animal welfare charities to understand the impact in animals, increased financial support for staff, increased mental health support for RCVS employees and the profession, a focus on contextualised care and monitoring of this risk from the Finance and Resources Committee.

- **Cyber Security**

Relevant risks include the impact of cyber-related activities on RCVS assets and infrastructure. For example, so-called 'distributed denial of service' (DDOS) attacks, which could bring down the RCVS website; as well as ransomware and hacking

attacks resulting from phishing emails and other techniques. Our mitigations for this risk include mandatory cyber-security awareness training for staff, the implementation of robust IT security systems, regular penetration testing, device encryption, the existence of tech controls such as firewalls, regular backing up of IT systems, and process controls.

- **Breach of confidentiality**

This risk involves the disclosure of confidential and/or private information to third parties in breach of data protection law and/or the College's own confidentiality policies. Actions taken to mitigate this risk include training for RCVS staff and RCVS/VN Councils members on data protection and confidentiality, the launch of a 'Council culture' project looking at how to improve trust and culture amongst Council and committee members, and the continued promotion of the Code of Conduct for Council and Committee members annual review via the Audit and Risk Committee.

Remuneration policy

In 2023, all staff salaries, including key management personnel of the Senior Team, were benchmarked against external criteria by independent consultants, using various external benchmarking surveys, looking at postholders job descriptions and evaluating at 'Market -premium' rates. The Remuneration Subcommittee (comprising Treasurer, President and two Vice-Presidents) agree any pay increases, effective from April of each year. Senior Team members are then asked to put forward recommendations that are considered by the CEO and People Director.

Responsibilities of RCVS Council statement

RCVS Council is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial

Reporting Standard applicable in the UK and Republic of Ireland”.

The financial statements for each financial year have to give a true and fair view of the state of affairs of the College and of the incoming resources and application of resources of the College for that period. In preparing these financial statements, RCVS Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and,
- prepare the financial statements on the ‘going concern’ basis unless it is inappropriate to presume that the College will continue in business.

RCVS Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the provisions of the constitutional documents and bye-laws. It is also responsible for safeguarding the assets of the College including taking reasonable steps for the prevention and detection of fraud and other irregularities.

RCVS Council is responsible for the maintenance and integrity of the College and financial information included on the College’s website. Legislation in the United Kingdom governing the preparation and

dissemination of financial statements may differ from legislation in other jurisdictions.

Investment powers and performance

The College has powers to invest monies in investments, securities or property. Limited powers of investment management have been given to the College’s stockbroker Investec, which reports to the Finance & Resources Committee and also meets with the Treasurer. The investment objective is to achieve a balance between capital and income growth in a diversified portfolio of equities, bonds, cash and commercial property. UK equity exposure is mainly through direct companies, but trusts are also used for exposure to UK smaller companies, overseas equities and property.

Performance in 2023 was measured against and agreed customised benchmark of holdings of 23% fixed interest, 40% UK equities, 25% overseas equities, 5% property, 5% infrastructure and 2% cash. The result for the year was a total return of +7.72%, compared to a benchmark return of +8.86%.

Approved by RCVS Council 6 June 2024



Dr Tshidi Gardiner MRCVS, Treasurer



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

Opinion

We have audited the financial statements of the Royal College of Veterinary Surgeons for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet, Cashflow 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 College's affairs as at 31 December 2023 and of its surplus for the year then ended; and,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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 College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) 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 Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast

significant doubt on the 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 Council with respect to going concern are described in the relevant sections of this report.

Other information

The Council is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Responsibilities of the Council

As explained more fully in the Council members' responsibilities statement set out on pages 29 and 30, the Council is 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 Council determines 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 responsibilities of the Council for assessing the College'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 College either intend 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 independent auditor's report to the members of the Royal College of Veterinary Surgeons 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members.

We obtained an understanding of the legal and regulatory frameworks within which the College operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities SORP (FRS102), as adopted by the Council in the preparation of the financial statements of the College. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the College's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the College for fraud. The laws and regulations we considered in this context were the Veterinary Surgeons Act 1966, taxation legislation, and General Data Protection Regulation (GDPR).

