



Group Annual Report 2022



The RCN Foundation Group Annual Report and Financial Statements 1 January to 31 December 2022

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Our purpose is to support and strengthen nursing and midwifery to improve the health and wellbeing of the public.

Our values are to be:

- relevant for today and ready for tomorrow
- focused on impact
- accountable
- ambitious.



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Introduction from the RCN Foundation Chair and Director

2022 was another extraordinary year for nursing and midwifery. As we moved into a 'living with COVID' world which tried to define what the 'new normal' looked like, there remained much uncertainty and disruption within health and care. Staff and systems grappled with ever growing demand, staff shortages and chronic burnout. And as the year wore on, we were faced with one of the worst cost of living crises in living memory.

Against this backdrop, the RCN Foundation not only continued to deliver our grant-making programmes but was able to significantly expand some of them to meet growing and urgent need.

This *RCN Foundation Group Annual Report* shares highlights from our work in 2022 and sets out our plans for 2023. It also contains our financial statements for 2022. This will be the final year of RCN Foundation Group accounts incorporating the report and accounts of the COVID-19 Healthcare Support Appeal (CHSA). CHSA will close in 2023 having completed its mission to support all staff working in the health and care sectors who were adversely affected by the pandemic.

At the beginning of the year, the administration of the Benevolent Service was transferred back to the Foundation from the RCN. The service provided grants, signposting and benefits advice to nursing and midwifery staff, working with our partner organisations Entitledto and PayPlan. The Foundation introduced an online application portal, resulting in a more effective service being delivered. In response to the cost of living crisis facing many of our nursing and midwifery staff, the Board of Trustees significantly increased the budget for hardship grants during the year. In 2022, 618 individuals received a hardship grant from the Foundation, an increase of 64% compared to 2021. Those who had received benefits through the signposting service were on average better off by £6,444 per year. Over 3,200 individuals also received signposting support from the service.

We were delighted to have been able to also significantly increase the number of education grants we were able to provide, thanks to generous donations from individuals, companies and charitable foundations. These included Deliveroo, LV=, the Leathersellers' Charity and the family of deceased nurse, Olufunke Adeyeye. Thanks to their support, and others, we were able to increase the number of education grants awarded by 131% compared to 2021.

In May, we launched our *Here for Life* campaign in partnership with the Chief Nursing Officers for the UK and Ireland. This social media campaign aimed to raise public awareness of the breadth, depth and diversity of the nursing and midwifery professions and the impact that they have on individuals, communities and wider society. The impact of the campaign was far-reaching and immediate. Over a four-day period, social media assets for *Here for Life* reached more than 3.3 million individuals. The estimated cost of gaining this reach through paid placement is around £8.7 million.

Other highlights from the year included the graduation of the first cohort of students in the PG Certificate in Neurological Rehabilitation and Care, developed as a partnership between the Foundation, the brain injury charity SameYou, and the University of Edinburgh. We also awarded the second grant in our children and young people's mental health and emotional wellbeing programme; and funding for a feasibility study in neurological rehabilitation and care.

This year we were able to hold our annual Impact Awards in person once again, the first time since 2019. Held at the Royal College of Physicians in July, the awards showcased some of the outstanding nurses, midwives and health care support workers that we have supported through our education grants, and their contribution to patient care.

A final highlight was the Sustainability Nursing Conference held in October in partnership with NHS England, RCNi and the RCN. A Dragon's Den-style event took place as part of the conference, showcasing nursing and midwifery led innovations that had a positive environmental impact on health and social care delivery and patient care. The winning entry came from a nurse in the West Midlands, who was awarded funding from the Foundation for a project to refine a decision support tool to begin to quantify the green impact of products to ensure their quality, safety, value and sustainability is considered in the clinical product procurement process.

Nursing and midwifery have a crucial role to play in delivering the sustainability and climate change agenda, something that we will continue to focus on in the future.

We know that significant challenges lie ahead for our nursing and midwifery communities. We will continue to respond to these and have an exciting programme of work ahead in 2023. This includes a partnership with The King's Fund to follow up on our collaboration on compassionate leadership, launching our Learning Disability grants programme, and sharing findings and next steps from the Professional Judgement research which concludes during the year.

Also in 2023, we will be developing our new three-year strategy, to be implemented from 1 January 2024. We hope to consult as widely as possible on the priorities to be included within the new strategy. Please do get in touch if you would like to share with us what you think is important for nursing, midwifery, health and social care in the future.

We are grateful to the staff, trustees and volunteers who have worked tirelessly during the year to enable and support our work.

Last, but by no means least, we want to thank our donors and supporters over the past year. We simply would not have been able to provide the breadth and depth of our support without their generosity, and we are immensely grateful to them.

We hope you enjoy reading about our work in this annual report. If you would like to know more, or find out how you can help, please don't hesitate to contact us.

Professor Jane Cummings CBE RN
Chair

Deepa Korea
Director



Your support in numbers

With your support, we have been able to achieve so much. Every donation we receive helps us to achieve our mission of supporting and strengthening nursing and midwifery, and ultimately improving patient care.

Here for Life

The campaign, launched on 12 May, was viewed by **3.3 million people** over four days. The estimated cost of gaining this reach through paid placement is £8.7 million.

Here for Life

£280,000

awarded in **hardship** grants, an increase of 36% on the previous year

14%

of the grants awarded in 2022 were made to survivors of **domestic abuse**

95%

of those who received this grant told us that they felt **more in control** of their circumstances

618

individuals supported to get their **life back on track** with this grant

£348,000

awarded in **education** grants

90%

who received an education grant told us that it had a **positive effect** on their roles and careers

Report of the Trustees for the year ending 31 December 2022

(incorporating the Directors' report)

The Board of Trustees of the RCN Foundation presents its annual report and financial statements for the year ended 31 December 2022 in accordance with Generally Accepted Accounting Practice in the United Kingdom (UK GAAP), the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP), the Charities Act 2011 and the Companies Act 2006; the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

This report is a summary of our operational and financial activities in 2022. It can be downloaded from the Foundation's website (rcnfoundation.org.uk), where there are further details about the Foundation's work.

Objectives

In 2022, the RCN Foundation continued to deliver on key areas of work aimed at meeting our purpose of supporting and strengthening nursing and midwifery, to improve the health and wellbeing of the public. Despite the ongoing challenges presented by the external environment, we carried out a robust programme of activity in 2022 with a focus on achieving positive outcomes for nursing and midwifery staff, and the public. Our objectives for 2022, as listed in the 2021 Annual Report and Accounts, and the progress made against these objectives, are set out below.

