Royal College of Nursing

RCN Group summary of accounts 2023

Welcome

2023 was a monumental year for the College as we reached record membership numbers. We began the year with widespread industrial action across England and Wales and continued to campaign for *Fair Pay for Nursing*, across all sectors. We received consistent support from the public and featured heavily across all forms of media. We launched our 5-year strategic plan, *A New Dawn for Nursing* at our Congress in May, as called for in 2 external reports in 2022.

Our strategic plan sets out our 4 key goals and will be the focus of our activity over the next 5 years. The RCN as the Voice of Nursing is a key goal, and the ongoing development of our Institute of Excellence will play a pivotal role in achieving this. We continued throughout 2023 to champion for *Fair Pay for Nursing* through our campaigning and our members strike action. There were some positive outcomes but there is much more to do. During 2023, we have continued to implement the numerous recommendations of the KPMG and Bruce Carr KC reports, and whilst work remains, we have made good progress to ensure our governance structures are robust and fit for purpose.

One of the goals within the strategic plan is to ensure the RCN has a sustainable and viable business model. Our membership numbers have continued to increase during the year, and we now have more than half a million members, this is reflected in an increase to membership income. However, we are exploring how we can expand our other income, which reported a significant increase in 2023. Venue services and continuing professional development, education and consultancy performed well and are expected to grow further in 2024.

We continue to ensure the College remains in a robust and sustainable financial position. Our strong membership numbers are reflected by increased membership income. Our other income streams continued to grow in 2023 following the removal of COVID-19 restrictions. Continuing professional development, education and consultancy performed particularly well and are expected to grow further in 2023. Council also approved a new reserves policy aimed at ensuring the long-term financial stability of the College.

Costs continued to increase during 2023 as we continued to invest in key activities and services such as the *Fair Pay for Nursing* campaign and strike action, developing our organising model, work in the independent and health and social care sector as well as developing our institute of excellence. During 2024 we will continue to invest in these activities and other services to members as well as ensuring the infrastructure underpinning our activities and services are fit for purpose and facilitate achievement of the goals set out in our strategic plan.

We continued to support the industrial action campaign and our members through strike benefit payments. The industrial action strike fund remains at a healthy £38 million and remains available to support our members through industrial action when it is required.

During 2023, our investment portfolio recovered some of the losses of the previous year and finished 2023 strongly. We have continued to also hold significant funds within our short-term portfolio to ensure we have readily accessible funds should we require them. Overall, both our investments and cash reserves are strong and generate income, and the investments provide capital growth in the long term. the short-term fund has also generated income which will in turn help fund investment in our services.

Our separate 2023 *Review of the Year* sets out in detail the wide range of work the College undertook with and on behalf of our members. It records a memorable year which has seen us take some strong steps forward, which could not have been achieved without the commitment and dedication of our members and staff.

Professor Pat Cullen
General Secretary and Chief Executive

Paul Vaughan
Chair of Council

Summary of financial review

The RCN Group consists of RCN UK, a special registered trade union and professional Royal College, RCN Publishing Company (RCNi), the RCN Foundation (RCNF), a registered charity and RCN Holdco Limited.

The RCN Group statement of comprehensive income and statement of financial position for the year ended 31 December 2023 are set out on pages 5 and 6.

These financial statements are presented in accordance with Financial Reporting Standard 102 (FRS 102), issued by the Financial Reporting Council and the Trade Union and Labour Relations (Consolidation) Act 1992. For detailed information, including the notes to the accounts, please see the RCN Group Annual report which can be found on our website.

The RCN Group statements report the consolidation of RCN UK and its subsidiaries RCNi, the RCN Foundation and RCN Holdco Limited.

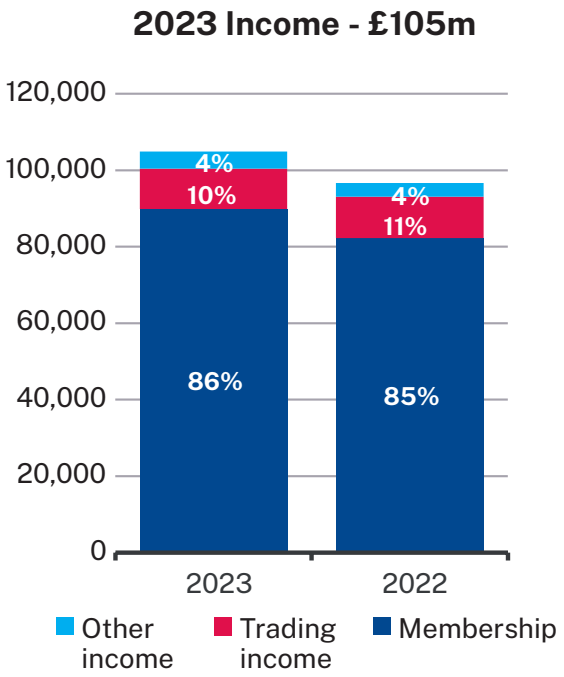
RCN Group results

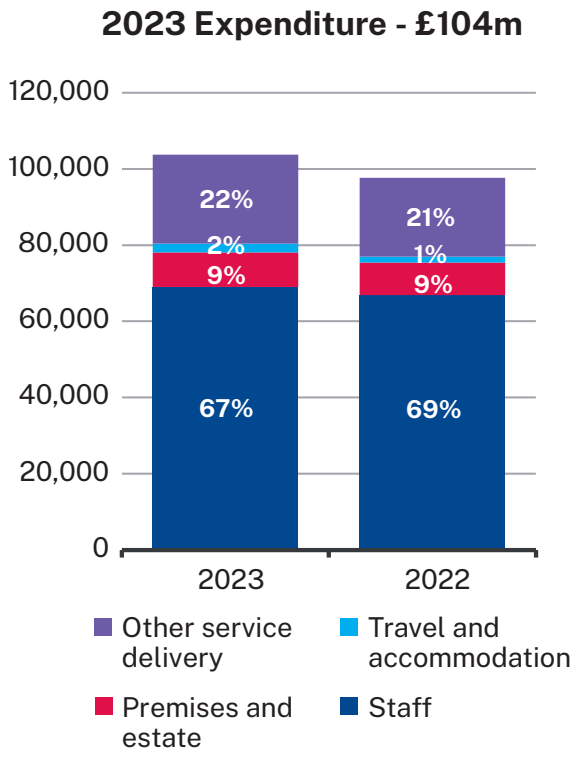
The RCN Group results for the year ended 31 December 2023 report a surplus before taxation of £16.6m (31 December 2022: deficit before taxation £18.4m).

The RCN Group result has increased by £35.0m compared to 2022. Income was £8.3m higher, and expenditure £6.0m higher. The modest operating surplus was improved by £5.0m investment income, and £8.9m net gains on long term investments, which is £30.7m higher than the net losses seen in 2022.

The RCN Group operating surplus for the year ended 31 December 2023 was £1.2m.

The surplus before taxation for the RCN Group excluding the charitable activities of the RCN Foundation was £14.7m.





Income

The RCN Group income for the year ended 31 December 2023 was £104.9m (31 December 2022: £96.7m). The significant differences between income in 2023 and 2022 are shown below:

RCN Group income	2023 £'000	2022 £'000		Movement
Membership	89,893	82,258		Overall increase of 9.3% in member subscription income compared to 2022, driven by the increased number of members. Most of the increase in member income was driven by increased nurse recruitment in the first 6 months of the year as a result of the pay campaign. We then retained the majority of those members over the remaining 6 months of the year, which in turn maintained the higher level of income.
RCNi trading income	10,564	10,863		RCNi trading income (excluding income received from RCN UK) has decreased by 3% since 2022, impacted by economic conditions for individual customers and budgetary limitations for advertisers, sponsors and institutional subscribers.
Other income	4,475	3,550		Other income (excluding income received from other RCN Group entities) has increased by 26%. RCN UK saw a further improvement in venue services income and commissioned programmes.
Total RCN Group	**104,932**	**96,671**		Overall RCN Group income in 2023 was £8.3m higher than in 2022.

Expenditure

RCN Group expenditure for the year ended 31 December 2023 was £103.8m (31 December 2022: £97.7m). The significant differences between expenditure in 2023 and 2022 are shown below:

RCN Group expenditure	2023 £'000	2022 £'000		Movement
Staff	69,023	66,926		Overall staff costs have increased by 3.1%. There was an 8.9% rise in average Full Time Equivalent employed by RCN and RCNi, offset by a reduction in use of agency staff as employees were appointed.
Premises and estates	9,058	8,545		Higher costs in 2023 reflect renewal of IT infrastructure and upgrade of RCN UK contact centre systems.
Accommodation and travel	2,302	1,478		56% higher travel and accommodation costs across the group reflect a combination of higher prices and increased activity, supporting the RCN industrial action, and more face to face contact between staff and members.
Other service delivery	20,990	19,886		2023 costs of legal indemnity scheme were £3.8m higher, as the release of an historic provision in 2022 resulted in unusually low expenditure. Cessation of the printed RCN Bulletin has reduced production costs, and pay campaign costs were lower due to the statutory ballot in 2022.
Strike benefits	2,377	867		£2.4m of strike benefits was claimed by members for industrial action across the UK in 2023.
Total RCN Group	**103,750**	**97,702**		Overall RCN Group expenditure has increased by 6.2%.

Statement of comprehensive income for the year ended 31 December 2023

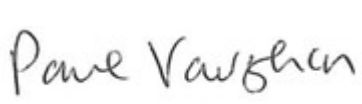
	RCN UK 31 December 2023 £'000	RCN UK 31 December 2022 £'000	RCN Group 31 December 2023 £'000	RCN Group 31 December 2022 £'000
Income				
Membership income	89,893	82,258	89,893	82,258
Trading income	–	–	10,564	10,863
Other income	5,819	4,963	4,475	3,550
Total income	**95,712**	**87,221**	**104,932**	**96,671**
Expenditure				
Staff costs	62,149	60,807	69,023	66,926
Premises and estate costs	9,056	8,538	9,058	8,545
Travel and accommodation	2,284	1,470	2,302	1,478
Other service delivery costs	19,500	17,071	23,367	20,753
Total expenditure	**92,989**	**87,886**	**103,750**	**97,702**
Operating surplus/(deficit)	**2,723**	**(665)**	**1,182**	**(1,031)**
Investment income	3,851	2,521	5,016	3,510
Net realised (losses)/gains on investments	(1,658)	9,049	(1,544)	12,240
Net unrealised gains/(losses) on investments	7,887	(22,378)	9,904	(30,377)
Interest income on net defined benefit pension asset	1,470	885	1,470	885
Dividends received from subsidiary	1,391	1,096	–	–
Foreign exchange gains/(losses) on investments	462	(3,104)	562	(3,660)
Surplus/(deficit) before taxation	**16,126**	**(12,596)**	**16,590**	**(18,433)**
Taxation	–	–	(256)	(401)
Surplus/(deficit) after taxation	**16,126**	**(12,596)**	**16,846**	**(18,834)**
Actuarial (losses) on defined benefit pension scheme	(7,361)	(16,419)	(7,361)	(16,419)
Actuarial gains on defined benefit pension scheme - removal of scheme surplus	7,361	16,419	7,361	16,419
Defined benefit pension scheme adjustment	(3,123)	91	(3,123)	91
Revaluation reserve adjustment	(64)	(64)	(64)	(64)
Net unrealised gains on joint venture	–	–	566	511
Total comprehensive income for the period	**12,939**	**(12,569)**	**14,225**	**(18,296)**
Reserves brought forward	**136,915**	**149,484**	**179,188**	**197,484**
Reserves carried forward	**149,854**	**136,915**	**193,413**	**179,188**

All the above results derive from continuing operations. There is no difference between the surplus before tax for the periods stated above and the historical cost equivalent.

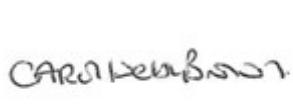
Statement of financial position as at 31 December 2023

	RCN UK 31 December 2023	RCN UK 31 December 2022	RCN Group 31 December 2023	RCN Group 31 December 2022
	£'000	£'000	£'000	£'000
Fixed assets				
Property, plant and equipment	10,641	10,791	10,723	10,904
Intangible assets	–	–	–	–
Long term financial assets	97,279	90,908	131,827	123,210
Investment in joint venture	–	–	1,010	1,056
Total fixed assets	**107,920**	**101,699**	**143,560**	**135,170**
Current assets				
Inventory	21	11	21	11
Debtors and prepayments	3,752	3,993	4,718	4,696
Short term financial assets	17,715	8,032	20,382	11,552
Short-term deposits	38,034	37,336	41,465	43,239
Cash at bank and in hand	400	5,356	1,684	6,390
Total current assets	**59,922**	**54,728**	**68,270**	**65,888**
Creditors — amounts falling due within one year				
Creditors and accrued charges	(11,388)	(10,696)	(11,816)	(13,054)
Net current assets	**48,534**	**44,032**	**56,454**	**52,834**
Total assets less current liabilities	**156,454**	**145,731**	**200,014**	**188,004**
Provisions for liabilities and charges	(6,601)	(8,816)	(6,601)	(8,816)
Net assets	**149,853**	**136,915**	**193,413**	**179,188**
Represented by:				
Revaluation reserve	1,671	1,735	1,671	1,735
Accumulated funds	110,289	90,620	116,413	97,319
Industrial action fund	37,893	44,560	37,893	44,560
Total reserves excluding reserves for charitable purposes	**149,853**	**136,915**	**155,977**	**143,614**
Reserves for charitable purposes	–	–	37,436	35,574
Total reserves	**149,853**	**136,915**	**193,413**	**179,188**

The financial statements were approved by Council on 22 May 2024.



Paul Vaughan
Chair of Council



Carol Webley-Brown
Honorary Treasurer

Professor Pat Cullen
General Secretary and Chief Executive

Report by RCN Council on the summarised Financial Statements

These summarised financial statements are extracted from the full Annual Report and Financial Statements, which were approved by RCN Council and signed on their behalf. The full financial statements, on which the auditors Crowe U.K. LLP gave an unqualified audit report in May 2023, are available on our website.

The auditors have confirmed to RCN Council that, in their opinion, the summarised financial statements are consistent with the full financial statements for the year ended 31 December 2023.

These summarised financial statements may not contain sufficient information to gain a complete understanding of the financial affairs of the RCN Group. The full Annual Report and Financial Statements may be obtained from our website.

Signed on behalf of RCN Council by:

Paul Vaughan
Chair of Council
Date: 22 May 2024

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a Special Register Trade Union established under the
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