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management.

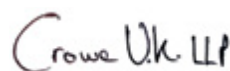
Our audit procedures to respond to these risks included enquiries of management and the Council about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, and reading minutes of meetings of those charged with governance.

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

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

Use of our report

This report is made solely to the members of the College, in accordance with the byelaws of the College as a body, in accordance with our agreed terms of engagement. Our audit work has been undertaken so that we might state to the College'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 College and the College's members as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
London
Date:



**Royal College of
Veterinary
Surgeons
Financial
Statements
2023**

Statement of Financial Activities for the year ended 31 December 2023

	Notes	2023			2022		
		Unrestricted		All Funds	Unrestricted		All Funds
		General Fund	Designated Fund		General Fund	Designated Funds	
		£'000	£'000	£'000	£'000	£'000	£'000
Income							
Income from activities							
Veterinary surgeons	2	12,188		12,188	11,279		11,279
Veterinary nurses	3	2,391		2,391	2,567		2,567
RCVS examinations		584		584	359		359
Register of Veterinary Practice Premises		227		227	212		212
Practice Standards Scheme			1,070	1,070		903	903
Investment Income		493		493	316		316
Income from other trading activities							
Publications and other income		72		72	93		93
Rental income		622		622	792		792
Total income		16,577	1,070	17,647	15,618	903	16,521
Expenditure relating to activities							
Regulatory Functions		11,589	50	11,639	11,001	354	11,355
Veterinary nursing		1,397		1,397	1,193		1,193
RCVS examinations		251		251	222		222
Register of Veterinary Practice Premises		161		161	166		166
Practice Standards Scheme			1,415	1,415		1,222	1,222
Investment management costs		50		50	67		67
Support for RCVS Knowledge and other trusts	4	1,406		1,406	1,140		1,140
Other expenditure - tax expense/ (credit)	9, 14b	213		213	(469)		(469)
Total expenditure	6	15,067	1,465	16,532	13,320	1,576	14,896
Net operational income/ (expenditure)		1,510	(395)	1,115	2,298	(673)	1,625
Net gains/(losses) on investments	12	601		601	(1,954)		(1,954)
Net income/(expenditure)		2,111	(395)	1,716	344	(673)	(329)
Transfers between funds	15	(78)	78	-	(22,586)	22,586	-
Net movement in funds		2,033	(317)	1,716	(22,242)	21,913	(329)
Reconciliation of funds:							
Total funds brought forward	15	13,325	22,418	35,743	35,567	505	36,072
Total funds carried forward		15,358	22,101	37,459	13,325	22,418	35,743

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those above.

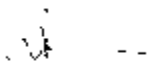
Movements in funds are disclosed in note 15 to the financial statements. The notes on pages 38 to 46 form part of these financial statements.

Balance sheet

31 December 2023

Fixed assets	Notes	2023 £'000		2022 £'000	
Tangible assets	10		22,306		22,489
Investments	12		12,777		12,199
			35,083		34,688
Current assets					
Debtors	13	1,181		1,256	
Cash and short term deposits		8,757		6,478	
		9,938		7,734	
Liabilities					
Creditors: amounts falling due within one year	14	(6,919)		(6,176)	
Net current assets			3,019		1,558
Total assets less current liabilities			38,102		36,246
Creditors: amounts falling due after more than one year					
Provision for liabilities	14b		(643)		(503)
Total net assets			37,459		35,743
Funds	15				
Unrestricted - general fund			15,358		13,325
Unrestricted - designated funds			22,101		22,418
Total Funds			37,459		35,743

The financial statements were approved by RCVS Council and authorised for issue on 6 June 2024.



Sue Paterson, President



Tshidi Gardiner, Treasurer

The notes on pages 38 to 46 form part of these financial statements.