1. Implement a strong programme of grant-making that focuses on the Foundation's core areas of funding: hardship; education; nursing-led projects that support children and young people's mental health and wellbeing; learning disability nursing; supporting the mental health and wellbeing of the nursing and midwifery team in all settings; and raising the profile of the professions.

On 1 January 2022, we launched the RCN Foundation Benevolent Service, following the end of our partnership with the RCN to provide benevolent activities on behalf of the Foundation. This new service adopted a grant-making and signposting approach to supporting nurses, midwives and health care support workers (HCSWs) who were facing financial hardship due to a range of issues, many of which were exacerbated by the cost-of-living crisis. In late 2021, two members of staff of the former provider, the RCN Lamplight Support Service (LSS) moved across to the Foundation to deliver the new service.

The Foundation's new Benevolent Service provided a digitalised approach and involved applications being made through a bespoke online portal. This included an affordability tool and benefits checker provided by a partner organisation, Entitledto, which was an integral part of the application process.

In 2022, the Foundation provided 618 hardship grants, in comparison to 378 provided by LSS in 2021. 75% of grant recipients were employed, with 60% in substantive posts, and 15% employed as agency or bank nurses. For many, their total net income was insufficient to meet their basic needs, signifying that they faced in-work poverty. Whilst 69% of grant

recipients reported debt as their main issue, this was often accompanied by other issues including mental (35%) and physical (32%) ill health. 16% of those experiencing mental ill health mentioned a work-related link or cause of this.

Another worrying trend was the sharp increase in the number of nurses, midwives and HCSWs who were applying for support as a result of fleeing domestic violence. 14% of the grants awarded in 2022 were made to survivors of domestic abuse. The service also saw an increase in the need for support with housing costs, with 15% of grant recipients mentioning homelessness or a significant housing problem in their application.

During the first quarter of the year, against a national backdrop of continually increasing fuel costs, the number of applicants mentioning challenges with petrol costs for work journeys rose by a staggering 87%. This was particularly important for nurses and midwives providing services in rural locations who were struggling to pay for fuel. Overall, 12% of grant recipients mentioned increased costs as one of the causes of their financial difficulty.

In 2022, the Foundation made grants to the value of £280,000 (2021: £206,000) with 95% of grant recipients reporting they were more financially independent as a result of the grant. 173 individuals were advised of an unclaimed benefit and a total of £92,853 was identified through unclaimed benefits. In 2022, individuals who accessed a benefits estimate were, on average, £6,444 better off (2021: £6,000) as a result of the support provided by the Foundation.

The Foundation has developed a strong partnership with the debt advice charity, PayPlan. Through this partnership all individuals were able to benefit from free to access regulated debt advice. PayPlan developed a bespoke service for the Foundation, with a dedicated telephone line and referral system which linked directly to a team of specialist debt advisors. The Benevolent Service benefited from monthly reporting data from PayPlan, as well as a range of joint communications and advice sessions, which have received very positive feedback.

Overall, 3,230 individuals received signposting support from the service.

Case study

“I can breathe again”

Alice is a hospital charge nurse who also lives with a disability and is a single parent of a ten-year-old child. Due to a number of challenges, she did not renew her NMC registration in time this year, which led to a loss of income. Alice received a grant of £950 towards cost of living. She told us: “My recent circumstances resulted in me facing financial crisis and hardship, my reality being a nurse, with a disability, single parent unable to pay my bills, my mortgage or provide for myself and my dependants. I have been struggling with overwhelming stress, crippling anxiety, poor sleep and low mood.

I am still shocked and so grateful to have been granted help from the RCN Foundation. I can breathe again – I cannot explain how much this grant has helped me, my mental health my ability to perform my role as a nurse and as a mum. I am sleeping again, I have regained my appetite, I can buy food and cook meals again”.

The RCN Foundation continued to deliver a significant portfolio of education grants throughout 2022. Unlike previous years, this was not restricted to two grant rounds due to the increase in specific donations received for this area of our work. Grants programmes were opened at different times throughout the year to enhance the accessibility and reach of a range of education grants.

Over the course of 2022, £348,000 in education grants (2021: £149,000) was awarded to 255 individuals (2021:95). Activities individuals undertook ranged from a baby massage course through to a Master's in Healthcare Leadership.

The Deliveroo-RCN Foundation NHS Education Grants Programme was launched in March. Following a donation of £300,000 from the customers and suppliers of the food delivery service Deliveroo, 211 education grants were awarded totalling £276k. The grants were aimed at nurses, midwives and HCSWs working at lower pay bands within the NHS.

The portfolio of annual education grants continued with the partnership with the Worshipful Company of Needle-makers. Eleven nurses and midwives benefited from this grant which is for nurses and midwives who are looking to enhance their use of needles in their practice.

There were two specific grants for HCSWs in 2022. The Kershaw Fund, made available through generous donations from Dame Betty Kershaw, provided an education grant to two HCSWs. In November, the Foundation also launched the LV-RCN Foundation Education Grant to coincide with Nursing Support Workers Day. In the region of 18 HCSWs will benefit from a training and development grant through this fund.

The Into Nursing grant for graduates seeking a career in nursing remained ever popular. Four grants were awarded totalling £20k.

A key priority area for the Foundation is children and young people's mental health and emotional wellbeing. The Foundation partnered with the Leathersellers' Charity to provide education grants to non-mental health registered nurses and midwives who are managing children and young people's mental health and emotional wellbeing within their areas of clinical practice. So far, 17 nurses and one midwife have benefited from this grant. The impact will be evaluated as they complete their education activities.

The Foundation launched the annual Olufunke Adeyeye Education Grant. Following a donation made by the Adeyeye family, in memory of their mother who was a nurse and midwife with a passion for supporting those from a minority ethnic background, this grant was established for nurses, midwives and HCSWs from an ethnic minority background to undertake education and development activities. The standard of applications was exceptionally high, resulting in four grants being awarded instead of two. A total of £5.7k was awarded.

The RCN Foundation partnered with the family and friends of the late Amin Abdullah to launch the Amin Abdullah RCN Foundation Grant. The annual grant supports nurse-led projects which explore issues related to nurse wellbeing. This year, the Foundation awarded two £1,000 grants to projects to be delivered by Canterbury Christ Church University and Keele University.

The Foundation continued to fund the University of Edinburgh's Postgraduate Certificate in Neurological Rehabilitation and Care. This grant was provided in partnership with the brain injury charity, SameYou, and was delivered using funds raised through the Omaze fundraising initiative in 2018. Twenty-three nurses graduated in July 2022, with one progressing onto the full MSc Programme. A significant outcome of this programme has been the positive impact on students' personal and professional development, clinical knowledge and, consequently, patient experience as demonstrated through their reflective assignments. The Foundation is funding a further 14 students in 2022-23. As part of a research programme, the Foundation is also funding a post-Doctoral position for an early career researcher and a Master's in Research scholarship. These positions will both undertake further research at the University into nurse-led psychosocial interventions to support young adults following an acquired brain injury.

