

RCPsych Annual General Meeting 16th June 2026

Report of the Treasurer



It is my pleasure to present the annual accounts of the Royal College of Psychiatrists for the financial year ended 31 December 2025, prepared in accordance with the Charity Statement of Recommended Practice (SORP) and the Financial Reporting Standards (FRS) 102. Full details are set out in the Impact Report and Financial Statements 2025; I will therefore provide a short summary and some context for the year.

The College has continued to strengthen its financial resilience and control environment during a period of ongoing uncertainty. While inflation has eased from previous peaks during 2025, the wider outlook remains challenging, with subdued UK growth, continued pressure on public finances, and renewed geopolitical tensions contributing to volatility in energy prices and wider costs. At the same time, sustained pressure on NHS services and training budgets continues to affect the capacity of members to volunteer their time and engage fully in College activity. Against that backdrop, the College has remained focused on financial discipline, service delivery and targeted investment in priorities that support members and patients.

Despite these pressures, the College concluded the year with an unrestricted surplus of £985k, of which £1.15 million related to investment gains. These gains enabled the College to replenish both the digital improvement fund, which supports core information systems, and the repairs provision fund, which supports major works at the College's headquarters. Planned projects for 2026 include upgrades to the membership website, membership database replacement, a new web-based e-portfolio tool, a new HR system, AI development and wider core infrastructure improvements. These investments are intended to improve members' experience by making services easier to access, reducing administrative friction, and supporting more reliable, modern and responsive systems. Additionally, ongoing building projects, include first-floor carpet replacement, air-conditioning upgrades, drainage and rainwater pipe works, and integration of smart metering into the Building Management System, will help improve sustainability and support a better environment for members, staff and visitors.

The College has a portfolio of listed investments and operates a sustainable investment policy, excluding fossil fuels and seeking positive investment in companies whose activities support the UN Sustainable Development Goals. Over the 12 months to December 2025, the portfolio delivered a positive return of 7.14%, increasing in value by £1.15 million. In addition, the combined portfolio's attributable carbon footprint (Scopes 1 and 2) was approximately 650 tonnes lower

than that of a comparable investment in global equities, as represented by the MSCI AC World Index.

The budget for 2025 was set to deliver a break-even position on unrestricted operating activities before investment gains or losses and before expenditure from the digital improvement fund and the repairs provision fund. Despite the uncertainties faced during the year, the College delivered broadly in line with the plan and reported a surplus on day-to-day operating activities.

Membership of the College grew by 3% during the year to 22,171 members. This continued growth is encouraging and reflects the College's importance to psychiatrists at every stage of their career.

The budget for 2026 has been set to deliver a break-even position for the year, excluding investment gains or losses. It includes continued investment in the College's digital infrastructure, including phase 2 of the new membership database, to improve the quality, accessibility and efficiency of services provided to members.

Income

College income in 2025 was £30.6 million, generated broadly across Education and Training (36%), Membership and registration fees (28%), and Standard Setting and Research (33%). This diversity of income supports the College's ability to invest across its full range of activities while maintaining services and member support. Grants and subscription to network reviews obtained by the CCQI for example, continue to make a significant contribution towards the College's income.

Expenditure

Expenditure in 2025 was £30.4 million, of which 56% related to staff costs.

The College invested £611k through the digital improvement fund in the membership database, finance system, e-portfolio and hybrid events. These investments are designed to improve the reliability and accessibility of core services, streamline key processes and enhance the way members interact with the College. In addition, £202k was spent from the repairs provision fund on roof repairs, lift upgrades, fire door remedial works and other building improvements.

Reserves

The Board of Trustees has set a minimum target for general reserves equivalent to six months of unrestricted expenditure. At the end of 2025, the College held reserves equivalent to 6.7 months, providing a prudent buffer against uncertainty while allowing continued investment in strategic priorities.

We remain focused on securing value for money across all College activity, ensuring that income, including members' subscriptions, is used efficiently, transparently and in ways that deliver tangible benefit. This includes investment in education and training, professional standards, examinations, digital services, events, policy influence and the infrastructure needed to support members effectively throughout their careers.

A key component of the College's financial strategy is the planned introduction of zero-based budgeting in 2027. This is intended to strengthen financial sustainability, transparency and accountability, while helping to align resources more closely with strategic priorities, identify efficiencies, and maximise the value delivered to members.

I would like to thank Alex, Mehmet, Ewa and the wider Finance Team, as well as the Members and Trustees who serve on the Finance Management Committee and all those who act as Finance Officers for Faculties, Divisions, Devolved Councils and Special Interest Groups. Their advice and support are invaluable. I would also like to thank my fellow Officers, Lade, Owen and Subodh.

Dr Ian Hall, Treasurer
June 2026