Cashflow statement for the year ended 31 December 2023

	2023 £'000	2022 £'000
Cash from operating activities		
Net operational income	1,115	1,625
Depreciation of tangible fixed assets	304	276
Investment income and rent received	(1,115)	(1,108)
Tax expense	213	(469)
(Decrease)/Increase in debtors	(75)	1,323
(Decrease)/Increase in creditors	671	(1,468)
Net cash provided by/(used in) operating activities	1,114	179
Cash flows from investing activities		
Investment income and rent received	1,115	1,108
Realised (losses)/gains	(38)	(322)
Purchase of fixed assets	(121)	(22,325)
Net from sale/(purchase) of investments	209	355
Net cash provided by/(used in) investing activities	1,165	(21,184)
Change in cash and cash equivalents in the period	2,279	(21,005)
Cash and cash equivalents brought forward	6,478	27,483
Cash and cash equivalents carried forward	8,757	6,478
Increase/(decrease) in cash in the period	2,279	(21,005)

The movement in fixed assets in 2022 includes the purchase of the Hardwick Street property.

The notes on pages 38 to 46 form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2023

1. Accounting policies

a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The College has adopted the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102), to provide a comparable framework with other organisations. The financial statements have been prepared in accordance with FRS 102 and the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011, except that the Statement of Financial Activities headings have been adapted to give prominence to headings more appropriate to the College.

RCVS Council has assessed the ability of the College to continue as a going concern and has considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included looking at the impact on the accounts for 2024, identifying issues affecting the budget and the cashflow forecasts to 31 December 2024, a consideration of the key risks and the latest available valuation of the investment portfolio.

The principal source of income for the RCVS is membership fees from veterinary surgeons and nurses. This represents over 82% of the College's income. Whilst a wider range of options for payment of membership fees are now available, which may impact the cashflow profile, overall income levels are not expected to be significantly impacted.

After considering these factors, RCVS Council has concluded that the College has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on a going concern basis.

b) Income

The fee year for veterinary surgeons, the Practice Standards Scheme and the Register of Veterinary Practice Premises runs from 1 April to 31 March. Fees are apportioned over the calendar year, with fees received for the three months after the end of the calendar year included in deferred income in creditors. The veterinary nurses' fee year runs from 1 November to 31 October and 10 months' income received in the calendar year is included in deferred income in creditors.

Registration fees are recognised when received, reflecting the timing of the service.

Rental income is recognised on an accruals basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due, which is normally upon notification by our investment advisor.

Legacy income is accounted for on the date probate is obtained, when it can be measured reliably and receipt is probable.

c) Expenditure

All expenditure is accounted for on an accruals basis. A provision is recognised when we have a present obligation (legal or constructive) as a result of a past event: it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate. No provision is made for avoidable costs to be incurred in future periods where such costs arise as a result of a disciplinary matter in hand at the period end.

Direct expenditure, including staff costs, is allocated to the applicable expenditure headings. General management, overheads (support costs) and governance costs have been allocated on the basis of headcount.

Governance costs are the costs associated with the governance of the College and associated with the constitutional requirements. These costs will normally include internal and external audit, legal advice for Council and costs associated with constitutional and statutory requirements, for example, the cost of Council meetings and preparing statutory accounts.

Included within governance costs are any costs associated with the strategic, as opposed to day-to-day management of the College's activities. These costs include the cost of employees involved in meetings with Council and the cost of any administrative support provided to Council members. For more information, see Note 5.

d) Tangible fixed assets

Assets which cost in excess of £10,000 and with an expected useful life exceeding one year are capitalised, except for computer equipment and related consultancy costs which are written off in the year of purchase.

<i>Freehold and leasehold buildings</i>	<i>2% of cost</i>
<i>Fixtures and fittings</i>	<i>10 - 25% of costs</i>

e) Investments

Investments are included on the balance sheet at fair value at the end of the financial period. Net gains and losses are shown in the Statement of Financial Activities in the year in which they arise and are based on brought forward values. The cash in the portfolio forms part of the long-term investments and arose due to the timing effect of managing the portfolio. Therefore it has not been classified as part of the cash balances for the cash flow statement.

f) Taxation

Income tax deducted at source from investment income is included in the income figures.

The College is treated as a mutual organisation and is therefore taxed only on outside sources of income. Historically, this has been investment income.

Current tax for the College, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. The College is able to offset tax liabilities against gift aid payments to RCVS Knowledge and other trusts.

Deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date where the transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date and those obligations are expected to crystallise. Timing differences are differences between the College's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. A Prior Year Adjustment has been included to recognise the Deferred Tax Liability for unrecognised gains on investments.

g) Pension contributions

Contributions in respect of defined contribution schemes are charged to the statement of financial activities in the year payable

h) Financial instruments

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provision of the instruments. All financial assets and liabilities are initially recognised at their settlement value.

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Short term investments (cash equivalents) are cash on deposit, not part of the long-term resources and considered a liquid asset as they have a maturity date of three months or less.

Cash at bank includes cash and short-term highly liquid investments with a short maturity date of three months or less from the date of acquisition.

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

i) Critical accounting judgements and key sources of estimated uncertainty

In the application of the College's accounting policies, described above, the Council is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

RCVS Council does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

j) Fund accounting

The RCVS holds unrestricted and designated funds. Funds may be designated by Council for specific purposes as described in Note 15.

k) Heritage assets

No heritage assets have been purchased or disposed of during the last five years. The RCVS occasionally receives donated heritage assets, but none of these donated items received over the last five years are deemed to have an individual value greater than £1,000. No impairment in the value of the College's heritage assets has been recognised in either the current or previous five reporting periods.

No value has been attributed to the heritage assets of the RCVS in the balance sheet on the grounds that there is no reliable method of establishing historic cost information for these artefacts and that the costs of valuation would be disproportionate to the benefit of the resultant information. ●

2. Income from veterinary surgeons (including Specialists)

	2023 £'000	2022 £'000
Annual retention fees	11,409	10,630
Registration fees	482	391
Restoration fees	57	54
Fellowship fees	28	27
Specialist fees	82	67
Advanced Practitioner fees	130	110
Total	12,188	11,279

3. Income from veterinary nurses

	2023 £'000	2022 £'000
Annual retention fees	1,621	1,723
Registration fees	202	217
Student enrolment	447	522
Examinations	36	67
Other	85	38
Total	2,391	2,567

4. Support for RCVS Knowledge and other trusts

	2023 £'000	2022 £'000
Donations to RCVS Knowledge	440	446
Reallocation of support costs to RCVS Knowledge	854	591
	1,294	1,037
Payments to other trusts	112	103
Total	1,406	1,140

5. Governance costs and Council and committee members' expenses

	2023 £'000	2022 £'000
Council and Committee members' expenses	578	530
Audit	38	32
Staff costs	258	243
Total	874	805

Council and committee members' expenses relate to costs incurred attending meetings, excluding the costs of attending Preliminary Investigation, Disciplinary and Advisory/Standards Committees (these are included in regulatory costs). Payments are made for travel and subsistence and a financial loss payment to employers or practices. The total number paid was 60 (2022 - 95). The RCVS takes out indemnity insurance. The cover is taken out on behalf of all employees and all those who act on behalf of the College. As such the costs cannot reasonably be broken down between the different categories covered.

The allocation of governance costs to activities is shown in note 6.

6. Total expenditure 2023

	Direct costs £'000	Staff costs £'000	Reallocation support and governance costs £'000	2023 Total £'000
Regulatory functions	4,565	4,288	2,786	11,639
Veterinary nursing	375	663	359	1,397
RCVS examination costs	145	61	45	251
Register of Veterinary Practice Premises	-	71	90	161
Practice Standards Scheme	172	838	404	1,415
Investment management costs	50	-	-	50
Support for RCVS Knowledge and other trusts	552	-	854	1,406
Other expenditure - tax expense	213	-	-	213
	6,072	5,921	4,538	16,532
Governance costs	616	258	(874)	-
Support costs	1,945	1,719	(3,664)	-
Total expenditure	8,634	7,898	-	16,532

The methods and principles for allocation and apportionment of costs are included in the accounting policies on pages 38 and 39