The Foundation continues with a number of interventions to support successful grant applications. A video on the website sets out the steps to a good application and the Helping Hands scheme continues, where alumni members support those applying for the first time through the application process.

Case study

"The most amazing opportunity"

"I currently work with children, young people and their families in a local child and adolescent mental health service (CAMHs) as an ADHD Clinical Nurse Specialist/ Non-Medical Prescriber (NMP). As an NMP, I was regularly prescribing medicines to aid better sleep. I wanted to be able to use other strategies to empower parents and their children in understanding how they could help in these situations to establish better sleep routines and use interventions such as sleep hygiene.

I had approached my organisation for funding, but this was not available. I was not prepared to leave the situation as it was, so started researching other possible funding streams and thankfully found the RCN Foundation Bursary Scheme Grant. This was by far the most amazing opportunity and made me feel relieved, excited and motivated to find the appropriate training which would serve the purpose of having a positive outcome.

The grant was instrumental in enabling me to enhance the quality of care and treatment to children, young people and their families who attend the ADHD clinic. I use these strategies confidently as a first line approach to managing sleep difficulties, rather than prescribing medication. Families are supported in using appropriate strategies and feel more in control at nighttime, thanks to the help I am now able to offer them.

I want to wholeheartedly thank the RCN Foundation for this grant. The benefits to children, young people and their families goes far beyond what written words can express."

In 2022, the Foundation funded a number of nursing- and midwifery-led projects. We launched a three-year grants programme to support children and young people's mental health and emotional wellbeing. Following the publication of a comprehensive scoping review undertaken by Sheffield Hallam University and funded by the Foundation in 2020, this programme had two strands.

The first strand was the development of a toolkit to support non-mental health registered nurses (such as those working in schools, emergency departments or GP surgeries) and midwives, to assess, plan and implement care for children and young people who might be experiencing mental health challenges and were unable to access support from mainstream services. The second strand was the development of an education grants programme to enhance the skills and knowledge in this area of non-specialist nurses, details of which we provided earlier in this report.

The first component of the toolkit was to develop a web-based app holding a limited data set of assessment tools for non-mental health nurses to use to assess and plan the care for children and young people, who may be experiencing challenges with mental health and emotional wellbeing.

The University of Huddersfield were successful in their bid to develop the app. The study aimed to identify the most effective evidence-based assessment tools to enhance and complement the therapeutic relationship between the young person and the nurse. Following an in-depth analysis of the vast number of assessment tools available, the team developed a web-based app holding a dataset of the most effective, evidence-based assessment tools for non-specialist nurses to use in a variety of educational and health and social care settings. This study reported in late 2022, and the ambition of both the university and the Foundation is for the app to be eventually available to every practising nurse.

The same team at Huddersfield will be working on the second element of the toolkit in 2023, which is a web-based app for a Cognitive Behaviour Therapy-informed intervention for non-mental health registered nurses and midwives. This project is expected to complete in late 2023.

A further four studies were completed in 2022.

- The CareVis study at the University of Hertfordshire, which explored the impact of a co-designed resource to support people with a learning disability on their understanding and engagement with the COVID-19 vaccine.
- The HeaLiN study at Queen Margaret University, which explored what made healthful leadership strategies in nursing.
- Band 5 Leadership Development Needs Study at Northumbria University.
- The EMPATH study at Northumbria University – Evaluation and Measurement of Psychological first Aid in the care home sector.

The EMPATH study sought to identify the current evidence on the effectiveness, acceptability and feasibility of Psychological First Aid (PFA) for nursing teams working in care home settings. The research looked at where in the UK PFA was being used and how it was being implemented. Through a UK-wide web-based, cross-sectional survey, the study compared levels of safety, calmness, self and community efficacy, connectedness and hope, stress, resilience, and coping in care home staff working in settings that had or had not implemented PFA. Qualitative data relating to the lived experience of PFA in a care home setting was obtained through a further questionnaire.

EMPATH found that those who had received PFA training coped better, felt safer and more hopeful than those who had not received the training. Despite this, the study reported that nurses working within the care home sector were unaware of the availability of PFA. The study concluded that it should be mandatory for all those working in a care home setting.

A number of other projects remained ongoing throughout the year. These were: Inside the Black Box: An Ethnographic Examination of Nurses' Professional Judgement in Nurse Staffing Systems in England and Wales led by the University of Cardiff; QNI's Care Home Nurses' Network; and the IMPACT Foundation project to support nursing students in Bangladesh.

A key area which underpinned all of the Foundation's grant-making was health inequality, including targeting areas of high deprivation. The Foundation worked towards increasing the reach of our grant-making programmes to areas of high deprivation and health inequality.



Case study

Children and Young People's Mental Health Screening and Assessment App

Childhood and adolescence are the most crucial and vulnerable periods in developing mental distress that can persist for a lifetime. Various research suggests any form of mental health difficulties that occur before the age of 24 has a possibility of having a negative effect on the whole lifespan of an individual with the potential to affect education and employment negatively and increase risks of substance abuse and violence.

An RCN Foundation-funded scoping review, undertaken by the University of West London, highlighted the role and importance of early/pre-crisis interventions from non-mental health nurses. It was found that non-mental health trained nurses such as school nurses, health visitors and emergency department nurses were well placed to deliver screening and assessments of children and young people in various settings. The accurate assessment was found to reduce referral rates. Effective, stand-alone interventions were provided for some service-users, which also involved signposting to services and encouraging self-management. They also found that the nurses' therapeutic relationships were fundamental for early interventions typically targeted at levels of resilience, emotional regulation, and prevention of ongoing mental health problems.

In 2022, the RCN Foundation commissioned the University of Huddersfield to develop an assessment app to help non-mental health nurses to assess children and young people's mental health needs and risks.

The project team conducted a literature review, focus group consultations and interviews with experts, non-mental health workers, other professionals, academics and researchers.

Based on the information generated, the team developed a decision support tool for non-mental health nurses to structure clinical judgements about children and young people's mental health needs and risks to enhance defensible decision-making and match the needs of children and young people with safe and effective interventions.

Alpha and Beta 1 versions of the app were developed and tested. Early findings from the testing was very positive, with users reporting that the app could aid them with decision making and prioritising cases, making correct referrals, and ultimately reducing the burden on CAMHS services.

One user said: "As a non-mental health professional, I feel the app will give me increased confidence to have discussions with children and young people about their mental health needs. It will provide structure to discussions around emotional health and wellbeing whilst helping us to identify if problems exist and what, if any, further support is required. I feel that it will enable us to identify "red flags" that may otherwise be missed by a non-specialist, with us then being able to escalate as appropriate; whilst also helping to acknowledge more low-level needs, where we may be able to initiate some early interventions and support ourselves".

The next stage of the project is to test the Beta 2 version in clinical practice in Yorkshire and Northern Ireland, to provide validation of the tool.



Face Shield
Direct splash protection

Face Shield
Protective Isolation Mask

Medline APCA

2. Ensure that the impact of funded projects is effectively measured and that outcomes from projects are widely disseminated so that they reach appropriate audiences through a variety of channels.

As the RCN Foundation grows as an effective and sustainable grant-maker, there is an increasing need for us to understand, demonstrate and communicate the difference our grants are making against our strategic aims. To help us achieve this, in 2022 we adopted a systematic and effective approach to impact assessment and evaluation through an impact framework.

The impact framework enabled us to adopt a systematic, evidence-based approach to measure and demonstrate the combined impact of the three areas of grant-making to meet our strategic aims and charitable objectives throughout the year. This approach also provides our beneficiaries with a simple but effective way to report on the impact of their grants to us. This work is overseen by a lead Trustee for Impact who is supported by an adviser from the Grants Committee.

The impact framework ensures that assessment and evaluation of the impact of our grant-making takes place across an annual cycle and occurs at two levels:

- the impact of individual grants: all beneficiaries report on the impact their grant has had on a case-by-case basis
- the combined impact across the Foundation's three areas of grant-making.

Further work will be undertaken in 2023 to better articulate the impact of the Foundation's grants on patient care.

In 2022, the dissemination of the outcomes from completed projects was largely undertaken via the Foundation's website. Work was undertaken on the website during the year in order to better showcase the projects that had been funded by the Foundation.

3. Implement a programme of targeted communications to raise the profile of the work of the Foundation. This will encompass messaging across the Foundation's various digital and other communication platforms.

In 2022, the Foundation continued its partnership with the Chief Nursing Officers (CNOs) of England, Northern Ireland, Republic of Ireland, Scotland and Wales on a joint project to raise the status and profile of nursing and midwifery. The *Here for Life* ([herefor.life](https://www.herefor.life)) social movement was delivered across a number of digital platforms.

Work on *Here for Life* began in earnest during the year, with the creation of a digital media campaign to demonstrate the breadth, depth and diversity of the nursing and midwifery professions. The campaign was aimed at the general public, practitioners and policy makers. A creative agency, Salt Thinking, worked on the development of the material, supported by a

PR agency, Mearns and Pike. There was also input from Markettiers on the survey element of the campaign, and from Clarion Portfolio on media planning, buying and performance tracking. All of these companies gave their time either fully, or in part, on a pro bono basis. The value of this in-kind support was estimated to be between £317k and £383k.

Here for Life launched on International Nurses' Day on 12 May showcasing seven nurses and midwives from across the breadth and depth of the nursing and midwifery professions. The five countries were represented as were all branches of nursing.

The campaign was covered by two national news stories on the day. There were 200 regional stories and 10 quality radio pieces. The hashtag #hereforlife was in the top five hashtags trending on 12 May. Over the course of four days, the campaign was viewed by 3.3 million people. The estimated cost of gaining this reach through paid placement is £8.7 million.

Our social and digital media output was more targeted and enhanced during the year with the appointment of a Digital Marketing and Communications Officer. In 2022, there was a more comprehensive approach to using digital channels to disseminate information about our work. During the year, we saw significant rises in engagement across Twitter (25%), Facebook (90%), Instagram (19%) and LinkedIn (135%).

During the year we worked in partnership with children's publisher, Scholastic, to finalise the content and illustrations for a book aimed at children. The publication, entitled *Dear Nurse... A love letter to nurses and midwives everywhere*, will be published in February 2023 to mark the 75th anniversary of the NHS. As well as an opportunity to raise the profile of the Foundation, the book will also generate income with 50p from the sale of each book donated to the Foundation.

The first in-person Impact Awards event since 2019 was held in July 2022 at the Royal College of Physicians. The event received significant positive feedback from guests. The Awards resulted in good social media engagement, with a 250% increase in Facebook page visits, and a 77% increase in Instagram profile visits for that week. Our Twitter thread detailing the award-winners reached nearly 5,000 people. There was also a 472% rise in searches for the RCN Foundation on LinkedIn during the same month. Reactions and comments were uniformly warm and positive across all social media channels.

4. Ensure that income from investments and fundraising meets budgeted targets and is able to support the delivery of our work. Implement key aspects of the fundraising strategy agreed in 2021.

It was a challenging year for the Foundation across all of our income streams. Investment income performed relatively well, against the budget. However, the value of the combined portfolio fell by 14% to £35.8 million.

Voluntary income did not perform as well as expected in 2022 for a number of reasons. This included the postponement of the individual donor insert campaign due to take place in autumn 2022; the delay to the start of the corporate fundraising campaign; and the underperformance of expected areas of fundraising such as community giving and one-

off donations, which returned to pre-pandemic levels. All of this was against the backdrop of an extremely challenging socio-economic environment, which had an impact on giving across the sector.

In line with the fundraising strategy implemented in 2021, work with two agencies took place to support the Foundation's fundraising activities. Both agencies led to the development of clear propositions and a plan for next steps in relation to individual and corporate giving. Work will continue on both of these key parts of our strategy in 2023. All income streams will be reviewed early in 2023 in light of the ongoing challenges to the economic climate.

5. Continue to strengthen our own organisational performance, capacity to deliver and impact, including in the areas of governance, finance and technology.

Strengthening the Foundation's governance structures and processes continued to be a key feature in 2022. During the year, five new advisers were recruited to our committees. They came from a wide range of backgrounds including finance and investments, HR and nursing. One new trustee was also recruited. This was to replace a long-standing Board member whose term of office had expired, who was also the Chair of the Income Generation and Investment Committee. A new Chair for that committee was also recruited from within the board.

An independent governance review took place in 2022, the first such review since the Foundation was established in 2010. The review focused on board and committee effectiveness. The review will be published, and the recommendations implemented, in 2023.

Two internal audits also took place during the year. The first was an advisory audit on the effectiveness of the CRM for the Foundation, which was ongoing at the end of 2022. The second was an RCN Group-wide audit on trademarks, which was also ongoing at the end of 2022.

A strategic financial framework was approved by the Board in July. This provided an overview of activity that would take place over an 18-month period which would encompass the development of a financial plan, and updated investment and reserves policies. This work was also intended to coincide with the development of a new strategy for the Foundation from 2024. Early work on the strategy began during the year, with discussions at trustee and staff level. This will continue and conclude in 2023.

As mentioned above, two new online portals were developed by the RCN's Engineering Team which supported the Foundation's grant-making process. As a result, the Foundation established online applications processes for its hardship and education grants. We are grateful to the Engineering Team for their significant support to the Foundation during the year.

6. Support and deliver the work of the RCN Foundation's subsidiary charity, the COVID-19 Healthcare Support Appeal. Evaluate the impact of the subsidiary charity's grant-making. Close the subsidiary charity at the end of 2022, ensuring that all funds have been effectively expended in line with charitable objectives.

With final grants awarded by the COVID-19 Healthcare Support Appeal (CHSA) at the end of 2021, 2022 activity focused on grant monitoring and reporting, preparing to close the charity and commissioning an independent evaluation of its work.

Since January, all grant management for CHSA was undertaken by the RCN Foundation's Grants Manager. As at the end of 2022, a total of 10,852 beneficiaries had been supported by the charity.

In September, ARC Research and Consultancy Ltd was appointed to undertake an independent evaluation of the impact of the work of CHSA. The evaluation took place during the final quarter of 2022. Key findings included that partnership working was critical to ensuring that support reached target groups, speed of decision-making was key in the context of the pandemic, and willingness to take a risk with emerging organisations showing signs of success was a factor in the success of the grant-making.

A closure plan was developed, and the Foundation is working with its legal advisers to close the charity. Due to the legal requirements in relation to the closure, CHSA will now close in 2023, having completed its mission to support all health and care staff affected by the pandemic.

7. Continue to contribute positively to the RCN Group working cohesively to achieve shared objectives.

The Foundation continued to work closely with the Royal College of Nursing and RCNi as part of the RCN Group. An RCN Foundation Trustee continued to sit on the RCN Group Audit Committee, and the RCN Group Remuneration Committee.

In 2022, an in-person RCN Congress was held for the first time since 2019. The Foundation co-hosted two events as part of the Learning and Wellbeing fringe programme. An event was held in partnership with the RCN Older People's Forum entitled *Providing psychological support to nursing teams working within care home settings throughout COVID-19 and beyond*. The Chief Nurse for Social Care within the Department of Health and Social Care was a keynote speaker at the event. A second fringe event was held in partnership with the RCN Nurses in Management and Leadership Forum entitled *Leadership Legacies from COVID-19*. The Chief Nursing Officer for Wales was a keynote speaker at the event.

The Foundation also continued to have a presence on the RCN Group exhibition stand at Congress.

In October, the RCN Group entities partnered with NHS England and NHS Improvement to host a virtual conference on greener nursing practice. The conference focused on practical and innovative things that the nursing and midwifery professions could do to reduce CO2 emissions and improve the health of patients. Elizabeth Iro, the World Health Organisation's Chief Nurse gave the keynote speech.

As part of the event, nurses presented innovations aimed at reducing carbon emissions within health care. In a Dragon's Den-style panel, the winner received a grant from the RCN Foundation to implement their project.



Here for Life Campaign

Policies

During 2022, the Board approved the Foundation's Fundraising Communications with Vulnerable Supporters Policy.

Our position on modern slavery

Our policy is to assess and address anti-modern slavery laws in our own organisation and we expect organisations we work with to adopt and enforce policies to comply with the legislation.

Objectives for 2023

1. Implement a strong programme of grant-making that focuses on the Foundation's core areas of funding: hardship; education; nursing- and midwifery-led projects that support children and young people's mental health and wellbeing; learning disability nursing; supporting the mental health and wellbeing of the nursing and midwifery team in all settings; and raising the profile of the professions.
2. Ensure that the impact of funded projects is effectively measured and that outcomes from projects are widely disseminated so that they reach appropriate audiences through a variety of channels.
3. Implement a programme of targeted communications to raise the profile of the work of the Foundation. This will encompass messaging across the Foundation's various digital and other communication platforms.
4. Ensure that income from investments and fundraising meets budgeted targets and is able to support the delivery of our work.
5. Continue to strengthen our own organisational performance, capacity to deliver and impact, including in the areas of governance, finance and technology.
6. Disseminate the findings of the evaluation of RCN Foundation's subsidiary charity, the COVID-19 Healthcare Support Appeal. Close the subsidiary charity in 2023.
7. Continue to contribute positively to the RCN Group working cohesively to achieve shared objectives.

Financial review

Investments, policy and performance

The RCN Foundation Group, which incorporates the RCN Foundation and the COVID-19 Healthcare Support Appeal, is subject to the Trustee Act 2000. The Group's investment objective is to seek to protect real income and capital growth over time. The Trustees accept that in achieving this objective the portfolio will be subject to short-term volatility but nevertheless they would like to achieve their goal with a low to medium level of risk.

The board oversees the management of the group's investment portfolio and monitors the performance of the investment manager. The Income Generation and Investment Committee review the investment strategy, policy and performance and make recommendations to the board as appropriate

The Trustees specified that a part of the portfolio should be accessible at relatively short notice. Therefore the investment managers retain a short-term fund consisting of cash, short-term deposits and short-dated bonds. During 2022, £3.5m had been transferred from the long-term to short-term portfolio following a request from the Trustees. Of this, £500,000 was withdrawn for cashflow purposes. At 31 December 2022, £3.5m was held in the short-term fund as Money Market Investments and is shown as a current asset on the balance sheet (31 December 2021: £500k).

The Investment Committee agreed to adopt a segregated approach, investing in fixed interest issues and individual shares rather than funds as being the most efficient way of achieving the agreed asset allocation and the group's ethical requirements.

The fund managers have discretion over the selection of stocks but the contract with Sarasin & Partners stipulates the Trustees' requirement for the investments to be managed in a socially responsible manner in line with their values and corporate policies. Specific restrictions include the avoidance of any investment in companies that manufacture tobacco products and alcohol, and in companies that are involved in gambling, adult entertainment, armaments, cluster bombs and landmines and civilian firearms. Moreover, the portfolio excludes investments in companies dealing with the extractions of thermal coal and the production of oil tar sands. Environmental, social and governance (ESG) factors are also embedded in the investment process for stock selection.

The fund managers manage the Foundation's investments with a long-term investment time horizon. The investment objective is to aim to protect the assets from inflation by maintaining the 'real' value of the capital and income. A balance is sought between providing income for the short term and real capital growth to provide income for the long term. The Trustees accept that in achieving this objective the portfolio will be subject to short-term volatility, and have taken a low to medium level of risk approach.

2022 has been a difficult year for the valuation of the RCN Foundation investment portfolio, with reported net losses of £5.4m (31 December 2021: net gains £3.5m). On the contrary, the gross investment income in the year ended 31 December 2022 was £990,000 (associated investment management fees of £155,000) which was 22% higher compared to the gross income received in 2021 (£809,000, associated investment management fees of £169,000). The movement in the investments resulted in a significant decrease in the market value of the combined portfolio from £41.6m at the start of the year to £35.8m at the end of the year.

We are working closely with Sarasin & Partners to monitor our portfolio and the expected income arising from it to best inform our operational activities.

Review of financial position

The financial statements are presented in the format required under the 'Statement of Recommended Practice: Accounting and Reporting by Charities' (SORP FRS 102) and the statement of financial activities reflects the strategic objectives of the RCN Foundation and Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The statement of financial activities for the year ended 31 December 2022 and the balance sheet as at 31 December 2022 are set out on pages 40 and 42. The statement of financial activities shows that the RCN Foundation Group had a net loss of £6.2m in the year ended 31 December 2022 (31 December 2021: net surplus of £1.1m).

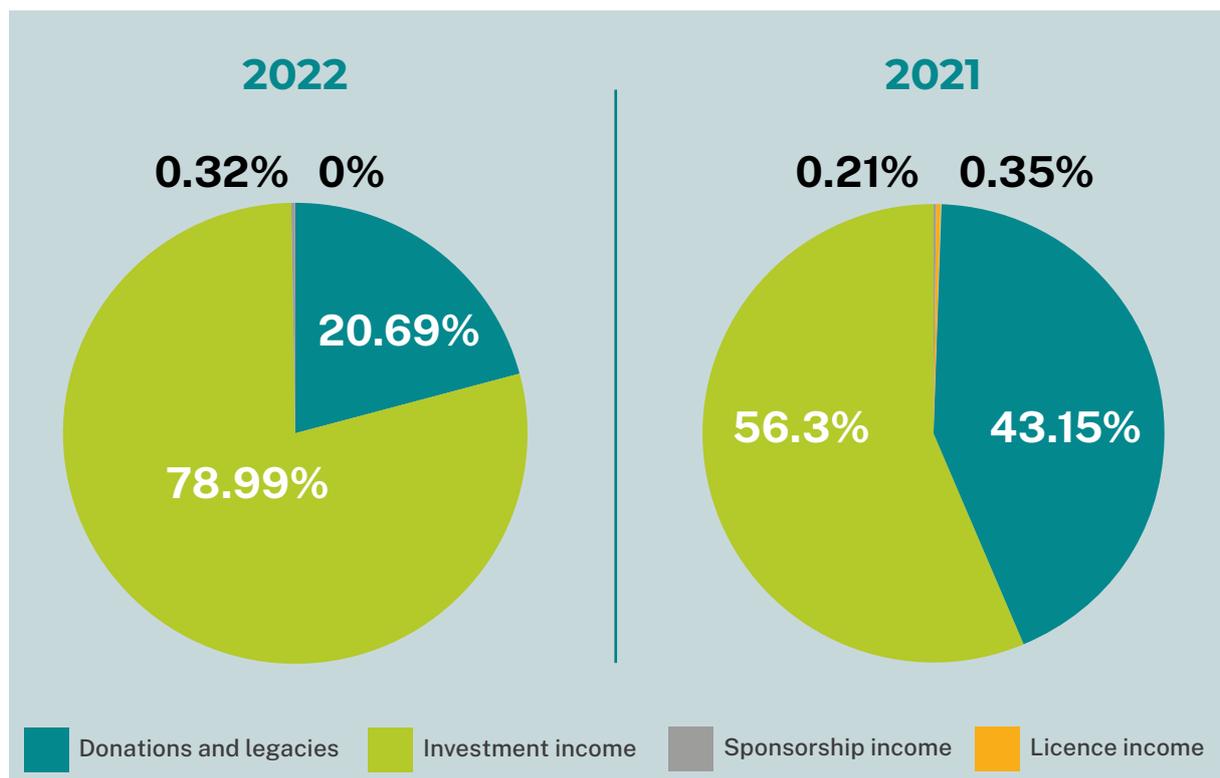
Income

The RCN Foundation Group income is made up of income from donations and legacies, income from trading activities and investment income.

Total income in the year was £1,253k which is 14% lower than the previous year (31 December 2021: £1,465k). After a couple of years where donors have been particularly generous towards the RCN Foundation Group cause, the decrease in donations received in 2022 reflects the UK difficult socio-economic climate.

Legacies, donations and gift aid amounted to £259k (31 December 2021: £648k). Income earned from other trading activities includes sponsorship income of £4k.

Investment income for the year was £990k (31 December 2021: £809k) of which £745k was unrestricted (31 December 2021: £609k). The RCN Foundation Group investments reported net losses of £5,367k (31 December 2021: £3,534k gains) mainly due to unrealised losses on the investment portfolio.



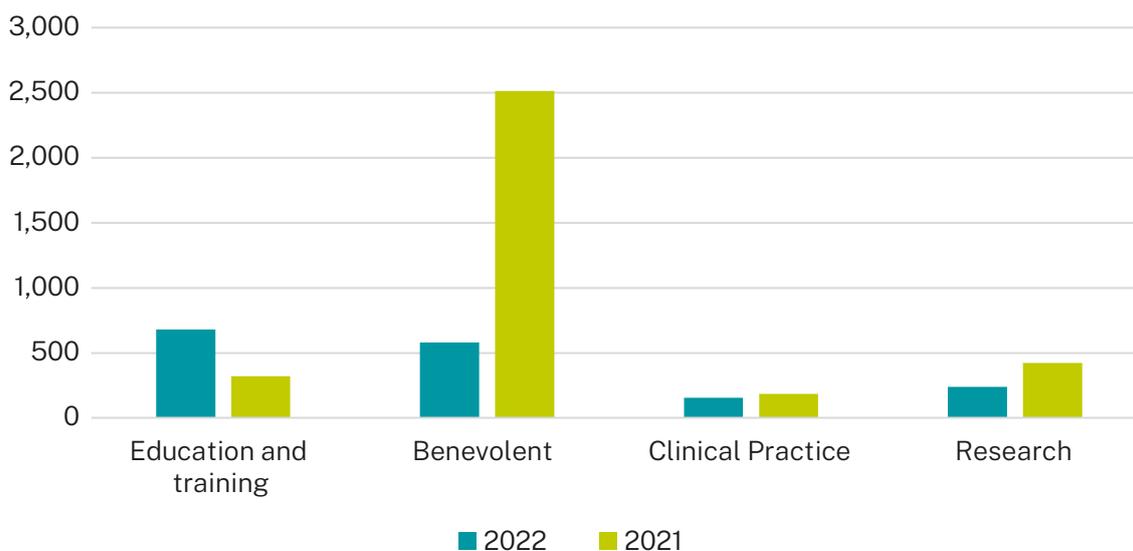
Expenditure

The RCN Foundation Group expenditure in the year amounted to £2,207k (31 December 2021: £3,877k) of which £1,405k (31 December 2021: £3,236k) was from unrestricted funds.

In 2022 expenditure decreased by 43% compared to 2021. The variance is due to the amount of benevolent grants awarded in response to the COVID-19 pandemic in 2021. CHSA completed its grant-making activities in 2021, the charity will be wound up in the summer of 2023.

2022 vs 2021 charitable expenditure

	Education and training £'000	Benevolent £'000	Clinical practice £'000	Research £'000
2021	£321	£2,515	£184	£424
2022	£762	£578	£155	£236



In 2022, £1,006k in grants were paid (31 December 2021: £2,861k). Of these, £592k was paid to individuals - £280k relates to benevolent grants awarded through the RCN Foundation Benevolent Service (31 December 2021: £229k), £312k to educational bursaries (31 December 2020: £111k). £414k was paid to 11 organisations, £9k unused grant was returned to CHSA in 2022.

A fee is agreed in advance to meet the cost of the service provided by the RCN for governance, finance, marketing, and other services and is included within unrestricted expenditure. This was 802k in the year ended 31 December 2022 (31 December 2021: £626k). The fee reflects staff costs for those RCN employees working on behalf of the RCN Foundation Group plus 12% overheads for RCN Foundation staff. The increase in fee is due to the recruitment of two new roles, Digital Marketing & Communications Officer and the Benevolent Grants Officer.

In the expenditure note (Note 4 of the Financial Statements), the fee is allocated to the activities on which these staff members work.

The total cost of raising funds in the year was £476k, this figure includes investment management fees, the portion of management fees allocated to this activity as well as a share of support costs (31 December 2021: £433k). The investment management fee is calculated as a proportion of the value of the portfolio and varies accordingly (31 December 2022: £156k; 31 December 2021: £169k).

In the year trustee expenses of £4,902 were incurred (31 December 2021: £1,101). While in 2021 the COVID-19 pandemic restrictions limited travelling for Trustees, more costs have been incurred as a result of attending events like the Impact Awards and RCN Congress. These costs are treated as unrestricted expenditure.

Reserves

The RCN Foundation Group has adopted a reserves position which it considers appropriate to ensure it can meet its objectives and at the same time manage the expectations of both its potential supporters and beneficiaries.

The level of free reserves at 31 December 2022 was £26,142k (31 December 2021: £30,496k), which accounts for about 70% of total reserves held by the charity. This excludes those unrestricted funds that have been earmarked for particular purposes by the trustees and are shown as designated funds on the Balance Sheet and excludes tangible fixed assets. The £4.4m decrease in reserves is due to a combination of net deficit and net losses on the investment portfolio.

The investment and reserves policies, set by the Trustees at £18.5m, reflect their acknowledgment that the RCN Foundation Group is largely reliant on reserves and investment income for the furtherance of its charitable objectives for the foreseeable future. The Trustees also acknowledge the inherent risk in holding the majority of its assets within the investment portfolio, namely the fluctuation in market values, this risk is considered when setting the reserves policy. For these reasons, as well as the recent changes in the socio-economic environment, the Trustees will review the current reserves policy in 2023, to ensure a level of free reserves in line with the long term objectives of the charity.

RCN Foundation Group accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime, and has not prepared a strategic report for that purpose.

Principle risks and uncertainties

Our risk management framework is used to test the organisation's key decisions and influence the use of our resources. Risks are assessed on a quarterly basis by the Board of Trustees to ensure that adequate measures are in place to manage the identified risks. Risk appetite is the level of risk that the Foundation is willing to take in order to meet its strategic objectives. There are a range of appetites for different risks and these are set out below.

Financial

Appetite for risk: low



There is an ongoing dependency on reserves and investment income. We continue to rely heavily on returns from our investment income to support our activities. Trustees have continued to prioritise the need to diversify sources of income over time, though with a clear understanding that results will not be immediate. In 2022, progress against the objectives in the 2021 Fundraising Strategy has been slower than expected. The strategy will be implemented more comprehensively in 2023. Investment income remained robust, although the value of the portfolio fell by 21% during the year. However, the value of the portfolio remained well above the Foundation's agreed reserves level, as indicated above.

Governance

Appetite for risk: low



There were a number of governance risks that were kept under review during the year. These included: the ability to recruit new trustees and advisers with the skills and experience required to fill existing vacancies; and the potential for Board and committee meetings to be inquorate due to the demands on trustees who worked clinically. Governance risks were kept under review by the Appointments Panel and the Board. Mitigating actions taken during the year included using an agency with relevant experience to recruit new advisers, and managing agendas to ensure decision items were discussed when meetings were quorate.

Regulatory

Appetite for risk: low



The Foundation's appetite for regulatory risk is low. Consequently, we keep under review a number of regulatory frameworks and ensure that processes are in place to address any regulatory issues.

Operational

Appetite for risk: medium



The ability to deliver our grant-making plans continued to feature as a key risk. In 2022, key risks included: the implementation of the new Benevolent Service in a timely and efficient manner, following its transition from the RCN to the Foundation; the delivery of a significantly expanded education grants programme following a six-figure donation; and the development of the learning disability strand of our grants programme.

External Environment

Appetite for risk: medium



Economic upheaval in the UK and the cost of living crisis were key risks faced by the Foundation in 2022. We faced a ‘double whammy’ in relation to these risks – they adversely affected the Foundation’s financial performance, leading to lower income returns, at a time when the challenges faced by our beneficiaries was increasing leading to greater demand for support.

The Foundation Board maintained close oversight of the impact of the external financial climate on the charity’s income and expenditure, both through the management accounts and the risk register. Expenditure was planned throughout the year. This meant that in the event that there was a severe reduction in income, expenditure could be curbed as necessary.



Board of Trustees

External advisers; reference and administrative details; structure, governance and management

Board of Trustees

The Trustees who are in office or have been during 2022 are:

Professor Jane Cummings RN, CBE, Chair of the Board

Christine Perry, Vice-Chair and Chair of the Appointments Panel

Elizabeth Jane Cantrell, Chair of the Scotland Committee

Catherine Deakin

Gregory Dix, Chair of the Wales Committee

Professor Jacqueline Dunkley-Bent OBE

Alison Hoad (from 01 August 2022)

Gordon Hull, Chair of the Income Generation and Investment Committee

David Jones, Chair of the Income Generation and Investment Committee (retired 31 July 2022)

Moya Kirmond

Rachel Lambert-Forsyth, Chair of the Grants Committee

Professor Charlotte McArdle

Anthony Osijo

External Advisers

The external advisers on our committees are:

Victoria Bennett (Income Generation and Investment Committee)

Fiona Bickley (Appointments Panel) (from 1 September 2022)

Professor Michael Brown (Scotland Committee)

Matthew Craddock (Income Generation and Investment Committee) (from 1 September 2022)

Ann Gow (Grants Committee)

Joanne Griffin (Income Generation and Investment Committee) – (resigned 24 April 2022)

Alison Hoad (Income Generation and Investment Committee) (resigned 31 July 2022)

Dawn Jackson (Grants Committee)

Katrin Lehmann (Grants Committee) (from 1 September 2022)

Mickella Lewis-Purvis (Grants Committee)

Yvette Lloyd (Income Generation and Investment Committee) (resigned 31 March 2022)

Professor Donna Mead OBE (Wales Committee)

Jane Miles (Grants Committee) (resigned 31 May 2022)

Hemal Naran (Income Generation and Investment Committee) (from 1 September 2022)

Tanya Strange MBE (Wales Committee)

Sian Thomas (Wales Committee)

Vivien Waterfield (Income Generation and Investment Committee)

Andrew Wauchope (Income Generation and Investment Committee)
(from 1 September 2022)

Reference and administrative details

Registered office

20 Cavendish Square, London W1G 0RN

Telephone 020 7409 3333

Website: rcnfoundation.rcn.org.uk

Bankers

National Westminster Bank PLC
1 Cavendish Square, London W1A 4NU

Independent auditors

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

Lawyers

Bates Wells and Braithwaite
2-6 Cannon Street, London EC4M 6YH

Taylor Vinters LLP
Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ

Investment managers

Sarasin & Partners LLP
Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Charity and Company registration numbers

Registered Charity: 1134606

Scottish registered charity SC043663

Registered Company: 7026001

Case study

How can psychological first aid support care workers in UK care homes?

A study by Northumbria University and the University of the Highlands and Islands

What is the problem?

Care homes have been dramatically impacted by the COVID-19 pandemic. Staff working in these settings have been affected by increased workload, resident deaths, and negative publicity. It is therefore important that we understand the best ways to help care home staff deal with traumatic events.

Psychological First Aid (PFA) is an intervention used to reduce the impact of trauma. PFA aims to increase feelings of safety, hopefulness and connectedness, and has been shown to be useful for reducing stress and improving coping. During the COVID-19 pandemic, Public Health England suggested PFA should be available to all front-line staff, and it was made free through the government website. However, little is known about how useful PFA is for care home staff.

What we did?

We used an online survey to understand how many people working in UK nursing and care homes have had PFA training, how PFA may affect stress and coping abilities compared to staff who have not had the training, and what their experiences of the training was like.

What we found?

388 staff members from care homes across the UK took part in the survey, 37 (9.5%) had done PFA training.

Staff who had PFA training said they coped better, felt safer and more hopeful compared to staff who had not had the training. They also told us they found it useful for increasing their self-awareness, improving their relationships with others, and helped them to overcome stress.

Staff members also shared that a lack of awareness of PFA made accessing the training challenging but believed the benefits of the training mean it should be mandatory for everyone working in a nursing or care home.

What next?

Findings suggest that PFA training is useful for supporting care home staff facing traumatic events.

More research is needed with larger groups of health / social care workers doing PFA training to understand how it may help well-being over longer periods of time. Work is also needed to see how the training can be tailored to meet the specific needs of staff in these settings as they continue to deal with the long-term impacts of the COVID-19 pandemic.

Structure, governance and management

Constitution

The RCN Foundation was registered as a charity on 2 March 2010. It was registered as a company limited by guarantee in December 2009 and the Royal College of Nursing in the United Kingdom (RCN UK) is the sole member. The Memorandum and Articles of Association were incorporated on 22 September 2009.

The Foundation was set up as a result of a review of the legal and governance structure of the Royal College of Nursing, which is no longer a registered charity.

The Foundation has a Memorandum of Agreement with the Royal College of Nursing that sets out how the two organisations will work together to support nursing and midwifery, and improve care.

Objects

The objects of the RCN Foundation are to:

- Promote the science and art of nursing and the better education and training of persons providing nursing in health and social care and their efficiency in the profession of nursing including those who are students
- Promote the advancement of nursing as a profession in all or any of its branches
- Promote through the medium of international agencies and otherwise the foregoing purposes in other countries
- Relieve and prevent charitable need of persons providing nursing in health and social care including those who are students, those who have retired and the dependents of any such persons.

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have regard to the Charity Commission's guidance on Charities and Public Benefit.

Governance

The RCN Foundation's Board of Trustees is independent of the Royal College of Nursing (RCN UK). The Board has provision for no fewer than 7 and no more than 12 Trustees, four of whom are members of the Royal College of Nursing and a member of RCN Council is included in the recruitment process. At least three of the members of the Board of Trustees must have no previous connection with the RCN. This enables us to retain our strong connections with the RCN whilst maintaining our independence.

The Board of Trustees normally meets quarterly with the addition of an annual Board Awayday. The two substantive committees of the Board – the Grants Committee, and the Income Generation and Investment Committee – also meet on a quarterly basis.

The Grants Committee is accountable to the Board for the development and implementation of the grant-making strategy which spans grant-making for hardship and education, nursing-led practice development and research projects; and activities that raise the profile of the professions. The Income Generation and Investment Committee is accountable to the Board for the development and delivery of the fundraising, marketing and communications strategy, as well as keeping the investment strategy under regular review and monitoring the performance of the investment manager.

The membership of these committees is largely drawn from the Board and the committees are chaired by a Trustee. We have also appointed additional independent members with particular relevant experience and expertise to our committees.

The Appointments Panel oversees the recruitment and appointment of Trustees, Chair and Vice Chair elections, and committee appointments on behalf of the Board. It also oversees Trustees' induction, development programmes and performance review.

The Foundation also has two country committees, one for Scotland and a second for Wales. The role of these committees is to raise the profile of the Foundation's work in their respective countries; bring knowledge of the key country-specific issues affecting nursing, midwifery and healthcare to the attention of the Foundation; and aim to raise funds for the Foundation's work. Country committees are chaired by a Trustee from the relevant country.

Terms of reference for all committees have been agreed by the Board.

Management

The RCN Foundation operates from the RCN's national headquarters and is staffed by RCN employees under a Services Agreement which is kept under regular review. The staffing complement comprises the following roles: Foundation Director; Head of Grants and Impact; Head of Fundraising and Communications; Grants Manager; Fundraising and Communications Manager; Digital, Marketing and Communications Officer; