



Royal Conservatoire
of Scotland

A Company Limited by Guarantee

Annual Report

And

Financial Statements

For the Year Ended 31 July 2021

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PATRONS AND OFFICE BEARERS**PATRONS**

Patron	His Royal Highness The Prince Charles, Duke of Rothesay DACad Hon RSAMD
President	Sir Cameron Mackintosh FRSAMD
Vice President	The Right Honourable Lord Gill FRSAMD
Vice President	Lord Vallance of Tummel DCon Hon RCS
Patron of the Junior Conservatoire	Nicola Benedetti MBE DMus Hon RCS

OFFICE BEARERS

Chair of Governors	Nick Kuenssberg OBE
Principal	Professor Jeffrey Sharkey
Secretary	Lindsey Shields (Up to 20/02/21) Alan Smith (20/02/21-05/09/21) Professor Vicky Gunn (from 06/09/21)
Registered Office	100 Renfrew Street Glasgow G2 3DB

PROFESSIONAL ADVISERS**Bankers**

The Royal Bank of Scotland plc 10 Gordon Street Glasgow G1 3PL	Bank of Scotland PO Box 545 Faryners House 25 Monument Street London EC3R 8BQ	Western Union International Bank Gmb UK Branch (WUIB) Western Union Business Solutions Worldwide House, Thorpe Wood Peterborough PE3 6SB
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External Auditors

Chiene + Tait LLP
61 Dublin Street
Edinburgh
EH3 6NL

Internal Auditors

Azets
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Investment Advisers

Smith & Williamson Investment Management LLP
206 St. Vincent Street
Glasgow
G2 5SG

Solicitors

MacRoberts LLP
Capella, 60 York Street
Glasgow
G2 8JX

Clyde & Co (Scotland) LLP Pinent Masons LLP
144 West George Street 141 Bothwell Street
Glasgow Glasgow
G2 2HG G2 7EQ

CHAIR'S REVIEW

The past year at the Royal Conservatoire of Scotland has been distinctive and, in many ways, extraordinary. Following the immediate shock of Covid and its impact on the final term of the previous academic year, this community has learnt to survive, and even to thrive, within an operating environment of global pandemic and changing world. This has been challenging and impactful across a wide range of issues in ways that few could have foreseen, from the emotional to the practical, the organisational to the aspirational and, of course, the financial.

At the outset I must commend wholeheartedly the 'can do' creative spirit and dedication of the entire community in its responses to these challenges ranging from lockdown to Brexit, virtual delivery of events and parallel pedagogies, financial uncertainties and varying rules and regulations. Throughout the institution there are countless examples of individual and collective resilience, innovation and creative problem-solving. We have listened, adapted and responded. Everything has been undertaken collaboratively with safety and well-being of all at its core. This has been difficult, tiring work. A telling accolade was being named in The Herald Scottish Higher Education Awards as Scotland's outstanding contributor to Student Wellbeing. It is gratifying to see the excellent work of students and staff, and in particular the collaborative student-staff team behind the Home from Home programme, recognised in this way. While there are so many to thank, I must single out John Craig, SU President (and Board member) and his SU colleagues, who have been valued partners in planning and shaping the way forward.

Despite this testing background and the many distractions arising RCS continues to be recognised as world-leading in its delivery of performing arts education. A Number Three placing in the prestigious QS 2021 World University Rankings alongside Juilliard in New York and the Royal College of Music in London, as well as a UK Number One ranking in the Complete University Guide 2022 for arts, drama and music underline RCS's reputation for excellence and impact at a national and international levels.

These rankings have been matched by a strong and well managed financial performance, underpinned by significant additional support from the Scottish Funding Council which is gratefully acknowledged. Delivery of an operating surplus of £254k for the year 2020/21 (compared to £385k for 2019/20) is to be commended along with the continued improvement in cash and investments to £13,271k (an increase of 35%) and, despite the pension deficit, an increase in reserves of £681k to £20,491k. It is again of considerable credit to the leadership team, staff and students who have worked together in an engaged, committed, and collaborative way to ensure the institution's resilience through this demanding period.

As well as demonstrating impact and relevance on an international stage, RCS has continued to play its part as Scotland's national conservatoire in so many ways, perhaps none more so than its leadership role with the Music Education Partnership Group Scotland (MEPG) in developing and delivering the Music for Scotland Manifesto in advance of the 2021 Holyrood elections. Working collaboratively with MEPG Principal Jeff Sharkey and conservatoire colleagues made a compelling case for the individual, social, cultural and economic value of access to music education for all young people which gained cross-party endorsement. As a result of this and the commitment from Scottish Government, this new school year in Scotland began with the abolition of instrumental music tuition fees for all young people, a game-changing investment in our young people and the future of the arts in Scotland.

In terms of the leadership team I would like to note the retiral of RCS's Director of Human Resources Jackie Russell and Director of Drama, Dance, Production and Film, Hugh Hodgart, wishing them both well. I also welcome amongst new staff the appointments of Lydia Demaison as Director of Human Resources and of Professor Vicky Gunn as Academic Registrar and Board Secretary. This summer has seen the reinforcement of the board with the appointment of six new Governors: Jo Buckley, chief executive of Dunedin Consort, David Hare, a past president of the Institute & Faculty of Actuaries, Professor Mark O'Thomas, Pro Vice Chancellor of the University of Greenwich, Professor Matthew Rooke, composer and cultural administrator, Professor Nacim Pak Shiraz, Head of Islamic and Middle Eastern Studies at the University of Edinburgh and Doctor John Taylor, another past president of the Institute & Faculty of Actuaries whose contributions over future years will be appreciated. At the same time I would like to express my thanks to retiring governors Maria Taylor who served as Senior Independent Governor and to Donald MacRae who retires at the AGM 2021 after 10 years of distinguished service as Convenor of the Finance and General Purposes Committee. The Board has agreed to award an honorary fellowship to Donald MacRae in recognition of his commitment and had determined to do the same for former governor John Hylands, who retired from the Board in October 2020 and sadly died in July before he could receive his fellowship.

Playing as one team, the Board of Governors, the Conservatoire Senior Management Team, led by our outstanding Principal, Professor Jeff Sharkey, ably supported by Deputy Principal Dr Lois Finch and working together with our students, academic and professional services staff, have done an outstanding job under difficult and persistent circumstances. While the road ahead sees the continuation of exceptional demands and challenges for all of us, I have no doubt RCS as an institution and as an artistic community will continue to thrive and to deliver.



Nick Kuenssberg
Chair

REPORT OF THE GOVERNORS

The Governors present their report together with the audited financial statements for the year ended 31 July 2021.

Constitution

RCS is a company limited by guarantee and having capital divided into shares with a Company Registration No.SC04703. It was incorporated as the Glasgow Athenaeum in December 1900, having been established in 1847 to provide further education for adults in the fields of commerce, science and the arts. It is now an institution of higher education and was awarded degree awarding powers for taught degrees by the Privy Council on 13 May 1994.

The terms of the constitution, membership, powers and proceedings of the Board of Governors are currently set down in the Memorandum and Articles of Association as varied by, and in conformity with the provisions of, The Royal Conservatoire of Scotland Order of Council 2014 No. 268 as amended by The Royal Conservatoire of Scotland Amendment Order of Council 2020 No.3.

RCS is recognised by HMRC as a charity and is registered with the Office of the Scottish Charity Regulator – No.SC015855.

Corporate Structure

A representative of each of the key constituencies of RCS holds a block of shares. Those constituencies are: students represented by the President of the Students' Union; staff represented by their elected staff Governors; senior management and Academic Board represented by the Principal; and the Chair representing the Board of Governors and wider society. A descendant of one of RCS's philanthropic founding families also retains a shareholding. Shareholders are entitled to vote at the Annual General Meeting to which all staff, students and a wide range of external stakeholders are invited with the opportunity to ask questions.

Principal activity

The principal activity of RCS is the provision of teaching, learning and research in, and for, the performing arts. Programmes offered range from short courses for young children through to PhD and include all genres of the performing arts and education.

RCS's vision is to:

Be Scotland's globally recognised and inspirational leader in learning for the performing arts, attracting and nurturing the best Scottish and international creative talent.

As a Board of Governors, staff and student team, we embrace and are motivated by:

- Disciplinary excellence and innovative cross-disciplinary collaboration;
- Inclusivity, diversity and individuality;
- Breaking down barriers and challenging boundaries;
- The advancement of creative citizenship and leadership across the performing arts for our nation and for the world.

STRATEGIC REPORT

Upon the completion of the strategic plan 2015 to 2020 'Delivering a Defining Performance' the Board decided that 20-21 to 22-23 (deemed 'the emergency years' by the Scottish Government due to the pandemic) would be a period of transition for RCS during which it would reflect upon strategic priorities already in development and assess the altered post-pandemic landscape to inform a new strategic plan from 2023 to 2030. These priorities and progress made during the year were as follows:

- ***Sustain and enhance creative excellence (for learners, staff, partners)***

Many creative solutions have been found in response to the need to move suddenly to online provision which then evolved into a blended learning environment over the year both in terms of devising digital teaching and resources and re-imagining the production and presentation of performance output. This has provided a glimpse of the future and, more immediately, allowed students to connect with and reach new and wider audiences.

RCS was pleased to be ranked UK Number One in the Complete University Guide 2022 for arts, drama and music and Number 3 in the QS World Rankings for Performing Arts, and particularly pleased to receive a Herald Award for its support for student well-being which has been of primary concern this past year. The NSS overall satisfaction dropped from 86% to 79% which was disappointing but completion rates were low as a result of NUS boycott and it was an exceptionally challenging year for students.

Work continues to implement the Enhancement Led Institutional Review (ELIR 4) action plan and engagement with QAA Scotland during the year to review was well-received. We are developing a new assessment strategy and this has been put out to students and staff for wider consultation. This is an important development that will support improvement of assessment and feedback satisfaction and develop staff good practice.

- ***Identify and take necessary steps towards achieving the optimal size and scope for the institution (and its internal ecology) so that it remains sustainable***

Initial discussions are underway regarding curriculum review, with one of its objectives to evaluate and arrive at an optimal balance of programmes, to review the balance between undergraduate and postgraduate provision and to ensure that re-validated programmes have explored the potential for much more partnership working and collaborative work.

A review is also underway of the portfolio of short courses and the development of micro-credential provision, considering also the mainstreaming of online and blended models alongside HE programmes and ensuring they are complementary and provide the right offer at the right level in the market.

Data is being gathered to inform understanding of trends in EU recruitment, and from there to consider what the international and domestic recruitment strategies will be to achieve optimal size and ecology. Since EU musicians in particular are essential to the art form itself – since its history, performance styles and our curriculum are steeped in European culture – there will be significant challenges in simply trying to 'replace' EU students with Scot/International students not raised in that continental European tradition. RCS continues to lobby for scholarship support from Scottish Government which recognises the importance of retaining a healthy presence of EU students within its community.

- ***Achieve a healthy and sustainable balance between growth in income generation activity and efficiencies***

The Board commissioned an external review of development and fundraising capacity and capability and this has resulted in a decision to invest more strategically in this area and has a re-focused Development and Fundraising Committee which will oversee these activities and consider the potential of new business development opportunities.

The Finance and General Purposes Committee also considered the output from an economic consultant which suggested a range of options to secure institutional sustainability including a review of the value proposition in relation to tuition fees and the balance of the portfolio of programmes.

These reviews are informing on-going work to transform RCS into a more robustly sustainable institution through the generation of increased income through short course development and fundraising and evaluation of the efficiency of curriculum provision, academic staffing infrastructure, professional services staffing and systems, and estate.

- ***Achieve the best inter-relationship for RCS between local, national and international presence, activity and impact***

Having been part of the successful effort to have the Music for Scotland Manifesto accepted by government, RCS is now engaged in the next steps of the implementation of the policy to provide free music tuition in schools which include: GTCS accreditation and CPD training for teachers also harnessing RCS' expertise in online delivery which might supplement face-to-face teaching in more remote areas of Scotland where it is difficult to access instrument specific teaching.

RCS continues to nurture strong relationships with all National Companies in Scotland including a forum to co-ordinate the response to the challenges of the pandemic including the range of possible digital developments to allow continued engagement with stakeholders. New audience development through the pandemic has meant that our impact internationally has been wider and better spread than pre-pandemic. A new Memorandum of Understanding (MoU) has been signed with the BBC.

RCS has signed up to the Turing student mobility scheme and students are set to go out during 2021-22 session and a range of new and refreshed international relationships have been put in place including: RCS has joined the Nordic Association of Conservatoires, and a number of the senior leadership have been involved in major reviews of Nordic countries enhancement-led provision; an MoU has been signed with the National Institute of Dramatic Art in Australia and another renewed with Yong Siew Toh Conservatory of Music in Singapore facilitating student exchanges.

- ***Renew and enhance focus on the development of creative and innovative pedagogies, Research & Knowledge Exchange and other relevant activity that supports artistic and industry progress and graduate employability***

Planning for our 175th anniversary has highlighted gains to be made from the coincidental timing of the 2022-23 UG curriculum review. It is proposed that under the banner of 2022 celebrations, academic year 2022-23 is used to explore proposed changes to curriculum, in a freer way, including facilitating elements of shared, blended learning for all students, re-focusing collaboration opportunities, and introducing more flexibility and student-led initiatives. Focus on digital development will be of particular importance in the new strategy commencing with learnings from the accelerated move to online teaching which has sharpened thinking about what could be more effectively delivered digitally and what should be retained as in-person delivery. It is also recognised that key strategic partners will need to be identified to lever in complementary external expertise and capacity to deliver some of the objectives. Much of this is employment-led – for instance, in theatres, producers now not only need to be able to produce for stage, they also need the technical skills to be able to produce and edit for screen, streaming and hybrid models of engagement, stimulated by necessity in the pandemic, but underscored by the exciting new audience developments seen across the sector.

Despite the complex and testing circumstances of the pandemic, the development of our research and knowledge exchange activity continued at pace.

Once again, we have seen increased numbers of applicants for our doctoral programmes in AY 20-21 and will welcome a record number of new students for the new academic year. This is matched by an increased throughput of successful completions. We are now giving serious consideration to our future strategy for doctoral recruitment as our success in this area brings with it challenges of capacity.

In addition to numerous publications, AY 20-21 also saw Conservatoire researchers collaborating on timeous projects such as 'Art-making in the Anthropocene', funded by the Royal Society of Edinburgh, and reaching an international audience of 202 participants from 14 countries.

Spring 2021 saw the completion of our submission to the Research Excellence Framework (REF 2021), the results of which are likely to inform core funding for research for at least the next six years. This was also an opportunity to reflect on the growth and development of research at the Conservatoire since the previous exercise in 2014. Our research environment (as defined by the REF process) has grown in terms of both its vitality and sustainability.

Rapid development in Knowledge Exchange and Innovation also continued, with a year of developmental work on the 'Innovation Hub' concept, which will bear fruit in a 2-year pilot 'Innovation Studio', commencing in Autumn 2021 including two entrepreneurs in residence, funded by a generous and farseeing donor.

Delivery of entrepreneurial education continued, with the move online of our summer school SHIFT, which we developed in partnership with the Glasgow School of Art and Queen Margaret University Edinburgh. The 'digital switch' permitted SHIFT to be opened up to Scottish HE students beyond the consortium and a multi-platform approach was used. At the request of colleagues in the Scottish Government, SHIFT was presented as a case study at an OECD event in January.

In late 2020, RCS agreed to become signatories to the Knowledge Exchange Concordat, which is designed to embed KE more strongly as the 'third mission' of higher education institutions across the UK. The confidential review by the KE Concordat panel, will inform the future KE and Innovation strategy.

- **Embed inclusivity fully in curricula, infrastructure and outcomes for all who engage with RCS**

Six new Governors were appointed to the Board during the year which provided the opportunity to increase the diversity of the membership.

A second EDI Officer was recruited which makes the team better equipped to meet the needs of our student and staff body, not only due to the extended availability, but due to the enhanced life experience and knowledge that comes from having a more diverse team.

In April 2021, we launched three key documents in line with the requirements of the Equality Act 2010.

- Our new [Equality Outcomes 2021-25](#) demonstrate our optimism and commitment to continue to ensure that arts education is accessible to all, for the benefit of all. They present our key equality, diversity and inclusion priorities for the next four years, based on evidence gathered from within our institution, the UK higher education sector and from wider society.
- We also published our [Mainstreaming Equality Report 2021](#). This Report lays out our commitment to equality, diversity and inclusion, how we proactively demonstrate this commitment within all of our activities and celebrates some of our successful initiatives. It also provides some key data about our staff, students and governors.
- Our [Equal Pay Review 2021](#) provides data on the comparative earnings of our staff by gender, race and disability. It also provides statistics about occupational segregation, together with information on how we intend to address our existing pay gaps.

Anti-Racism training for academic staff and all students was undertaken at the start of the 20/21 Academic Year. The aim was to ensure that everyone was fully aware of the institutional Anti-Racism Action Plan, of the impact and damage caused by racism and micro-aggressions, and to comprehend the principles and impact of privilege. Work is underway within programme teams to review the curriculum to make it more reflective of wider cultural histories and perspectives.

Active Bystander Training was also provided to equip our learning and teaching community with the knowledge and skills to intervene safely if/when they witnessed inappropriate behaviour.

Support continued for bids from students and staff to promote, celebrate or explore any aspect of equality, diversity and inclusion. Due to the pandemic, all bids to the EDI Creative Fund were required to be of a digital nature. Successful bids included a podcast series which was launched on World Day for Cultural Diversity. The series *Dialogue and Development* explored the diverse voices of the African diaspora.

Challenges presented by Covid and Brexit and mitigating actions

Covid

An Academic Continuity Group, convened by the Deputy Principal and comprising colleagues from across the Institution and the Student Union, was established to plan and manage operations during the pandemic.

The nature of RCS programmes is such that it is essential for students to work collaboratively and in ensemble often utilising specialist facilities and equipment to be able to achieve learning outcomes. Over the course of 2020-21 a key objective for RCS was to plan and deliver curricular activities to provide as much in-person activity as possible within the constraints of Covid guidelines and other health, safety and welfare considerations.

In order to achieve this it was necessary to make adjustments to the estate such as the instigation of a one-way system, provision of screens in certain environments and additional handwashing stations. Overall and individual room capacities were re-assessed and a people management system was introduced to allow user numbers to be monitored and provide data for Test & Protect purposes. Additional rehearsal space was procured around the city to accommodate the need to provide for a large number of groups due to physical distancing factors beyond what was available within the RCS estate.

In-person learning was proportionately more than most other HEIs and so significant investment was made in the cleaning and hygiene regime.

The Box Office remained closed throughout the year as it was not possible to have a live audience for performances. However, as the production and delivery of performances are integral to the student learning experience every effort was made to continue to do so with minimal numbers of key staff and assessors present. It was also decided to capture many of these events using commercial specialists for subsequent live streaming as a means of projecting the work of RCS and its students to a wider audience including agents and potential employers.

An in-house online platform was established to showcase performance from across RCS with more than 20 premieres of music concerts, a music festival 'Guitar Digifest', live opera masterclasses, and dramatic performance. RCS@Home was a successful outcome of these innovations with multiple benefits which will be continued. A 'Welcome Home' team comprising staff and students had been established to provide a warm and practical welcome to new and returning students at the beginning of the session. This evolved into a 'Home from Home' team which has organised:

- Communication with and detailed survey of all new and returning students assessing their needs and personal situation;
- Delivery of welcome packs of essential items to students while they are quarantining – such as basic food, medicines and essential student starter kits as required;
- Via the Students' Union holding twice daily online social events during Welcome Week to help maintain students' social engagement while isolated;
- A library and course work collection and delivery service; and
- Checking in with quarantining students to ensure they are staying connected (and staying at home) through their self-isolation.

RCS is grateful for the additional grant support from SFC during the year which has helped to mitigate the financial impact of the pandemic.

Brexit

As expected there has been a large reduction in EU applications for the first intake under the new tuition fee arrangements in 2021-22: (Undergraduate -46%, postgraduate -25%). Recruitment of additional Scottish students who meet the quality thresholds to compensate has proved a particular challenge compounded by the disruption of pre-HE performing arts education both in RCS and in wider society, and by increased targets due to the award of further funded places for undergraduate Scots late in the audition cycle. RCS will continue to advocate in support of access to sustained high quality teaching of performing arts for young Scots and to play its part in developing the talent pipeline through its own wide-ranging pre-HE programmes, continue to lobby for the particular cultural importance of having EU students in RCS while also widening the international reach of recruitment efforts.

Environmental Sustainability

RCS reports annually under the Climate Change Scotland Act 2009 and has shown a reduction in carbon consumption year on year since reporting was introduced. On-going initiatives include:

- Embedding the Sustainability Committee within the main committee structure reporting to the Academic Board;
- Commitment of zero waste to landfill;
- The creation of the RCS Green Room microsite as a gathering place for all our creative and operational activity in the spaces of sustainability and climate emergency;
- A project to invest in solar energy has been approved;
- On-going LED lighting replacement programme;
- Phased upgrade to building energy management system;
- PIR and water saving devices;
- Centralised print hubs;
- A programme to phase out direct investment in fossil fuels and mining stock from investment portfolios completed with re-investment in renewable stocks now included in the investment manager's mandate;
- Embedding consideration of sustainability issues in curriculum review; and
- Achievement of Cycle Friendly Campus Award.

COP 26

RCS is fully engaged with the COP 26 summit to be hosted in Glasgow in November 2021 including:

Hope Springs Eternal: a series of original digital performances. Presented in a partnership between RCS and the Scottish Government, these performances focus on the themes of climate, nature and resilience. The series will be curated by artists from across the Royal Conservatoire of Scotland community and will include music, drama and dance performances

Climate Portal Project - A gold shipping container that will act as a global portal to creativity, collaboration and conversation – connecting Scotland to the world. The converted container, located on the RCS campus from

August to November 2021, will use immersive audio-visual technology to bring together people in the UK with communities and portals around the world. The project will feature new artistic commissions, masterclasses and knowledge exchange around the theme of climate change and will create a shared space to talk, dance, play and converse in real-time as if in the same room, enabling face-to-face interaction between people who wouldn't otherwise meet.

Greenhouse Gas Emissions

The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 requires all non-quoted large companies to report the greenhouse gas emissions for which they are responsible and on any environmental matters which are material to the company's operations. This is the first year of disclosure and complies with the requirements of Streamlined Energy and Carbon Reporting (SECR).

Greenhouse gas emissions by year (tonnes CO₂e):

Emissions source (tCO₂e)	2020/21	% of Total
Fuel combustion: Natural gas	505	63.0%
Purchased electricity	296	37.0%
Total emissions (tCO₂e)	801	100.0%
Intensity: (tCO₂e per square metre)	0.0355	

Energy consumption by year (kWh):

Energy consumption by year (kWh)	2020/21	% of Total
Natural Gas	2,761,918	66.4%
Purchased Electricity	1,397,589	33.6%
Total	4,159,507	100.0%

We are unable to provide figures for the consumption of fuel for the purposes of transport due to system limitations. We do not have responsibility for any emission sources that are not included in our Financial Statements.

Our greenhouse gas emissions have been calculated using HH (half-hourly) data and utility bills in line with the methodology set out in the UK Government's Environmental Reporting Guidelines 2019.

Estates and Infrastructure Developments

The uncertainty and disruption caused by Covid continues to create a pause in progression with any major building developments. Focus has been upon the adaption and operation of the campus to provide a safe working environment to support safe levels of person activity as further adjustments have been made to facilitate the anticipated increase in the volume of activity for 21-22.

Glasgow City Council has informed RCS of its intention to remove the Savoy Bridge located directly in front of the Renfrew St building. This welcome decision opens up the opportunity for RCS to develop its thinking about estates improvements on this site in an imaginative way.

Outcome Agreements

Outcome Agreements are intended to set out what higher education institutions plan to deliver in return for their funding from the SFC. SFC state that 'the focus of Outcome Agreements is on the contribution that higher education makes towards improving life chances, supporting world-class research and creating sustainable economic growth for Scotland'. SFC designated academic year 2020-21 as an 'emergency year' owing to the ongoing global Covid19 pandemic.

The Outcome Agreement for 2020-21 focused on the impact of Brexit on the Performing Arts (the loss of freedom of movement to travel around Europe as 'gig economy' performers has hit our sector very hard), and significant recruitment challenges, especially recruits from the EU which not only diversified our student population, but is integral to the art forms we practice, which are steeped in European traditions, repertoire and relationships.

Nevertheless, RCS set ambitious targets for widening access and focused again (as in the previous year) on the importance of developing and protecting sustainable 'talent pipelines' in our performing and production arts in Scotland. The SFC commitment to recognise the contribution of specialist arts institutions to skills, the economy and society was repeated in the guidance to institutions, and the RCS Outcome Agreement for 2020-21 included a particular focus on embedded videos and case studies of creative entrepreneurship projects devised by students and staff. The importance of the Conservatoire's relationships with Industry, and all the national performing Arts institutions, as well as the placement and 'real life' employment experience that affords students was also manifest in the material presented in AY 2020-21. Once again RCS was able to provide evidence of high graduate employability, a stronger feature of recent years.

The Conservatoire's Fair Access work developed its mentoring and support in particular for Care Experienced and Estranged students, ensuring better continuity into HE study and support for the students through to graduation, in effect ensuring effective 'wraparound' care throughout the student lifecycle where support is most needed. The impact of the SFC-funded Transitions initiative was presented through the statistics and reflective analysis, showing the increased momentum of Transitions student progress into HE programmes, and likewise the ongoing impact of the BA (Performance) in BSL and English on the Conservatoire Community and the Performing Arts sector in Scotland was illustrated with detail on recent projects and partnerships formed. The OA process enabled further engagement on the precarious (year-by-year) funding arrangement for the Transitions programme, with the hope that this vital work can ultimately be absorbed into the institutional core funding.

A final area of detailed focus was the support and provision for student mental health, delivered and developed in partnership between the SU and the Conservatoire Senior Management Team, Academic Administration and Support, and Health and Wellbeing staff. This is an area where the Conservatoire aims to be sector-leading. The Board of Governors approves both the Outcome Agreement and the associated annual self-evaluation report prior to submission to SFC. RCS's 2020-21 Outcome Agreement and associated progress report can be found at:

https://www.rcs.ac.uk/why_rcs/vision-and-governance/accounts/

Future prospects

Following on from a modest operating surplus in 2020-21 RCS is forecasting a deficit for 2021-22. The pressures on income and costs remain similar to those experienced during the year under review but student recruitment targets for Scots have proved a challenge, projected pension service charge costs for the LGPS have increased significantly due to market conditions and now represent 60% of salary costs of support staff and NI costs will increase in April 2022. A key supplier of leased musical instruments and AV equipment went into administration during the year and, as a consequence, under new ownership there will likely be a commercial impact on RCS. There is also at this stage no guarantee of additional emergency financial support from Scottish or UK Governments as was made available in 2020-21 which helped to mitigate the loss of income and additional costs arising due to the pandemic. So the next two years are a period of transition where RCS both needs to weather the pandemic until the situation starts to normalise and to respond to potential longer term changes to patterns and volume of student recruitment which will become more apparent as the second post-Brexit recruitment round commences. This time will also be used to address the challenges of achieving longer term financial sustainability while also protecting RCS' high reputation nationally and internationally- through a balance of cost efficiencies and new income generation. An important part of this process is to understand and evaluate the impact of the blended learning model on future programme design, content and method of delivery.

Academic developments

Re-validated programmes MA Acting/Directing Classical and Contemporary Text (CCT), MFA (CCT), MA Musical Theatre, Professional Graduate Diploma in Musical Directing and BA Musical Theatre were introduced during the year. The new MFA portion of the Classical and Contemporary Text programme has been expanded to include a remote option for overseas alumni to obtain the outstanding credits leading to the award.

Newly validated programmes for implementation 2021/22 comprise the Professional Graduate Diploma in Modern Ballet, a one-year SCQF level 10 qualification.

Other postgraduate programmes which have been, or are shortly to be validated for delivery in 2022-23 are: MA Psychology in the Arts (Music) and MA Musical Theatre, Choreography.

The decision was taken to defer intake to the BA British Sign Language and English by one year (until 2022-23) due to the particular challenges in recruiting this triennial cohort during the pandemic.

During the year several new prestigious staff appointments were made including Errollyn Wallen as Visiting Professor of Composition; Martyn Brabbins as Visiting Professor of Conducting and Daniel Piaro as Associate Artist in Contemporary Performance and Collaboration.

Doctor Lois Fitch who was appointed as Deputy Principal (previously Assistant Principal) convenes a group of representative staff to continue to explore the curriculum with a view to making meaningful changes prior to the next significant review of Undergraduate programmes in 2022. There will also be a student working group working on this important project.

Access and employment of disabled persons

RCS's building and facilities are predominantly accessible in accordance with the requirements of the Equality Act 2010 and each refurbishment or new development continues to enhance the overall level of accessibility. There is an Access Policy in place for members of the public with disabilities who attend events at RCS.

Applications from disabled persons for employment are always fully considered, and if a disabled candidate meets the minimum essential criteria for a post they are always invited to attend an interview. Ultimately, however, the most suitable applicant for a post is selected, whether or not that person is disabled. It is the policy of RCS that the training, career development and promotion of disabled persons should, as far as possible, provide equality of opportunity to that available to other employees. In the event of existing employees becoming disabled, every effort is made to ensure that their employment within RCS continues and appropriate adjustments to the workplace and/or work patterns are made, along with the provision of relevant training to undertake suitable alternative employment.

Health, Safety, Well-being and Child Protection

RCS has been dealing with the impact of the revisions to and removal of covid-related restrictions throughout the year, with the HSW team providing support, guidance and assistance to our community to plan for a phased return to increased on-site activity. The focus has been on assessing departmental activities at a local level to put in place appropriate measures to facilitate safe practice. The team have also worked to ensure that those who continue to work from home have the necessary equipment and support.

RCS continues to develop and expand its policies and procedures for challenging and eliminating inappropriate behaviour within the performing arts sector. Anti-racism training and support for staff and students remains a focus, alongside safe practice guidelines for online teaching delivery.

Financial ResultsFinancial SummaryRCS Results

	2021 £'000	2020 £'000
Income	25,431	25,346
Expenditure	<u>25,192</u>	<u>25,196</u>
Surplus before other gains and losses	239	150
Loss on disposal of fixed assets	(4)	(5)
Realised gain/(loss) on investments	<u>109</u>	<u>(87)</u>
Surplus before unrealised gains and losses	344	58
Unrealised gain/(loss) on investments	<u>562</u>	<u>(192)</u>
Surplus/(Deficit) for the year	<u>906</u>	<u>(134)</u>
Operating Surplus (excludes gains and losses, endowment and restricted income)	254	385
Capital expenditure	<u>165</u>	<u>376</u>
Cash and cash equivalents	<u>5,376</u>	<u>2,808</u>
Net current assets	<u>5,333</u>	<u>3,199</u>
Pension liability	<u>(7,748)</u>	<u>(5,824)</u>

The surplus for the year before unrealised gains and losses is £344,000 (2020: a surplus of £58,000). This is ahead of the budget set for the year and a positive outturn given the challenges posed by the pandemic. This was achieved by a covid grant from SFC, release of student drop out provision not fully utilised during the year, a better contribution from pre-HE activity, endowment income and release of restricted reserves, savings in departmental and establishment expenditure due to the building closure and realised gains on investments.

Operational activities have continued to be strongly cash generative which has resulted in an increase in total reserves for the year of £681,000 (2020: a reduction of £5,192,000), despite an increase in pension liabilities as noted below. The balance sheet remains in good health with unrestricted general reserves before pension liabilities and capital asset donations of £11,935,000 (2020: £9,767,000).

The position relating to RCS's involvement in Strathclyde Pension Fund has deteriorated further due to a weakening of the actuarial assumptions and results in a net pension liability at 31 July 2021 of £7,748,000 (2020: a net liability of £5,824,000). Accounting policy 1h and note 23 to the financial statements disclose details of the treatment of pension assets/liabilities in the financial statements.

Cash on hand including short term investments at 31 July 2021 was £6,767,000 (2020: £4,199,000).

Summary of Investment Performance

RCS's investments are managed on a discretionary basis by a professional fund manager on behalf of the Board of Governors and monitored by the Finance and General Purposes Committee. The total return across the managed portfolios for the year was as follows:

Benchmark	Total Return	Over/Under Performance
%	%	%
+14.9	+12.7	-2.2

There are three portfolios which are identical in terms of asset allocation, stock selection and the weightings in individual holdings. The performance of the General Fund has varied slightly as there has been a regular addition of funds for investment over the course of the year.

The investments have returned 12.7% for the year to 31 July 2021, compared to the benchmark which returned 14.9%. The investments produce an estimated annual gross yield of 3.1% which is an important part of the total return. The investments are well diversified and positioned against a fluid economic and political backdrop. RCS has divested from direct investment holdings in oil, gas and mining stocks and has invested a proportion of the portfolios in renewables. This is illustrative of RCS's wider engagement with, and commitment to, the sustainability and carbon reduction agenda.

Risks and Uncertainties

Strategic Risks

The Board of Governors has adopted a Risk Appetite Statement which defines risks that RCS is willing and prepared to take, risks that RCS needs to reduce and risks that RCS is not willing to accept. In addition the Risk Appetite Statement:

1. Provides guidance on the categorisation of risks inherent in existing and new activities;
2. Identifies the risk boundaries, where, if the risk were to crystallise, the impact is adverse and not acceptable;
3. Supports a comprehensive analysis of the risk across RCS, promoting awareness and understanding of how the risks inter-relate; and
4. Provides a consistent methodology for examining risks and identifying risks that have to be taken to achieve the strategic objectives.

RCS has identified key risks associated with the achievement of the strategic plan and determined the institutional risk appetite within a number of categories as follows:

Category	Risk Appetite
Compliance and adherence to statute, regulations and professional standards	Zero
Development of learning and teaching and research (incorporating digital innovation in academic and support functions)	High
International development and growth	Medium
Student experience and reputation	Low
Financial stability and flexibility	Low
People and culture	Medium
Major events	Medium*
Physical environment	Medium
Virtual environment - resilience and security	Low

*At the moment COP 26 is the only risk included in this heading and the risk appetite has been individually assessed as high.

The Board of Governors manages these risks through the senior management team which, together with lay Governor participation, forms the Risk Management Group. The Board receives regular reports through the Audit and Risk Committee on the controls and mitigating actions that are in place and planned.

The most significant risks facing RCS at this time continue to be the impacts of COVID and Brexit which affect many elements of the corporate risk register. The higher strategic risk areas within the corporate risk register are regarded as being:

Failure to recruit a sustainable student population in terms of quality and diversity

The diminishing opportunities for young Scots to secure sustained access to high quality performing arts education, further disrupted by COVID, is of concern to RCS for future home recruitment prospects when it is expected to increase intake of Scots undergraduates post-Brexit. RCS mitigates this risk through:

- Extending the reach and improving the quality of provision through its Junior Conservatoire and Music Centres and improving links with the senior schools in terms of discipline-specific needs;
- The Transitions/Widening Access to the Creative industries Initiatives;
- Forward planning of student recruitment targets by programme by category;
- Focusing on providing a positive audition experience and follow up for offer holders;
- Engaging with all aspects of the implementation of the Scottish Government manifesto commitment to provide free music tuition to school age children;
- Lobbying for a share of the new Scottish Government international scholarship fund which appropriately recognises the importance of EU students to the RCS ecosystem;
- Developing bilateral arrangements with European institutions to continue to provide exchange opportunities which could lead to future recruitment;
- Extending our international reach for high quality students; and
- Widening the appeal of the curriculum through the implementation of the anti-racism action plan.

Failure to maintain financial viability in the short to medium term

Major uncertainties remain in the short term about student matriculation numbers and about the speed and extent of the recovery of other income streams as the possibility of further disruption extends into the 2021-22 academic year and beyond. This also results in a continuation of costly additional measures to manage the complexities of on line and safe in-person learning. RCS mitigates this risk through:

- Lobbying Scottish Government/SFC to address funding differential with our main competitors in England and

- sector level push for sustainable future funding;
- Real terms increase applied to controllable tuition fees;
- Increased focus on generating a financial contribution from pre-HE and other short course activities;
- Close monitoring of cash balances and cash flow projections (majority of forecast operating deficit consists of FRS102 pension service change which is a non cash cost);
- Cost saving measures being identified;
- Investment in development and fundraising operation to boost philanthropic giving; and
- Securing support for scholarships from RCS Endowment Trust to mitigate loss of other donations for scholarships.

Failure to adapt to maintain longer term financial sustainability including the management of pension costs

The challenge of longer term financial sustainability cannot be separated entirely from the issues which face RCS over the short/medium term and many of the mitigants overlap and support both risk areas. Other mitigations include:

- Institution-specific lobbying as the nation's only conservatoire;
- Continue to market RCS positively internationally with emphasis that programmes represent good value for money in the conservatoire sector while also looking at tuition fee setting strategy;
- Diversity of provision offers flexibility of recruitment in a rapidly changing environment;
- Planning for a range of scenarios in response to possible financial landscapes; and
- Annual pension scheme actuarial assumptions are pro-actively managed to more accurately reflect the Conservatoire's particular membership profile and an options exercise is being undertaken to explore possible alternative pension provision.

Monitoring of Performance

The Board of Governors has agreed a comprehensive suite of performance indicators to assist it to monitor performance across the range of RCS's activities.

	2020-21	2019-20
Income growth and diversity		
Surplus before other unrealised gains and losses as a percentage of turnover	1.4%	0.2%
Surplus before other unrealised gains and losses	£344K	£58K
Operating surplus (excludes gains and losses, endowment and restricted income)	£254K	£385K
Percentage of funding		
SFC	54%	49%
Undergraduate and postgraduate tuition fees	34%	34%
Junior Conservatoire and short course tuition fees	7%	8%
Box office and letting	0%	1%
Donations and other income	5%	8%
Infrastructure		
Capital Investment as % of insurance value	0%	0%
Building condition		
Category A – as new	64%	65%
Category B – completely fit for purpose	30%	30%
Category C – in need of improvement	6%	5%
UG and PG Applicant demand, student achievement and satisfaction		
Applicants:		
Scottish	1,271	1,239
EU	804	688
RUK	1,742	1,670
International	1,017	876
Total	4,834	4,473
Students:		
Scottish	No 605 % 48	No 601 % 48
EU	188 14	190 15
RUK	224 18	227 18
International	250 20	243 19
Total	1,267 100	1,261 100
Applications: offers : acceptances	10.1: 1.6: 1	9.8: 1.5: 1

	2020-21	2019-20
Percentage of applicants with a declared disability	16%	16%
Percentage of undergraduate and postgraduate students with a declared disability	33%	27%
Scots undergraduate applicants from SIMD 20/40 as percentage of total Scots applicants	22%	26%
Scots undergraduate entrants from SIMD 20/40 as percentage of total Scots entrants	34%	30%
Scots undergraduates from SIMD 20/40 as percentage of total Scots undergraduates	30%	29%
Student Achievement Rate ¹	88%	93%
Course Completion Rate + 2years ²	90%	81%
External engagement		
National Student Survey overall satisfaction rating	79%	86%
HESA Graduate Outcomes percentage in work or further study	90%*	90%
Number of internally generated student performances ³	4	271
Audience number ³	132	29,523
Number of online streamed performances	165	-
Number of tickets sold for online performances	8,609	-

* From the HESA Graduate Outcomes 18/19 return (most recent available) published in July 2021.

¹The student achievement rate is a measure (expressed as a %) of those students who commence the year and become either eligible to progress or graduate on completion of the year of study.

²The course completion rate + 2 years is a measure (expressed as a %) of students who commence a programme and complete that programme within 2 years of the standard course duration.

³As a result of the pandemic the only public performances with audiences during 2020-21 were ballet showcases.

THE BOARD OF GOVERNORS OF THE ROYAL CONSERVATOIRE OF SCOTLAND

The Board of Governors of RCS is unambiguously and collectively responsible for overseeing RCS's activities, determining its future direction and fostering an environment in which RCS's mission is achieved and the potential of all of its students is maximised. The Board of Governors ensures that RCS complies with the legislative, regulatory and best-practice framework within which Scottish higher education operates.

Primary Responsibilities

To approve the mission, strategic vision and values of RCS, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.

Under the general control and direction of the Board, to delegate authority to the Principal, as Chief Executive, for the academic, corporate, financial, estate and human resource management of RCS and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the Principal.

To retain strategic responsibility for quality and provide public accountability for all aspects of institutional activities, including quality assurance and enhancement.

To delegate to the Academic Board the function of the Board relating to the overall planning, co-ordination, development and supervision of the academic work of RCS and such other functions of the Board of Governors as may be assigned to the Academic Board by the Board of Governors. Under these arrangements, the Board of Governors must satisfy itself that there are appropriate processes in place with regard to quality assurance and enhancement of educational provision.

To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, procedures for handling internal grievances, complaints from students/staff and others (including whistleblowing) and for managing conflicts of interest.

To ensure that processes are in place to monitor and evaluate the performance and effectiveness of RCS against the plans and approved key performance indicators, which should be – where possible and appropriate – benchmarked against other comparable institutions.

To establish processes to monitor and evaluate the performance and effectiveness of the Board of Governors itself, its Committees and the Chair of the Board of Governors.

To conduct its business in an open and transparent manner and in accordance with the Scottish Code of Good HE Governance, bearing in mind the principles of proportionality and relevance to the nature of RCS, and with the principles of public life drawn up by the Committee on Standards in Public Life.

To ensure that RCS meets its commitments to the Scottish Funding Council.

To safeguard the good name and values of RCS.

To appoint the Principal as Chief Executive, and to put in place suitable arrangements for monitoring her/his performance.

To appoint a Secretary to the Board of Governors and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.

To be the employing authority for all staff in RCS and to be responsible for establishing a human resources strategy together with all relevant human resources policies.

To be the principal financial and business authority of RCS, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for RCS's assets, property and estate.

To ensure that public funds are appropriately applied and are properly accounted for and that RCS delivers value for money.

To be RCS's legal authority and, as such, to ensure that systems are in place for meeting all of its legal obligations, including those arising from contracts and other legal commitments made in RCS's name.

To make such provision as it thinks fit for the general welfare of students, in consultation with the Academic Board.

To act as custodian for any legacy, endowment, bequest or gift made directly to RCS.

To ensure that RCS's constitution is followed at all times and that its business is conducted in accordance with its various statutory obligations and that appropriate advice is available to enable this to happen.

To constructively challenge and support the management of RCS.

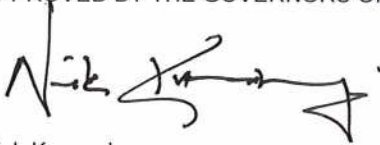
Reserved Powers

- The appointment and dismissal of the Chair of the Board of Governors;
- The appointment and dismissal of the Principal;
- The appointment and dismissal of all Lay Governors and the dismissal of elected Governors;
- The appointment and dismissal of the Secretary;
- The approval of changes to RCS's Articles of Association and related Statutory Instrument;
- The approval of the committee structure of the Board of Governors;
- The approval of capital projects with a value greater than £500,000;
- The approval of RCS's policies in respect of:
 - Health and safety
 - Equality of opportunity
 - Human resources
 - Dignity at Work
 - Treasury Management
 - Investment Management
 - Business Continuity
 - Reserves
- The identification and mitigation of risk;
- The approval of the constitution of the Students' Union;
- Any matters which might have a significant bearing on the reputation of RCS;
- Any other matters which may be identified by the Scottish Funding Council as requiring the approval of the full Board.

Payment of creditors

It is RCS's policy to obtain the best terms for all goods and services. There is thus no single policy as to the terms used. In agreements negotiated with suppliers, RCS endeavors to include and abide by specific payment terms. The creditors' balance at 31 July 2021 represented 6% of total purchases for the year, equivalent to 23 creditor days. No interest was paid in terms of the Late Payments of Commercial Debts (Interest) Act 1998.

APPROVED BY THE GOVERNORS ON 29 OCTOBER 2021 AND SIGNED ON THEIR BEHALF BY



Nick Kuenssberg
Chair



Professor Jeffrey Sharkey
Principal

GOVERNORS' REPORT***Honorary doctorates of the Royal Conservatoire of Scotland***

The following honorary doctorate was awarded during the academic session 2020-21:

Doctor of Film

Krysty Wilson-Cairns

Governors

The Governors set out in the table below have held office during the whole of the period from 1 August 2020 to the date of this report unless otherwise noted.

Lay Governors

Nick Kuenssberg OBE (Chair)
John Hylands (Vice Chair) (retired 28/10/20)
Tari Lang (Vice Chair) (resigned 21/10/20)
Agnes Robson (Vice Chair and Senior Independent Governor)
Jo Buckley (appointed 25/06/21)
Andrew Butcher
Morag Campbell
Professor Stuart Cross
David Hare (appointed 25/06/21)
Mark Leishman CVO (resigned 19/09/20)
Professor Donald MacRae OBE
Carol Main MBE
Sharon Mair
Dorothy Miell
Jonathan Mills (resigned 21/10/20)
Ed Monaghan
Professor Mark O'Thomas (appointed 25/06/21)
Professor Nacim Pak-Shiraz (appointed 25/06/21)
Philip Rodney
Professor Matthew Rooke (appointed 25/06/21)
Caroline Roxburgh
Maria Taylor (resigned 23/04/21)
John Taylor (appointed 25/06/21)
Colleen Toomey (resigned 21/10/20)

Governors ex officio

The Principal:
Professor Jeffrey Sharkey

The Deputy Principal:
Lois Fitch

The President, Students' Union:
John Anthony Craig

Nominated by Academic Board
Jean Sangster

Student nominated

The Vice President, Students' Union
Ken Fairbrother – Music or
Zweyla Mitchell dos Santos – DDPF (To 31/07/21)

Staff Governors-elected

Susan Lee Kidd (Resigned 02/07/21)
Elizabeth Jenkinson (Academic staff) (elected 29/10/21)
Ruth McGowan (Professional staff) (elected 29/10/21)

Register of Governors' interests can be viewed on the website at http://www.rcs.ac.uk/about_us/governors/register/
Directors' and Officers' liability insurance

RCS has arrangements for directors' and officers' liability insurance cover.

Governors' interests

Elizabeth Jenkinson	60 ordinary shares of £1
Nick Kuenssberg	60 ordinary shares of £1
Professor Jeffrey Sharkey	60 ordinary shares of £1
John Anthony Craig	60 ordinary shares of £1
Ruth McGowan	60 ordinary shares of £1

Governors' interests are shown as at the date of this report.

The Memorandum and Articles of Association prohibit payment of any dividend on the shares, prohibit any distribution to the shareholders in the event of a liquidation and require the Chair to vote in accordance with the wishes of the Governors on certain matters. RCS maintains a register of Governors' interests and a register of gifts to governors and staff.

Student and Staff Engagement in Governance and Quality Processes

Students are represented at all levels of RCS's governance and academic quality assurance and enhancement processes. The President and one of the two Vice President of the Students' Union are members of both the Board of Governors and the Academic Board, the President of the Students' Union is a member of the Nominations and Health, Safety & Welfare Committees and students are members of all academic-related committees and processes that report to the Academic Board, other than Boards of Examiners and progress committees.

Membership of the Board of Governors includes two elected staff Governors (one by academic and the other by professional services staff) and one staff Governor nominated by the Academic Board, which itself includes two elected staff (one from each School) and two staff nominated by School Committees. Uniquely in higher education, both elected staff Governors and the President of the Students' Union are shareholders in the Company (the Royal Conservatoire being a Company Limited by Guarantee with a Shareholding). As well as being of significant symbolic and governance importance, rights of shareholders include the ability to propose resolutions at RCS's Annual General Meeting.

Fixed assets

The fixed asset movements for the year are detailed in Note 11 to the financial statements.

Auditors

In accordance with Section 485 of the Companies Act 2006 a resolution for the re-appointment of Chiene + Tait LLP as auditors of RCS is to be proposed at the forthcoming annual general meeting.

APPROVED BY THE GOVERNORS ON 29 OCTOBER 2021 AND SIGNED ON THEIR BEHALF BY



Nick Kuenssberg
Chair



Professor Jeffrey Sharkey
Principal

CORPORATE GOVERNANCE STATEMENT

A revised Scottish Code of Good Higher Education Governance was published in 2017 which replaced the 2013 Code.

In the opinion of the Board of Governors, RCS complies with all of the principles and provisions of the 2017 Scottish Code of Good Higher Education Governance.

RCS has updated its constitutional documents, which came into force on 28 February 2020, to effect the requirements of the Higher Education Governance (Scotland) Act 2016.

All Governors are made aware of the Governor Development Programme offered by Advance HE. During 2020-21 no Governors attended any of these events.

The Board of Governors has adopted a Code of Practice for the Conduct of Public Business which sets out the corporate and individual responsibilities of Governors; the procedures for their appointment, induction and training; the role of the Chair, Principal (as Designated Officer) and Secretary; guidelines for conflicts of interest and procedures for matters related to openness, whistle blowing and independent review.

Commitment to diversity

The Board of Governors is committed to achieving a diversity of gender amongst its lay governors. Currently, the gender composition of the Governing Body's lay governors', by self-identification, is 53% female and 47% male. During the year the Governors were invited to submit details of protected characteristics which will be considered on an anonymised basis by the Nominations Committee so as to inform future recruitment to the Board of Governors. In 2020 RCS began work on a comprehensive Anti-Racism Action Plan which is live on RCS website under Equality and Diversity. In it is a commitment to include more people of colour on our Board with an interest in Diversity and Inclusion issues and publish the profiles of Board members on our website. This can be found at <https://www.rcs.ac.uk/why-rcs/vision-and-governance/governors/board/>

Size and Composition of the Board of Governors

As of the date of this report, the Board of Governors comprises 24 Governors – 18 Lay Governors (including the senior lay governor – the Chair), 3 ex officio, 2 student members and 3 elected/nominated Governors. Board of Governors membership is given at page 19 of this report. RCS's Order of Council specifies that the number of Lay Governors should be not less than 11 and not more than 19. There are a number of factors that influence the size and composition of the Board of Governors – some of which are, we believe, unique to RCS. Most obviously, and in common with all other HEIs, the Board of Governors needs to ensure that the skills and experience profile of its total membership is sufficient to meet the Board of Governors' commitments in terms of its Statement of Primary Responsibilities and to operate its various Committees. As a national institution with an international reach, the Board of Governors also seeks to recruit Governors from the length and breadth of Scotland and, in support of RCS's international profile and ambitions, from out with Scotland. The Board of Governors also believes that, in the context of RCS's singular focus on the performing arts, that its membership should include Governors with either direct experience of performance or with leadership/senior management experience in the performing arts. In combination, these factors mean that the number of Lay Governor members of RCS's Board of Governors has always been closer to the maximum number permissible of 19 rather than the minimum number of 11.

The Board of Governors consists of:

Lay members with proven experience in the performing arts, industrial, commercial or employment matters or the practice of any profession;
Governors ex officio – the Principal, the Deputy Principal and the President of the Students' Union; and
A Governor appointed by the Academic Board, a Governor elected by academic staff, a Governor elected by professional services staff and one of the student vice-presidents.

The Board of Governors elects the Chair and Vice-Chairs from those in category 1 above.

The business of RCS is overseen by the Board of Governors who may exercise all the powers of the company. The statement of Governors' responsibilities for preparing the financial statements is set out on pages 26 and 27.

The Board of Governors may delegate any of its powers to any committee of one or more Governors. The Board of Governors is responsible for RCS's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve its business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Governors meets five times per year and, additionally, normally holds an annual meeting to consider strategic planning issues. The Board of Governors has several committees, memberships of which are listed on page 51. All of these committees are formally constituted with their own terms of reference. Eight of these committees are particularly important in ensuring that RCS meets its various governance commitments.

The **Academic Board** is responsible to the Board of Governors for the overall planning, co-ordination, development and supervision of the academic work and for Quality Assurance and Quality Enhancement within RCS. The membership comprises the Principal, the Deputy Principal, the Senior Academic Managers, the Head of Information Services, a member co-opted from another academic institution, three elected student members, five elected academic staff members and a lay governor in attendance.

The **Finance and General Purposes Committee** inter alia recommends to the Board of Governors RCS's annual revenue and capital budgets and monitors performance in relation to these approved budgets.

The Committee examines all matters which have major financial implications for RCS and therefore it is involved in the examination of all aspects of RCS's planning and budgetary processes. The scope of the Committee's remit may, from time to time, include the examination of issues which extend beyond financial, but which are nevertheless of strategic importance. In carrying out its broad remit, the Committee will:

- scrutinise draft budgets and forward financial forecasts and make recommendations to the Board of Governors for approval of those draft budgets and forecasts;
- scrutinise monthly management accounts;
- monitor and examine key performance indicators;
- scrutinise draft statutory accounts prior to audit;
- monitor treasury management activities and, in particular:
- appoint/re-appoint investment managers;
- set the parameters of investment policy within which investment managers will operate;
- monitor the performance of investment managers;
- scrutinise proposals for material alterations to staff contractual arrangements, including pensions provision, and make recommendations to the Board of Governors accordingly; and
- prior to its submission to the full Board, receive and comment upon the annual report in respect of progress in relation to the Strategic Plan and the Outcome Agreement.

The membership comprises the Chair of the Board of Governors, Principal and five Lay Governors. The Convenor of the Audit and Risk Committee is in attendance. Whilst the Director of Finance and Estates and Deputy Director of Finance attend meetings of the Finance and General Purposes Committee, they are not members of the Committee.

The **Remuneration Committee** is responsible for:

- Formulating, advising on and keeping under review RCS's policy and procedures for remuneration of senior staff, for approval by the Board of Governors;
- Reviewing and determining the salary and terms and conditions of members of senior management;
- Formulating and advising on RCS's policy on severance arrangements and approving the terms of any severance or early retirement arrangement for a senior manager;
- Determining any issue referred to it by the Board of Governors concerning remuneration and terms and conditions of senior staff; and reporting its decisions to the Board of Governors.

The membership comprises a lay governor appointed by the Board of Governors as Convenor, the Chair of the Board of Governors, the Convenor of the Finance and General Purposes Committee and an additional lay governor appointed by the Board of Governors.

The group of senior staff whose remuneration is determined by the Remuneration Committee comprises: the Principal, Deputy Principal, the Director of Finance and Estates, the Director of External Relations, the Director of Human Resources, the Director of Fair Access, the Director of Drama, Dance, Production and Film, the Director of Music, the Director of Business Development, the Director of Research and Knowledge Exchange and Academic Registrar/Board Secretary.

Policy for setting remuneration of senior staff

The purpose of the policy is to ensure that the pay and reward arrangements for senior staff are fair in relation to other staff within RCS, whilst at the same time offering a reward that will recruit, retain and motivate key staff.

The performance of the Principal is subject to an annual appraisal by the Chair and takes account of RCS's plans and achievements. The Chair takes soundings from Board of Governors members including staff and students to ensure that a rounded view of performance is obtained. The resulting performance evaluation is reported to and agreed by the Remuneration Committee before it considers the Principal's salary.

The Principal will recommend to the Remuneration Committee salary increases for senior staff and in doing so will demonstrate that consideration has been given to: an assessment of the performance of the individual, data supplied by the Director of Human Resources on salary benchmarking for the Conservatoire/Public Sector as appropriate and RCS pay award.

The **Nominations Committee** receives and considers proposals for Board of Governors and Committee membership and makes recommendations to the Board of Governors. The Committee monitors Board of Governors membership in terms of its agreed statement of balance of skills and attributes and equality and diversity and reports annually to

the Board of Governors. The membership consists of the Chair, Vice-Chair, Principal, Student Union President, one elected staff Governor and up to two Lay Governors appointed by the Board of Governors. The Secretary is in attendance.

The **Audit and Risk Committee** was established by the Board of Governors to advise and assist on the assurance and control environment of RCS in respect of:

- proper financial management;
- safeguarding RCS's assets;
- the economy, efficiency and effectiveness of RCS's activities;
- corporate governance and the conduct of RCS's operations;
- risk management and
- counter-fraud and whistleblowing.

The duties of the Committee include:

- review and advise on the appointment, fees, scope and effectiveness of internal and external auditors;
- receive their reports and discuss appropriate action with senior management and the Board of Governors in relation to the effectiveness of RCS's financial and other internal control systems and for ensuring that value for money is achieved;
- approve the external audit plan;
- approve the internal audit plan;
- audit needs assessment;
- ensure that risk management systems are in place;
- review reports on risk management arrangements;
- consider and recommend annual audited financial statements to the Board of Governors;
- review reports from relevant bodies including the Scottish Funding Council, Audit Scotland and the National Audit Office and
- producing an annual report for the governing body, including its opinion on the adequacy and effectiveness of governance arrangements and financial controls.

Annually the Committee meets formally with the external auditor and the internal auditor for independent discussions.

The current membership of the Committee consists of a minimum of 3 Lay Governors one of whom is Convenor and one of whom may be a member of the Finance and General Purposes Committee. The Convenor of the Finance and General Purposes Committee is in attendance. Whilst the Director of Finance and Estates and Deputy Director of Finance attend meetings of the Audit and Risk Committee, they are not members of the Committee.

The **Development & Fundraising Committee** was established to ensure integrated operation of senior management within RCS and the Board of Governors to achieve revenue and capital targets outwith routine revenue streams. Its duties are to:

- support actively the delivery of revenue sources and income streams to provide scholarship;
- support actively the achievement of unrestricted income; and
- support actively the delivery of capital projects covering both Renfrew Street and Speirs Lock.

The Committee acts as the liaison with the current International Advisory Board (to be renamed in due course); develops relevant processes, projects, budgets and timescales; and reports quarterly to the Board of Governors. The relevant report is generated by Director of External Relations working with the Head of Fundraising and introduced by the Convenor. The report includes funds raised via RCS Trusts, legacies, endowments, sponsorship, Company of Donors, commercial activities, consultancy activity and projects.

The current membership of the Development and Fundraising Committee consists of the Principal, Chair of the Board of Governors, Director of External Relations, Director of Business Development, Head of Fundraising and up to 5 Lay Governors appointed by the Board of Governors (one of whom is elected Convenor).

The **Health, Safety & Welfare Committee** oversees the governance of health, safety and wellbeing, Child Protection and Prevent as well as promoting a culture of wellbeing within RCS. Its duties are to:

- present an annual report to the Board of Governors which includes certification that the institution has discharged its duties and responsibilities in relation to health, safety and wellbeing;
- set the strategic direction of health, safety and wellbeing and Child Protection within the institution and monitor progress;
- receive and consider recommendations on the implementation and monitoring of PREVENT legislation across RCS;
- raise awareness of Health and Safety across RCS and promote a culture of continuous improvement;
- promote a culture of wellbeing within RCS;
- receive and consider recommendations to improve the health, safety and wellbeing environment and practice;

- receive and consider recommendations to improve the health and wellbeing of staff and students, including those pertaining to Dignity at Work and Study;
- receive departmental health, safety and wellbeing action group reports from across RCS and monitor progress, which will include operational procedures and the delivery of appropriate training to staff and students;
- receive reports on health, safety and wellbeing expenditure and to ensure that adequate resources are allocated for this purpose; and
- consider accident reports and statistics and seek to reduce the number of incidents through proactive management of the data.

The membership is comprised of a Lay Governor appointed by the Board of Governors as Convenor, RCS's Senior Management Team, Students' Union President, up to 2 additional Lay Governors appointed by the Board of Governors, elected staff representative from the academic staff and academic support staff, an elected health and safety representative from the academic trade union.

The **Fair Access Committee** has been constituted to raise awareness of the importance of widening access and inclusivity in all of its aspects throughout RCS community and, in particular, to stimulate discussion of related issues at the Board of Governors. It assists in advocating RCS's approach and commitment to the promotion of access and inclusivity to a range of stakeholders, including Scottish Government; helps promote an ethos of equality and inclusivity throughout RCS; makes recommendations to Academic Board and to the Board of Governors as the Committee sees fit.

The Membership includes a Lay Governor appointed by the Board of Governors as Convenor, up to 2 additional Lay Governors appointed by the Board of Governors, Academic Directors, Equality and Diversity Officer, Student representatives and School/Fair Access representatives.

Risk Assessment and Management

RCS Senior Management Team, together with one Lay Governor, forms the Risk Management Group (RMG). The RMG has responsibility for the Strategic Risk Register which is prioritised in terms of the overall net impact each identified risk has on the achievement of the business objectives of the institution. Operational risk registers are maintained at departmental level so that risks are properly identified, owned and managed at all levels of the institution. Department heads regularly attend the Risk Management Group to widen the understanding of the risk environment across RCS management teams. The Strategic Risk Register is reviewed regularly by the RMG, the Audit and Risk Committee and the Board of Governors.

New areas of risk and/or weaknesses identified by the RMG (which reports through the Audit and Risk Committee to the Board of Governors) addressed. Where opportunities to further enhance the control environment are identified, appropriate action defined and completion dates scheduled, so that progress can be monitored closely.

In summary, a suitable process for identifying, evaluating and managing the significant risks faced by RCS has been in place for the year under review and up to the date of approval of these financial statements.

RCS's Risk Management process is compliant with the terms of the Scottish Code of Good Higher Education Governance.

The Internal Auditors of RCS assess the adequacy and effectiveness of the organisational governance, risk management, internal controls and value for money. Any recommendations as a result of the internal audit are reviewed and planned into future strategic planning.

In the opinion of the Internal Auditors for the financial year RCS has a framework of controls in place that provides reasonable assurance regarding the adequacy and effectiveness of the organisation's governance, risk management, internal controls and value for money.

In October each year the Board of Governors receives an Annual Report, forwarded through the Audit and Risk Committee, which reports on the process of internal controls and risk management at RCS.

Governors' Statement on Annual Report and Financial Statements

The Governors have considered the Annual Report and Financial Statements as a whole and consider them to be fair, balanced and understandable and to provide the information necessary for stakeholders to assess RCS's performance, business model and strategy.

Institutional Sustainability

The Board of Governors monitors and enhances institutional sustainability through a number of channels. These include:

- Strategic planning;
- The setting and monitoring of budgets and future financial forecasts with the aim of producing operating

- surpluses year on year;
- Regular reports on student recruitment and retention;
 - Setting targets and receiving regular progress reports on fundraising activity from the Executive;
 - Expansion of fundraising capacity.
 - Appointment of a business development director.

Reserves

The Board of Governors through the Finance and General Purpose Committee undertakes an annual review of the adequacy of reserves to support RCS's operational and strategic requirements. The latest review in October 2021 confirmed that the level of reserves was adequate for these purposes.

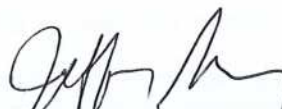
Going Concern

As noted in the Annual Report, RCS has produced a modest operating surplus for the year under review after unrealised gains on investments. The latest information available indicates that the forecast outturn for the year ahead will be an operating deficit. However, taking into account current liquidity, cash flow projections, future expected cash generation and the level of acceptances for places on programmes commencing in September 2021, it is considered that there are adequate resources to meet RCS's future financial commitments. There are currently long term borrowings of £1,352,000 from RCS Infrastructure Trust which are not repayable on demand and are more than offset by cash and unrestricted investments as set out in the statement of cash flows and notes 12 and 14 to the accounts. The Governors believe that RCS can manage its business risks despite the current uncertain economic outlook and have a reasonable expectation that RCS will continue to receive adequate support from the SFC and from RCS Trusts. Accordingly, the Governors consider that RCS will have sufficient resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

APPROVED BY THE GOVERNORS ON 29 OCTOBER 2021 AND SIGNED ON THEIR BEHALF BY



Nick Kuenssberg
Chair



Professor Jeffrey Sharkey
Principal

STATEMENT OF GOVERNORS' RESPONSIBILITIES

In accordance with the Companies Act 2006 and the Financial Memorandum with the Scottish Funding Council, the Governors are responsible for the administration and management of the affairs of RCS, including ensuring an effective system of internal control, and are required to present audited financial statements for each financial year which disclose a true and fair view of the state of affairs of RCS and of the surplus or deficit and cash flows for that year.

The Governors are responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of RCS and which enable them to ensure that the financial statements are prepared in accordance with the Companies Acts, the Accounts Direction issued by Scottish Funding Council, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions effective from 1 January 2019 and other relevant accounting standards.

In preparing the financial statements, the Governors have ensured that:-

- Suitable accounting policies are selected and applied consistently;
- Judgments and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Financial statements are prepared on a going concern basis unless it is inappropriate to presume that RCS will continue in operation. The Governors are satisfied that RCS has adequate resources to continue in operation for the foreseeable future: for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

The Governors have taken reasonable steps to:-

- Ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Council and any other conditions which they may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of RCS and hence to take reasonable steps to prevent and detect fraud and other irregularities;
- Secure the economical, efficient and effective management of RCS's resources and expenditure, and
- Ensure sound corporate governance and the proper conduct of RCS's operations.

The key elements of RCS's system of internal financial control, which is designed to discharge the responsibilities, set out:-

- Clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments;
- A comprehensive short and medium-term planning process, supplemented by detailed annual income, expenditure and capital budgets;
- Regular reviews of key performance indicators and business risks and financial results involving variance reporting and updates of forecast outturns;
- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board of Governors;
- Comprehensive financial regulations, detailing financial controls and procedures, approved by the Audit and Risk Committee and Finance & General Purposes Committee;
- The appointment of a firm of Chartered Accountants offering internal audit services, whose annual programme is approved by the Audit and Risk Committee and endorsed by the Board of Governors, provides them with a report on the internal audit activity within RCS and an opinion on the adequacy and effectiveness of RCS's system of internal controls, including internal financial control.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

Impact on internal controls of COVID-19

RCS has maintained a robust governance and internal control structure throughout the year despite the disruption to the normal business operation caused by COVID-19. The Board of Governors and its sub-committees and internal management committees have continued to function and report as usual with full agendas through remote meetings. The internal controls in place for the on-going financial and administrative management of the business have been amended as necessary to accommodate remote working and have operated effectively.

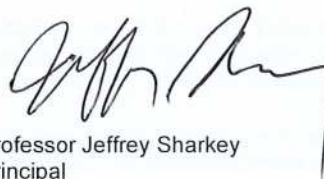
Statement as to disclosure of information to auditors

The Governors have taken all the necessary steps to make themselves aware, as Governors, of any relevant audit information and to establish that the auditors are aware of that information. As far as the Governors are aware, there is no relevant audit information of which the company's auditors are unaware. The Governors confirm that whilst the auditors have been engaged in non-audit work during the year, sufficient safeguards have been implemented from the audit firm to ensure that the independence of the audit was not compromised.

THIS REPORT WAS APPROVED BY THE GOVERNORS ON 29 OCTOBER 2021 AND SIGNED ON THEIR BEHALF BY



Nick Kuenssberg
Chair



Professor Jeffrey Sharkey
Principal

*Independent Auditor's Report to the Board of Governors of the Royal Conservatoire of Scotland***Opinion**

We have audited the financial statements of the Royal Conservatoire of Scotland (the 'RCS') for the year ended 31 July 2021 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Statement of Financial Position, the Statement of Cash Flows 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 RCS's affairs as at 31 July 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governors' 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 RCS's ability to continue as a going concern for a period of at least twelve months from then the financial statements are authorised for issue.

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

Other information

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

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the annual report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Opinion on other matters prescribed by the terms of our engagement

In our opinion, in all material respects:

- Funds from whatever source administered by the RCS for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation, and any other terms and conditions attached to them; and
- Funds provided by the Scottish Funding Council have been applied in accordance with the Financial Memorandum and the requirements attached to the Financial Memorandum.
- The requirements of the Scottish Funding Council's accounts direction have been met.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the RCS and its environment obtained in the course of the audit, we have not identified material misstatements in the annual report (incorporating the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board of Governors

As explained more fully in the governors responsibilities statement, the governors (who are also the trustees and directors of the RCS for the purposes of charity and company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

We gained an understanding of the legal and regulatory framework applicable to the RCS and the sector in which it operates and considered the risk of acts by the RCS which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Charities and Trustee Investment (Scotland) Act 2005, and Health and Safety Regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the RCS's financial statements. Our tests included, but were not limited to:

Auditor's responsibilities for the audit of the financial statements (continued)


- agreement of the financial statement disclosures to underlying supporting documentation;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- enquires of senior management and the governors;
- review of minutes from the Finance & General Purposes Committee meetings and Audit and Risk Committee meetings throughout the period; and
- review of legal correspondence or invoices..

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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 RCS's governors, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and in accordance with Regulation 14 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the RCS's governors 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 RCS, the RCS's governors as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Chittleburgh CA (Senior Statutory Auditor)

For and on behalf of Chiene + Tait LLP

Chartered Accountants and Statutory Auditor

61 Dublin Street

Edinburgh

EH3 6NL

29/10/2021

Statement of Comprehensive Income for the year ended 31 July 2021

	Note	2021 £'000	2020 £'000
INCOME			
Funding body grants	2	13,797	12,437
Tuition fees and education contracts	3	10,419	10,577
Research grants and contracts	4	114	154
Other income	5	660	1,342
Investment Income	6	260	273
Donations and endowments	7	181	563
Total Income		<u>25,431</u>	<u>25,346</u>
EXPENDITURE			
Staff costs	8	19,369	19,142
Other operating expenses	10	4,895	5,160
Depreciation	11	928	894
Total Expenditure		<u>25,192</u>	<u>25,196</u>
Surplus before other gains and losses		239	150
Loss on disposal of fixed assets		(4)	(5)
Realised gain/(loss) on investments		109	(87)
Surplus before unrealised gains and losses		<u>344</u>	<u>58</u>
Unrealised gain/(loss) on investments	12	562	(192)
Surplus/(Deficit) for the year		<u>906</u>	<u>(134)</u>
Actuarial loss in respect of pension schemes	23	(225)	(5,426)
Unrealised surplus on revaluation of tangible fixed assets	11	-	368
Total comprehensive income for the year		<u>681</u>	<u>(5,192)</u>
Represented by:			
Endowment comprehensive income for the year		139	(98)
Restricted comprehensive income for the year		6	(67)
Unrestricted comprehensive income for the year		536	(5,027)
		<u>681</u>	<u>(5,192)</u>

All items of income and expenditure relate to continuing activities

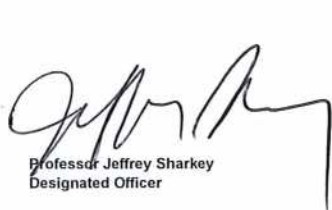
Statement of Changes in Reserves for the year ended 31 July 2021

	Share Capital	Restricted (Endowment)	Restricted (Other)	Unrestricted (General)	Unrestricted (Pension)	Unrestricted (Revaluation)	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2019	8	1,980	332	20,523	714	1,445	25,002
Deficit from the comprehensive income and expenditure statement	-	-	66	912	(1,112)	-	(134)
Other comprehensive income	-	-	-	-	(5,426)	368	(5,058)
Transfers between revaluation and income and expenditure reserve	-	-	-	177	-	(177)	-
Release of restricted funds spent in the year	-	(82)	(133)	215	-	-	-
Transfers between Prize Fund and Unrestricted Reserve	-	(16)	-	16	-	-	-
Total comprehensive income for the year	-	(98)	(67)	1,320	(6,538)	191	(5,192)
Balance at 1 August 2020	8	1,882	265	21,843	(5,824)	1,636	19,810
Surplus from the comprehensive income and expenditure statement	-	194	116	2,295	(1,699)	-	906
Other comprehensive income	-	-	-	-	(225)	-	(225)
Transfers between revaluation and income and expenditure reserve	-	-	-	(452)	-	452	-
Release of restricted funds spent in the year	-	(41)	(110)	151	-	-	-
Transfers between Prize Fund and Unrestricted Reserve	-	(14)	-	14	-	-	-
Total comprehensive income for the year	-	139	6	2,008	(1,924)	452	681
Balance at 31 July 2021	8	2,021	271	23,851	(7,748)	2,088	20,491

Statement of Financial Position as at 31 July 2021
(Company Registration No.SC04703)

	Note	2021 £'000	2020 £'000
Non-current assets			
Tangible fixed assets	11	34,052	34,819
Investments	12	7,895	7,017
		<u>41,947</u>	<u>41,836</u>
Current assets			
Trade and other receivables	13	866	1,038
Investments	14	1,391	1,391
Cash and cash equivalents		5,376	2,808
		<u>7,633</u>	<u>5,237</u>
Less: Creditors - amounts falling due within one year	15	(2,301)	(2,038)
Net current assets		<u>5,332</u>	<u>3,199</u>
Total assets less current liabilities		47,279	45,035
Creditors: amounts falling due after more than one year	16	(18,649)	(18,980)
Provisions			
Pension provisions	23	(7,748)	(5,824)
Other provisions	18	(391)	(420)
Total net assets		<u>20,491</u>	<u>19,810</u>
Restricted reserves			
Endowment reserve	19	2,021	1,882
Other restricted reserve	20	271	265
		<u>2,292</u>	<u>2,147</u>
Unrestricted reserves			
General reserve		23,851	21,843
Pension reserve		(7,748)	(5,824)
Revaluation reserve		2,088	1,636
		<u>20,483</u>	<u>19,802</u>
Share capital	21	8	8
Total reserves		<u>20,491</u>	<u>19,810</u>

The financial statements on pages 31 to 50 were approved and authorised for issue by the Board of Governors on 29 October 2021 and were signed on its behalf on that date by:



Professor Jeffrey Sharkey
Designated Officer



Alan Smith
Director of Finance and Estates



Nick Kuenssberg OBE
Chair

Statement of cash flows for the year ended 31 July 2021

	Note	2021 £'000	2020 £'000
Cash flow from operating activities			
Surplus/(Deficit) for the year		906	(134)
Adjustment for non-cash items			
Depreciation	11	928	894
(Gain)/Loss on investments		(671)	279
Increase in debtors	13	172	67
Decrease in creditors	15 / 16 / 17	(68)	(746)
Decrease in other provisions	18	(29)	(5)
Pension costs less contributions payable	23	1,699	1,112
Adjustment for investing or financing activities			
Investment income	6	(260)	(273)
Loss on the sale of fixed assets		4	5
Endowment income		-	(36)
Net cash inflow from operating activities		<u>2,681</u>	<u>1,163</u>
Cash flows from investing activities			
Proceeds from sales of fixed assets/investments		749	1,245
Short term investments	14	-	(83)
Investment income	6	260	273
Endowment funds invested	12	(190)	(301)
Funds invested	12	(767)	(2,440)
Payments to acquire fixed assets	11	(165)	(374)
		<u>(113)</u>	<u>(1,680)</u>
Cash flows from financing activities			
Endowment cash received		-	36
Increase/(Decrease) in cash and cash equivalents in the year		<u>2,568</u>	<u>(481)</u>
Cash and cash equivalents at beginning of the year		2,808	3,289
Cash and cash equivalents at end of the year		5,376	2,808

Analysis of changes in net debt

	At 1 August 2020 £'000	Cash flows £'000	Other non cash changes £'000	At 31 July 2021 £'000
Cash and cash equivalents				
Cash	2,808	2,568	-	5,376
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>2,808</u>	<u>2,568</u>	<u>-</u>	<u>5,376</u>
Borrowings				
Debt due within one year	(66)	-	-	(66)
Debt due after one year	(1,352)	66	-	(1,286)
	<u>(1,418)</u>	<u>66</u>	<u>-</u>	<u>(1,352)</u>
Total	<u>1,390</u>	<u>2,634</u>	<u>-</u>	<u>4,024</u>

Notes to the Financial Statements

1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

A Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS 102). The RCS is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention, modified to include the investments at fair value and the revaluation of certain musical instruments. The presentational and functional currency of the RCS is sterling (£)

1. Going Concern

These financial statements have been prepared on a going concern basis. The Governors have assessed the RCS's ability to continue as a going concern, as outlined more fully in the Report of the Governors, specifically relating to the impacts of COVID-19, and have reasonable expectation that the RCS has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements

B Tangible Fixed Assets

1. Land and Buildings

The RCS's buildings are specialised buildings and therefore it is not appropriate to value them on the basis of open market value. Land and buildings are stated in the Statement of Financial Position at cost. The main RCS heritage buildings are depreciated over their expected useful economic life to the institution of 100 years. The Wallace Studios which is built on leasehold land is depreciated over its remaining useful life of 90 years (2020: 90 years). Material building improvements completed in 2017 are depreciated over their expected useful economic life of 25 years.

Where land and buildings are acquired with the aid of specific grants or donations they are capitalised and depreciated as above. Where the related grants come from government bodies, there are credited to deferred income and are released to the Statement of Comprehensive Income over the expected useful economic life of the related asset on a basis consistent with the depreciation policy. Where the related grants or donations come from other sources, these are recognised in the Statement of Comprehensive Income in the period in which they are receivable.

No depreciation is charged on land or assets in the course of construction.

2. Equipment

Equipment costing less than £10,000 for a group of related items is written off to the Statement of comprehensive income in the year of acquisition. All other equipment is normally capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Furniture, Fittings, Fixtures and Equipment	20% per annum
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3. Musical Instruments

Musical instruments costing less than £2,000 are written off to the comprehensive income and expenditure account in the year of acquisition. All other musical instruments, with the exception of certain stringed instruments and pianos, are normally capitalised at cost.

Stringed instruments with a value of £2,000 and above were revalued as at July 2019 as assessed by Mr David Raltray, an external professional valuation expert. These stringed instruments were originally brought onto the Statement of Financial Position at valuation, there is therefore no historical cost associated with these assets. A revaluation will be carried out again in 2024.

The John Webb Brass instrument collection was revalued by Dr Graham Wells in 2020, an external professional valuation expert. These brass instruments were originally brought onto the Statement of Financial Position at valuation, there is therefore no historical cost associated with these assets. A revaluation will be carried out again in 2025.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Capitalised musical instruments are depreciated over their useful economic life as follows:

Stringed instruments	1% per annum
Other musical instruments	10% per annum

It is not possible to disclose the historical cost and depreciation for the stringed or brass instruments as this relates to donated items, which do not have a cost attached to them.

Notes to the Financial Statements (continued)

1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

C Investments

Listed investments held as fixed assets are held at fair value with movements recognised in the Surplus or Deficit for the year.

D Cash and cash equivalents

Cash includes cash at hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

E Provisions

Provisions are recognised when the institution has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

F Recognition of Income

Government revenue grants including funding council block grant and research grants are recognised in income over the periods in which the RCS recognises the related costs for which the grant is intended to compensate. Government capital grants are recognised in income over the expected useful life of the asset. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Revenue and capital grants (including research grants) from non government sources are recognised in income when the RCS is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Statement of Financial Position and released to income as the conditions are met. Deferred income will be allocated between creditors due within one year and due after more than one year as appropriate.

Tuition fee and education contract income is recognised in the year to which it relates. Income from investments, including tax credits, is recognised on a receivable basis.

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the RCS is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the RCS is entitled to the funds.

Investment and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

There are three main types of donations and endowments identified within reserves:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.
2. Restricted expendable endowments - the donor has specified a particular objective and the RCS has the power to use the capital.
3. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

G Maintenance of Premises

The RCS has a rolling long-term maintenance plan, which forms the basis of the on-going maintenance of the estate. The cost of long-term and routine corrective maintenance is charged to the comprehensive income and expenditure account as incurred.

Notes to the Financial Statements (continued)

1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

H Pension Costs

The RCS participates in three pension schemes two of which provide benefits based on final pensionable pay, the Strathclyde Pension Fund and Scottish Teachers Pension Scheme. Both of these schemes are available to staff of more than one employer, are contracted out of the State Earnings-Related Pension Scheme, and the assets of the schemes are held separately from those of the RCS. The Funds are valued by actuaries, the rates of contributions being determined by the trustees on the advice of the actuaries. The schemes are accounted for under Financial Reporting Standard 102. The third pension scheme is a defined contribution scheme; The Universities and Colleges Retirement Savings Scheme (UCRSS). This scheme is available to all staff.

Strathclyde Pension Fund

The scheme is a defined benefit scheme.

Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as at the financial year end. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is taken to the comprehensive income and expenditure account. The actuarial gains and losses are shown in the statement of comprehensive income and expenditure.

Scottish Teachers' Pension Scheme

The RCS also participates in the Scottish Teachers' Pension Scheme. The scheme is available to staff of more than one employer and it is not possible to identify each participating institution's share of the underlying assets and liabilities on a consistent and reasonable basis. Accordingly, the RCS has utilised the provisions of FRS 102 whereby the contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the RCS's statement of comprehensive income and expenditure is equal to the contribution payable to the scheme for the relevant accounting period.

The RCS also provides enhanced pensions to former employees who accepted early retirement and provision is made on an actuarial basis for the liability to those former employees at the time of their retiral.

I Taxation Status

The RCS is a charity within the meaning of the Charities and Trustee Investment (Scotland) Act 2005 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010 and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator (Charity No. SC015855). Accordingly the RCS is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

J Operating Leases

Operating leases rentals are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

K Concessionary Loans

Concessionary loans are recognised at the monetary value received, are interest free and are made wholly to advance the charitable purposes of the RCS.

L Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the RCS, are held as a permanently restricted fund which the RCS must hold in perpetuity.

Other restricted reserves include balances where the donor has included a specific purpose and therefore the RCS is restricted in use of these funds.

Notes to the Financial Statements (continued)

1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

M Financial Instruments

Financial assets and financial liabilities are recognised when RCS becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of RCS after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and RCS intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

N Accounting Estimates and Judgements

The RCS prepares its financial statements in accordance with FRS 102 as issued by the UK Financial Reporting Council, the application of which often requires judgements to be made when formulating the financial position and results. Under FRS 102, the Governors are required to adopt those accounting policies most appropriate to the circumstances for the purpose of presenting fairly the RCS's financial position, financial performance and cash flows. In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the RCS; it may later be determined that a different choice would have been more appropriate. Management considers that certain accounting estimates and assumptions relating to the pension costs and Fixed Assets are its critical accounting estimates.

A discussion of these critical accounting estimates is provided below.

Management has discussed its critical accounting estimates and associated disclosures with its external auditors, its Finance and General Purposes Committee and its Audit Committee.

Fixed Assets

Land and Buildings at the Wallace Studios are presently depreciated over the duration of the remainder of the leasehold which is 90 years. Material building improvements at Renfrew Street are presently depreciated over their useful life of 25 years.

Pension costs

In relation to the cost associated with membership of the Strathclyde Pension Fund the RCS makes estimates in relation to the assumptions which the scheme actuary applies to the annual valuation of the assets, liabilities and charges and which can have a material bearing on the figures.

Notes to the Financial Statements (continued)

2 FUNDING BODY GRANTS

	2021 £'000	2020 £'000
SFC		
Recurrent grant for teaching	12,789	11,458
Research development foundation	265	261
Research postgraduate grant	75	74
<i>Specific initiative grants:</i>		
Disabled student premium	53	52
University innovation fund	360	337
<i>Deferred capital grants released in year:</i>		
Buildings	253	253
Equipment	2	2
	<u>13,797</u>	<u>12,437</u>

3 TUITION FEES AND EDUCATION CONTRACTS

	2021 £'000	2020 £'000
Scotland and European Union(EU) students U/G	68	110
RUK students U/G	1,549	1,578
Scotland and European Union(EU) and RUK students P/G	1,228	1,247
Non -EU students	4,402	4,130
UK further education students *	1,709	2,035
Registration fees	284	270
Total fees paid by or on behalf of individual students	<u>9,240</u>	<u>9,370</u>
Higher education contracts	1,149	1,187
Other contracts	30	20
Total	<u>10,419</u>	<u>10,577</u>

* relates to Short Courses and Junior Conservatoire programmes

4 RESEARCH GRANTS AND CONTRACTS

	2021 £'000	2020 £'000
Miscellaneous research grants and contracts	<u>114</u>	<u>154</u>

5 OTHER INCOME

	2021 £'000	2020 £'000
Income from front of house	11	233
Government grants (Coronavirus Job Retention Scheme)*	227	333
Government grants (Glasgow City Council covid grant)	-	10
Sundry income	311	531
European funded projects	21	57
RCS works	19	100
QAA income	8	5
Widening access to the creative industries grant	63	63
NE Arts Hub	-	10
	<u>660</u>	<u>1,342</u>

* The most employees claimed in any one month on CJRS was 92, the average for the year was 65.

Notes to the Financial Statements (continued)

6 INVESTMENT INCOME	Note	2021	2020
		£'000	£'000
Investment income on endowments		61	67
Other investment income		198	185
Bank interest		1	21
		<u>260</u>	<u>273</u>
7 DONATIONS AND ENDOWMENTS			
		2021	2020
		£'000	£'000
Unrestricted donations		65	497
Restricted donations		116	66
		<u>181</u>	<u>563</u>
Restricted donations of £66,000 relate to the redevelopment of part of the Renfrew Street Campus building and £50,000 funding from the William Grant Foundation to develop outreach work.			
8 STAFF COSTS			
The average number of employees expressed as full-time equivalents was:			
		2021	2020
		Number	Number
Senior management		10	10
Teaching staff		190	187
Teaching support		30	27
Research grants and contracts		9	7
Other support services		19	22
Administration and central services		64	63
Premises		52	48
Other income generating activities		1	1
		<u>374</u>	<u>365</u>
Staff costs for the above persons:			
		2021	2020
		£'000	£'000
Wages and salaries		13,979	14,218
Social security costs		1,222	1,239
Pension contributions paid	23	2,454	2,453
Pension net service cost		1,607	1,116
Other staff costs		107	116
		<u>19,369</u>	<u>19,142</u>
Senior management		1,093	1,118
Teaching staff		10,675	10,860
Teaching support		1,403	1,360
Research grants and contracts		508	445
Other support services		1,341	1,233
Administration and central services		2,826	2,652
Premises		1,503	1,375
Other income generating activities		20	99
		<u>19,369</u>	<u>19,142</u>
Governors' salaries(included therein)			
Salaries(staff members)		351	346
Pension contributions		77	75
		<u>428</u>	<u>421</u>
The number of Governors accruing benefits under pension schemes during the year was 5 (2020: 5).			

Notes to the Financial Statements (continued)

8 STAFF COSTS (continued)

Key management personnel

Key management personnel are the senior management team who have authority for planning, directing and controlling the activities of the RCS. Key management personnel comprise: the Principal; Deputy Principal; Director of Finance and Estates; Director of Human Resources; Director of Fair Access; Director of Music; Director of Drama, Dance, Production and Film; Director of External Relations; Director of Business Development; Director of Research and Knowledge Exchange; and the Academic Registrar/Board Secretary. Staff costs including compensation paid to key management personnel as follows:

	2021 £'000	2020 £'000
Total (including salaries, social security costs and other benefits)	<u>1,093</u>	<u>1,118</u>

The Chair and other non-staff Governors received no remuneration. The Principal, who is also the highest paid Governor, received emoluments of:

	2021 £'000	2020 £'000
Principal		
Salary	146	146
Pension contributions	33	33
Benefits in kind*	5	4
	<u>184</u>	<u>183</u>
Accrued pension as at 31 July	17	14
Accrued lump sum as at 31 July	50	43

* Benefits in kind relate to private medical insurance

The ratio of the remuneration of the Principal to the median salary of a RCS staff member is 3.19 (2020: 3.37). The ratio including salary, benefits in kind and pension is 3.28 (2020: 3.44).

The number of Governors receiving emoluments (excluding pension contributions) falls into the following ranges:

	2021 Number	2020 Number
Nil	19	19
£10,001 - £20,000	1	1
£40,001 - £50,000	1	1
£50,001 - £60,000	1	1
£80,001 - £90,000	1	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-

There were no other Senior Managers receiving remuneration (excluding pension contributions) above £100,000, who are not Governors.

9 TRAVEL AND SUBSISTENCE

		2021 £'000	2020 £'000
Travel and subsistence	- Board members	-	1
	- Staff	3	32
Hospitality	- Board members	-	3
	- Staff	3	12
		<u>6</u>	<u>48</u>

The total expenses paid to or on behalf of Board members was £nil (2020 - £4K). This represents travel and subsistence expenses and hospitality costs incurred in attending Board, Committee meetings and other events in their official capacity.

Notes to the Financial Statements (continued)

10 OTHER OPERATING EXPENSES

	2021 £'000	2020 £'000
Teaching departments	1,039	1,277
Contracted-out lecturing services	196	184
Teaching support services	334	374
Other support services	403	466
Administration and central services	592	657
General education	208	210
Premises costs	854	615
Repairs, renewals and maintenance	290	251
Conference costs	-	12
Student residences (student residency rent refunds)	115	485
Other income generating activities	368	356
Agency staffing costs	175	13
Pension fund net interest	92	(4)
Other expenses	229	264
	<u>4,895</u>	<u>5,160</u>

Other operating expenses include:

	2021 £'000	2020 £'000
Auditors' remuneration		
	External Audit	15
	FFELP Contract	2
	Non-audit services	2
	Internal audit	17
		17
Operating lease rentals	Other than Land and Buildings	250
		224

11 TANGIBLE FIXED ASSETS

	Freehold Buildings £'000	Leasehold Buildings £'000	Furn/Fix/ Fittings/ Equipment £'000	Other Stringed Instruments £'000	Musical Instruments £'000	Total £'000
<i>Cost or valuation</i>						
At 1 August 2020	30,281	11,837	5,553	956	699	49,326
Additions	-	-	162	3	-	165
Disposals	-	-	(66)	-	-	(66)
Revaluations	-	-	-	-	-	-
At 31 July 2021	<u>30,281</u>	<u>11,837</u>	<u>5,649</u>	<u>959</u>	<u>699</u>	<u>49,425</u>
<i>Aggregate Depreciation</i>						
At 1 August 2020	8,136	1,601	4,558	25	187	14,507
Depreciation charge	362	132	370	10	54	928
Disposals	-	-	(62)	-	-	(62)
Revaluations	-	-	-	-	-	-
At 31 July 2021	<u>8,498</u>	<u>1,733</u>	<u>4,866</u>	<u>35</u>	<u>241</u>	<u>15,373</u>
<i>Net Book Value</i>						
NBV at 1 August 2020	<u>22,145</u>	<u>10,236</u>	<u>995</u>	<u>931</u>	<u>512</u>	<u>34,819</u>
NBV at 31 July 2021	<u>21,783</u>	<u>10,104</u>	<u>783</u>	<u>924</u>	<u>458</u>	<u>34,052</u>

The RCS building on Renfrew Street may not be sold without the prior approval of the First Minister of the Scottish Government, to whom the RCS is accountable for the proceeds of the sale.

The Alexander Gibson Opera School may not be sold without the written permission of Creative Scotland. In the event of a sale or disposal, Creative Scotland's share of the proceeds shall be in direct proportion to the share of the project costs originally met from the Lottery.

Notes to the Financial Statements (continued)

12 INVESTMENTS

	General Fund 2021 £'000	Prize Fund 2021 £'000	Piano Fund 2021 £'000	Total 2021 £'000	Total 2020 £'000
Market value at 1 August	5,346	854	817	7,017	5,800
Additions	767	97	93	957	2,741
Disposals	(488)	(78)	(75)	(641)	(1,332)
Increase in market value	429	68	65	562	(192)
Market value at 31 July	<u>6,054</u>	<u>941</u>	<u>900</u>	<u>7,895</u>	<u>7,017</u>
Listed investments		2021 Market Value £'000	2021 Cost £'000	2020 Market Value £'000	2020 Cost £'000
Fixed interest stocks		2,052	1,979	1,987	1,937
Equities		5,843	4,811	5,030	4,565
		<u>7,895</u>	<u>6,790</u>	<u>7,017</u>	<u>6,502</u>

13 TRADE AND OTHER RECEIVABLES

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Trade receivables	81	139
Receivables due from students - net of provision for doubtful debts	144	245
Other receivables	139	184
Prepayments and accrued income	502	470
	<u>866</u>	<u>1,038</u>

14 CURRENT INVESTMENTS

	2021 £'000	2020 £'000
Short term deposits	1,391	1,391
	<u>1,391</u>	<u>1,391</u>

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority with less than three months maturity at the Statement of Financial Position date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

At 31 July 2021 the weighted average interest of these fixed rate deposits was 0.04% per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 3 months. The fair value of these deposits was not materially different from the book value.

Notes to the Financial Statements (continued)

15 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade payables	211	170
Other creditors	330	235
Accruals and deferred income	1,694	1,567
Loans	66	66
	<u>2,301</u>	<u>2,038</u>

Accruals and deferred income at 31 July 2021 includes £nil payable to the RCS Endowment Trust (2020: £350,000)

DEFERRED INCOME

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2021 £'000	2020 £'000
Donations	-	30
Grant income	255	255
	<u>255</u>	<u>285</u>

16 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £'000	2020 £'000
Deferred income	17,363	17,628
Loans	1,286	1,352
	<u>18,649</u>	<u>18,980</u>

Included within deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2021 £'000	2020 £'000
Donations	-	10
Grant income	17,363	17,618
	<u>17,363</u>	<u>17,628</u>

17 PUBLIC BENEFIT ENTITY CONCESSIONARY LOANS

	2021 £'000	2020 £'000
Amounts repayable within one year	66	66
Amounts repayable between one and two years	66	66
Amounts repayable between three and five years	133	198
Amounts repayable in five years or more	1,087	1,088
Amounts repayable after more than one year	<u>1,286</u>	<u>1,352</u>
Total public benefit entity concessionary loans	<u>1,353</u>	<u>1,418</u>

Lender	Amount	Term	Interest rate %	Borrower
RCS Infrastructure Trust	£1,885,000	2042	Nil	RCS

Notes to the Financial Statements (continued)

18 PROVISIONS FOR LIABILITIES AND CHARGES

	Pensions £'000
Balance at 1 August 2020	420
Increase in provision	14
Paid/released	(43)
Balance at 31 July 2021	<u>391</u>

A valuation of the existing pension provision was carried out at 31 July 2021 by Hymans Robertson, an independent firm of actuaries.

19 ENDOWMENT FUNDS - PERMANENT

	Prize Fund Capital £'000	Prize Fund Income £'000	Piano Fund Capital £'000	2021 Total £'000	2020 Total £'000
Balance at 1 August 2020					
Capital	807	-	844	1,651	1,698
Accumulated income	-	222	-	222	206
	<u>807</u>	<u>222</u>	<u>844</u>	<u>1,873</u>	<u>1,904</u>
<i>Income</i>					
Funds introduced	-	-	-	-	36
Investment income	-	31	29	60	67
(Loss)/gain on sale of investments	13	-	13	26	(23)
(Decrease)/increase in value of investments	68	-	65	133	(51)
	<u>888</u>	<u>253</u>	<u>951</u>	<u>2,092</u>	<u>1,933</u>
<i>Expenditure</i>					
Prizes	-	(17)	-	(17)	(21)
Transfer to unrestricted reserves to meet expenditure incurred	-	-	(38)	(38)	(15)
Management fees	-	(4)	(4)	(8)	(8)
Transfer between Prize Fund and Unrestricted Reserve	(14)	-	-	(14)	(16)
Balance at 31 July 2021	<u>874</u>	<u>232</u>	<u>909</u>	<u>2,015</u>	<u>1,873</u>
Represented by:					
Capital	874	-	909	1,783	1,651
Accumulated income	-	232	-	232	222
	<u>874</u>	<u>232</u>	<u>909</u>	<u>2,015</u>	<u>1,873</u>
Analysis by asset					
Current and non-current asset investments	874	232	909	2,015	1,873
	<u>874</u>	<u>232</u>	<u>909</u>	<u>2,015</u>	<u>1,873</u>

Prize Funds are held in trust and are used to make prizes to students at the RCS.

The Piano Fund consists of capital gifts, the income from which contributes towards the leasing costs of the RCS's fleet of pianos.

Notes to the Financial Statements (continued)

19 ENDOWMENT FUNDS - EXPENDABLE

	2021 Instrument Fund £'000	2020 Total £'000
Balance at 1 August 2020		
Accumulated income	9	76
	<u>9</u>	<u>76</u>
<i>Income</i>		
Funds/capital introduced	-	-
Investment income	-	-
	<u>9</u>	<u>76</u>
<i>Expenditure</i>		
Transfer to deferred capital grant	-	-
Transfer to unrestricted reserves to meet expenditure incurred	(3)	(67)
Balance at 31 July 2021	<u>6</u>	<u>9</u>
Represented by:		
Accumulated income	<u>6</u>	<u>9</u>
	<u>6</u>	<u>9</u>
Analysis by asset:		
Cash and cash equivalents	<u>6</u>	<u>9</u>
	<u>6</u>	<u>9</u>

The Instrument Fund comprises two donations which have been made to fund the purchase of two collections of brass and woodwind instruments.

20 RESTRICTED FUNDS

	Other £'000	RCS Infrastructure Trust £'000	The Robertson Trust £'000	2021 Total £'000	2020 Total £'000
Balance at 1 August 2020	67	-	198	265	332
<i>Income</i>					
Funds/capital introduced	50	66	-	116	66
<i>Expenditure</i>					
Release of restricted funds spent in the year	(35)	(66)	(9)	(110)	(133)
Total restricted comprehensive income for the year	<u>15</u>	<u>-</u>	<u>(9)</u>	<u>6</u>	<u>(67)</u>
Balance at 31 July 2021	<u>82</u>	<u>-</u>	<u>189</u>	<u>271</u>	<u>265</u>

Other includes The Bruce Millar Memorial Trust providing financial assistance to emerging creative artists, The William Grant Foundation for improving the Student Experience and Skills through Technology and Equipment and Community Outreach and the John Mather Foundation for the purchase of equipment and support of a number of series and productions.

The donation from the RCS Infrastructure Trust was used in support of a capital development.

The Robertson Trust funds represent a donation which was used in support of a capital development.

21 SHARE CAPITAL

	2021 £	2020 £
<u>Authorised:</u>		
15,000 Ordinary Shares of £1 each	<u>15,000</u>	<u>15,000</u>
<u>Allotted, Issued and Fully Paid:</u>		
7,284 Ordinary Shares of £1 each	7,284	7,284
<u>Allotted and Issued</u>		
300 Ordinary Shares of £1 each	<u>300</u>	<u>300</u>
	<u>7,584</u>	<u>7,584</u>

Notes to the Financial Statements (continued)

22 LEASE OBLIGATIONS

	Student Accommodation £'000	Musical Instruments £'000	2021 Total £'000	2020 Total £'000
Future minimum lease payments due:				
Not later than 1 year	1,160	198	1,358	1,345
Later than 1 year and not later than 5 years	4,639	792	5,431	4,983
Later than 5 years and not later than 10 years	5,799	198	5,997	5,735
Total lease payments due	<u>11,598</u>	<u>1,188</u>	<u>12,786</u>	<u>12,063</u>

The RCS signed a lease for student accommodation at Dunblane Street in Glasgow for a period of 20 years commencing on 14 September 2020 with a break option exercisable by RCS after 10 years.

Pianos and audio visual equipment are leased from Duet Holdings Ltd which went into administration in March 2021. The company's assets have been purchased by a bank which is in the process of entering into an arrangement with a new company to acquire these assets and lease them to former customers of Duet Holdings Ltd on new terms. The revised leases are currently under negotiation and it is likely that there will be a material uplift in the annual charge.

23 PENSION COMMITMENTS

The RCS's employees belong to three principal pension schemes; the Scottish Teachers' Pension Scheme (STPS), Local Government Pension Scheme administered by the Strathclyde Pension Fund (SPF) which are of the defined benefit type, and a defined contribution scheme - The Universities and Colleges Retirement Savings Scheme (UCRSS).

The RCS also makes pension payments to former employees who have taken early retirement.

The total pension cost for the year was :

	2021 £'000	2020 £'000
Contributions to STPS	1,379	1,392
Contributions to SPF	2,657	2,142
Contributions to UCRSS	<u>1</u>	<u>2</u>
Increase/(decrease) in pension provision	<u>4,037</u>	<u>3,536</u>
	<u>14</u>	<u>37</u>
	<u>4,051</u>	<u>3,573</u>

The actual cost of contributions paid by the RCS during the year to the SPF was £1,040K.

There were no outstanding contributions payable at 31 July 2021.

Scottish Teachers' Pension Scheme

The RCS participates in the Scottish Teachers' Pension Scheme. The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The last four-yearly valuation was undertaken as at 31 March 2016. This valuation informed an increase in the employer contribution rate from 17.2% to 23% of pensionable pay from September 2019 and an anticipated yield of 9.4% employers contributions.

The RCS has no liability for other employers obligations to the multi-employer scheme. As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme. The scheme is an unfunded multi-employer defined benefit scheme.

It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where the RCS is unable to identify its share of the underlying assets and liabilities of the scheme.

The employer contribution rate for the period from 1 April 2020 is 23% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.4% of pensionable pay.

While a valuation was carried out as at 31 March 2016, it is not possible to say what deficit or surplus may affect future contributions. Work on the valuation was suspended by the UK Government pending the decision from the Court of Appeal (McCloud (Judiciary scheme)/Sargeant (Firefighters' Scheme) cases) that held that the transitional protections provided as part of the 2015 reforms was unlawfully discriminated on the grounds of age. Following consultation and an announcement in February 2021 on proposals to remedy the discrimination, the UK Government confirmed that the cost control element of the 2016 valuations could be completed. The UK Government has also asked the Government Actuary to review whether, and to what extent, the cost control mechanism is meeting its original objectives. The 2020 actuarial valuations will take the report's findings into account. The interim report is complete (restricted) and is currently being finalised with a consultation. Alongside these announcements, the UK Government confirmed that current employer contribution rates would stay in force until 1 April 2024.

The RCS's level of participation in the scheme is 0.2% based on the proportion of employer contributions paid in 2019-20.

Notes to the Financial Statements (continued)

Strathclyde Pension Fund

The Strathclyde Pension Fund provides benefits on final pensionable salary for employees of local government and some other institutions.

The fund is valued every three years by a professionally qualified independent actuary using the projected unit method, with the most recent comprehensive valuation being prepared as at 31 March 2020. The rates of contribution payable are determined by the Board on the advice of the actuaries. In the intervening years the actuaries review the progress of the scheme and prepare an interim valuation for the purposes of reporting under FRS 102 as at the end of July. The employer contribution rate for the period from 1 August 2020 to 31 July 2021 was 19.3% of pay. The employee contribution rate for the period from 1 August 2020 to 31 July 2021 was a variable rate dependent on the level of salary ranging from 5.5% to 11.2%.

Principal actuarial assumptions at the Statement of Financial Position date:

Investment Returns

	2021	2020
	%	%
Total Returns from 1 August 2020 to 31 July 2021	22.10	(2.40)

Financial assumptions

	2021	2020
	%	%
Future Pension increases	2.75	1.85
Future Salary increases	2.00	1.45
Discount rate	1.60	1.40

The RCS expects to contribute £1,040K to its defined benefit pension plans in 2021/22.

Mortality assumptions

The remaining life expectancies used to determine benefit obligations are as follows:

	Male	Female
Current pensioners	19.8 years	22.6 years
Future pensioners	21.2 years	24.7 years

The major categories of plan assets as a percentage of stated plan assets are as follows:

	2021	2020
	%	%
Equities	66	63
Bonds	24	25
Property	9	11
Cash	1	1

Notes to the Financial Statements (continued)

The fair value of the plan assets and the return on those assets were as follows:

Changes in the fair value of plan assets, defined benefit obligation and net liability

	Assets £'000	Obligations £'000	2021 Net (Liability)/ Asset £'000	2020 Net (Liability)/ Asset £'000
Fair value of employer assets	32,595	-	32,595	32,421
Present value of funded liabilities	-	38,419	(38,419)	(31,707)
Opening Position as at 31 July 2020	32,595	38,419	(5,824)	714
Service Cost				
Current Service Cost	-	2,647	(2,647)	(2,142)
Past service Cost	-	-	-	-
Total Service Cost	-	2,647	(2,647)	(2,142)
Net Interest				
Interest income on plan assets	462	-	462	724
Interest Cost on defined benefit obligation	-	554	(554)	(720)
Total Net Interest	462	554	(92)	4
Total defined benefit cost recognised in income and expenditure	462	3,201	(2,739)	(2,138)
Cashflows				
Plan participants contributions	339	339	-	-
Employer contributions	1,040	-	1,040	1,026
Benefits paid	(579)	(579)	-	-
Expected closing position	33,857	41,380	(7,523)	(398)
Re-measurements (actuarial losses)				
Changes in demographic assumptions	-	7,375	(7,375)	(4,020)
Changes in financial assumptions	-	(811)	811	-
Other experience	(11)	465	(476)	101
Return on assets excluding amounts included in net interest	6,815	-	6,815	(1,507)
Total re-measurements recognised in other comprehensive income	6,804	7,029	(225)	(5,426)
Fair value of plan assets	40,661	-	40,661	32,595
Present value of funded liabilities	-	48,409	(48,409)	(38,419)
Closing position as at 31 July 2021	40,661	48,409	(7,748)	(5,824)

The Universities and Colleges Retirement Savings Scheme

The Universities and Colleges Retirement Savings Scheme provides a defined contribution pension scheme which is open to all employees. The minimum pension contributions for both employer and employee is 5%. The employer will match an employees contribution up to 5%. There is no cap to the level of employee contributions into the scheme.

Notes to the Financial Statements (continued)

24 CONTINGENT LIABILITIES

There were no Contingent liabilities at 31 July 2021.

25 RELATED PARTY TRANSACTIONS

Due to the nature of the RCS's operations and the composition of the Board of Governors (being drawn from public and private sector organisations in Scotland) it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisations in which a member of the Board of Governors may have an interest are conducted at arm's length and in accordance with the RCS's financial regulations and normal procurement procedures.

The Board member and the significant related party transactions with their associated organisations during the year to 31 July 2021 are detailed below:

Member	Organisation	Relationship	Grant Received	Sales to related party	Purchases from related party	Amounts owed from related party	Amounts owed to related party
Nick Kuenssberg	Klik2learn Limited	Non-Exec Chairman	£ -	£ 1,800	£ -	£ -	£ -
Carol Main	Live Music Now!	Director	£ -	£ 385	£ -	£ 130	£ -
Carol Main	Creative Scotland	Board Member	£ -	£ 4,068	£ -	£ -	£ -
Matthew Rooke	University of St Andrews	Honorary Professor	£ -	£ 200	£ 10,359	£ -	£ 10,359
Jeffrey Sharkey	ABRSM	Board Member	£ -	£ 931	£ 12,912	£ -	£ -

Matthew Rooke was appointed on 25/06/21. All other members above held their posts for the full year.

26 DISCRETIONARY AND CHILDCARE FUNDS

	Childcare £	Discretionary £	Covid 19 hardship £	June 2021 Covid 19 hardship £	Total £
Balance unspent at 1 August 2020	9,803	8,382	633	-	18,818
Repaid during the year	-	-	-	-	-
Allocation received in year	9,500	41,921	78,047	60,309	189,777
Expenditure	(1,587)	(30,351)	(72,130)	-	(104,068)
Virements	-	-	-	-	-
Balance unspent at 31 July 2021	<u>17,716</u>	<u>19,952</u>	<u>6,550</u>	<u>60,309</u>	<u>104,527</u>
Repayable as claw back	17,716	19,952	6,550	-	44,218

Grants for discretionary and childcare funds are available solely for students: the RCS acts only as paying agent. The grants and related disbursements are therefore excluded from the comprehensive income and expenditure account.

27 COVID 19 AND GOING CONCERN

The Governors are aware of ongoing uncertainties in relation to COVID-19, however they continue to develop and implement mitigating actions and processes to ensure that the RCS continues to function and manage future operations and those of their stakeholders, as outlined more fully in the Report of the Governors. As such, the Governors are confident that the RCS will continue as a going concern, and will continue to meet liabilities as they fall due.

COMMITTEE MEMBERSHIPS

Membership of the committees reporting to the Board of Governors are detailed below.

Academic Board

- Principal (Convenor)
- Deputy Principal
- Director of Drama, Dance, Production and Film
- Director of Music
- Director of Fair Access
- Head of Research and Knowledge Exchange
- Head of Information Services
- President of the Students' Union
- Vice President of the Students' Union
- Member elected by the academic staff from the full-time academic staff of the School of Drama, Dance and Film
- Member elected by the academic staff from the full-time academic staff of the School of Music
- 3 co-opted internal members to be determined by the Academic Board
- A member co-opted from another academic institution

Audit and Risk

- Minimum of 3 Lay Governors who are not members of the Finance & General Purposes Committee (one of whom is elected Convenor)
- 1 Lay Governor who may be a member of the Finance & General Purposes Committee, but not Convenor

Finance & General Purposes

- Chair of the Board of Governors
- Principal
- 5 Lay Governors appointed by the Board of Governors (one of whom is elected Convenor)

Buildings

- The Convenor is elected from within the membership of the Committee
- Chair of the Board of Governors
- Principal
- Convenor of the Finance & General Purposes Committee
- Up to 3 Lay Governors appointed by the Board of Governors
- 1 External member as approved by the Nominations Committee

Development and Fundraising

- Principal
- Chair of the Board of Governors
- Director of External Relations
- Director of Business Development
- Head of Fundraising

- Up to 5 Lay Governors appointed by the Board of Governors (one of whom is elected Convenor)

Nominations

- Chair of the Board of Governors (Convenor)
- Vice Chair/Senior Independent Governor
- 1 Elected Staff Governor appointed by the Board of Governors
- President of the Students' Union
- Principal
- 2 Lay Governors appointed by the Board of Governors

Remuneration

- A Lay Governor appointed by the Board of Governors as Convenor
- Chair of the Board of Governors
- Convenor of the Finance & General Purposes Committee
- An additional Governor appointed by the Board of Governors

Health, Safety and Wellbeing

- A Lay Governor appointed by the Board of Governors as Convenor
- Principal
- Deputy Principal
- Additional Governor appointed by the Board of Governors
- Health, Safety and Wellbeing Manager
- Director of Drama, Dance, Production and Film
- Director of Music
- Director of Finance and Estates
- Director of Human Resources
- Director of External Relations
- Director of Fair Access
- President of the Students' Union
- An elected staff representative from the academic staff
- An elected staff representative from the academic support staff
- An elected staff representative from the academic trade union (EIS)
- External expertise as required and appropriate

Fair Access

- A Lay Governor appointed by the Board of Governors as Convenor
- Additional Governor appointed by the Board of Governors
- External membership as approved by the Nominations Committee
- Academic Directors
- Equality and Diversity Officer
- Student representatives
- School/Short Courses representatives

GOVERNOR ATTENDANCE AT COMMITTEE MEETINGS THROUGHOUT THE YEAR

	Board of Governors	Finance & General Purposes	Audit and Risk	Health, Safety & Wellbeing	Remuneration	Fair Access	Nominations	Academic Board	Development & Fundraising
Nick Kuenssberg	7/7	6/6			1/1		5/5		4/4
John Hylands	1/1		1/1				2/2		
Tari Lang	1/1						1/1		
Agnes Robson	7/7		3/3		1/1		5/5		
Jo Buckley	1/1	1/1**							
Andrew Butcher	7/7	1/1**	3/3						4/4
Morag Campbell	6/7			4/4					
Stuart Cross	7/7	6/6					1/1		
David Hare	1/1	1/1**							
Donald MacRae	7/7	6/6	3/3		1/1				
Carol Main	7/7			4/4					
Sharon Mair	7/7			4/4					4/4
Dorothy Miell	7/7					2/3		4/5**	
Jonathan Mills	1/1								
Ed Monaghan	7/7								
Mark O'Thomas	1/1	1/1**							
Nacim Pak-Shiraz	1/1			1/4**					
Philip Rodney	7/7	6/6							4/4
Matthew Rooke	1/1		1/1**						
Caroline Roxburgh	6/7	6/6	3/3						
Maria Taylor	4/6	3/4	1/2		1/1		1/4		
John Taylor	1/1		1/1**						
Colleen Toomey	1/1					1/1			
Jeffrey Sharkey	7/7	6/6		3/4	1/1*		5/5	4/5	4/4
Lois Fitch	5/7			3/4				5/5	
John Anthony Craig	6/7			4/4			4/5	4/5	
Ken Fairbrother						2/3		5/5	
Zweyla Mitchell dos Santos	3/7					1/3			
Jean Sangster	6/7							5/5	
Susan Lee Kidd	7/7			2/4		3/3	4/5	4/5	

There were no Buildings Committee meetings held in the year to 31st July 2021.

* The Principal is in attendance only and is not a member

** Attended as a guest only not a member