Total expenditure 2022	Direct costs £'000	Staff costs £'000	Reallocation support and governance costs £'000	2022 Total £'000
Regulatory functions	4,573	4,261	2,521	11,355
Veterinary nursing	255	608	330	1,193
RCVS Examination costs	137	45	40	222
Register of Veterinary Practice Premises	-	88	78	166
Practice Standards Scheme	77	776	369	1,222
Investment management costs	67	-	-	67
Support for RCVS Knowledge and other trusts	549	-	591	1,140
Other expenditure - tax expense	(469)	-	-	(469)
	5,189	5,778	3,929	14,896
Governance costs	562	243	(805)	-
Support costs	1,889	1,235	(3,124)	-
Total expenditure	7,640	7,256	0	14,896

7. Net income for the year

This is stated after charging:		
	2023 £'000	2022 £'000
Depreciation	304	276
Auditor's remuneration	38	32
Other services (taxation, risk software)	10	9

8. Staff costs and numbers

Staff costs were as follows:		
	2023 £'000	2022 £'000
Salaries and wages	6,663	6,067
Social security costs	677	650
Pension contributions	558	539
Total	7,898	7,256

The average weekly number of employees (full-time equivalent) during the year was as follows:

	FTE	2023 Headcount	FTE	2022 Headcount
Regulatory functions	74	80	76	81
Governance	3	3	3	3
Veterinary nursing	12	11	6	8
RCVS examination costs	1	1	1	1
Practice Standards Scheme	9	29	10	29
Register of Veterinary Practice Premises	2	3	2	3
Support	16	26	16	23
Total	117	153	114	148

Staff earning over £60K only (including employee benefits, excluding pension)	2023	2022
£60,001 - £70,000	6	7
£70,001 - £80,000	3	4
£80,001 - £90,000	5	3
£90,001 - £100,000	2	3
£100,001 - £110,000	1	2
£110,001 - £120,000	2	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1
£160,001 - £170,000	1	-

The RCVS considers its key management personnel to be the Senior Team named on page 4. The total employment benefits, including employer national insurance and employer pension contributions, of the key management personnel were £1,166k (2022 -£1,180k). Details of the remuneration policy are on page 29.

In 2023 there were no redundancy payments and settlement agreements (2022 - £0).

9. Taxation

A corporation tax charge of £73k is expected to arise in relation to the rental income. There has been an increase in the deferred tax liability relating to potential gains in the value of the investments, and this is shown at note 14b.

10. Tangible fixed assets

Cost	Property £	Total £
At the start of the period:	22,992	22,992
Additions	121	121
Disposals	-	-
At the end of the period	23,113	23,113
Depreciation		
At the start of the period	503	503
Charge in the year	304	304
Disposals	-	-
At the end of the period	807	807
Net book value		
At the start of the period:	22,489	22,489
At the end of the period	22,306	22,306

The cost of the land at £8.0m is included as an asset but is not subject to depreciation.

The Net book value of £22.3m includes £21.9m attributed to the designated property fund located at Hardwick Street.

In January 2022, RCVS purchased a property in Hardwick Street for £22.3m which will become the College's new Headquarters.

11. Commitments under operating leases

At 31 December 2023, RCVS had total minimum lease commitments under non-cancellable operating leases as follows:

	2023 Land and buildings £'000	2023 Other £'000	2022 Land and buildings £'000
Within one year	83	-	291
Total	83	-	291

In 2021, RCVS sold its headquarters - Belgravia House - and then leased back the property. In March 2022 RCVS terminated the lease on Belgravia House and moved to serviced Wework offices in Chancery Lane as an interim measure.

12. Investments

	2023 £'000	2022 £ 000s
Fair value at the start of the year	11,655	13,965
Additions at cost	2,822	2,420
Disposals at cost	(2,430)	(2,775)
Net gains/(losses)	601	(1,954)
Total (excluding cash)	12,648	11,656
Cash balance	129	543
Fair value at the end of the year	12,777	12,199
Historic cost at the end of the year	10,206	10,188

The investment portfolio is divided between the following categories:

The portfolio consists of the following:	2023 Fair value £'000	2023 Per cent of portfolio £'000	2022 Fair value £'000	2022 Per cent of portfolio £'000
UK equities	2,747	21.7%	3,152	27.0%
Overseas equities	5,319	42.1%	4,648	39.9%
UK fixed income	1,592	12.6%	1,453	12.5%
Overseas fixed income	723	5.7%	812	7.0%
UK property	369	2.9%	348	3.0%
Alternative assets	1,898	15.0%	1,243	10.7%
Total (excluding cash)	12,648	100.0%	11,656	100.0%

13. Debtors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade debtors	113	299
RCVS Knowledge	99	-
Prepayment and other debtors	969	957
Total	1,181	1,256

14. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	781	559
RCVS Knowledge	-	13
Other creditors	730	625
Accruals	383	284
Corporation tax	73	128
Deferred income (see note 14a)	4,952	4,567
Total	6,919	6,176

14a. Deferred income

Deferred income	2023 £'000	2022 £'000
Opening balance	4,567	3,956
Released in year	(4,567)	(3,956)
Deferred in year	4,952	4,567
Closing Balance	4,952	4,567

14b. Deferred tax

Deferred income	2023 £'000	2022 £'000
Opening balance	503	1,100
Charge/(credit) for the year	140	(597)
Closing Balance	643	503

15. Movements in funds

Movements in funds during the year						
	Opening balance as at 01.1.23	Income	Expenditure	Investments gain/(loss)	Transfers	Closing balance at 31.12.23
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted Funds						
Designated Funds						
Discretionary Fund	61	-	(50)	-	142	153
Project Fund	56	-	-	-	-	56
Property Funds	22,325	-	-	-	(433)	21,892
Practice Standards Scheme	(24)	1,070	(1,415)	-	369	-
Total Designated Funds	22,418	1,070	(1,465)	-	78	22,101
General Funds	13,325	16,577	(15,067)	601	(78)	15,358
Total Unrestricted Funds	35,743	17,647	(16,532)	601	-	37,459

Movements in funds during the prior year						
	Opening balance as at 01.1.22	Income	Expenditure	Investments Gain/(loss)	Transfers	Closing balance at 31.12.22
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted Funds						
Designated Funds						
Discretionary Fund	157	-	(88)	-	(8)	61
Project Fund	285	-	(266)	-	37	56
Property Funds		-		-	22,325	22,325
Practice Standards Scheme	63	903	(1,222)	-	232	(24)
Total Designated Funds	505	903	(1,576)	-	22,586	22,418
General Funds	35,567	15,618	(13,320)	(1,954)	(22,586)	13,325
Total Unrestricted Funds	36,072	16,521	(14,896)	(1,954)	-	35,743

Designated Funds

Designated funds are backed by cash reserves.

Discretionary Fund

The Discretionary Fund provides for one-off projects and new initiatives not provided for in the annual budget.

Practice Standards Fund

The Practice Standards Fund provides for the management and operation of the Practice Standards Scheme.

Project Fund

The fund is one combined balance of specific projects provided for in the annual budget but where expenditure has not been incurred by the year end.

Property Fund

The Property fund identifies the capital associated specifically with land and buildings.

General Fund

The College holds reserves to ensure its continuity, to enable its ability to discharge its statutory obligations, to cover liabilities that cannot be covered by insurance, to bridge cash flow problems and to fund long-term projects which cannot be quantified, such as introducing new legislation.

16. Related Parties

RCVS Charitable Trust (“RCVS Knowledge”), is an independent charity, registered in the UK (charity number:230886) that has a close relationship with the College, which is its major funder and provides a range of services, including the use of the College premises. Total donations of £440k (2022: £446k) were made to RCVS Knowledge in the period. Support costs of £634k (2022:£591k) were gifted to RCVS Knowledge in the period. At year end, RCVSK owed £99k to the College. In 2022, £13k was owed to RCVSK. All transactions were made at arm’s length. There were no other related party transactions in the year.

Three of the ten RCVS Knowledge Trustees are RCVS Council members (see page 4). One member of RCVS Council is a trustee of Vetlife, to which RCVS made a donation in 2023.

17. Contingent Liabilities

At the year end, there was a contingent liability of £2.8m relating to a potential VAT charge on the sale of Belgravia House.

18. Post Balance Sheet Events

There were no post balance sheet events to report.

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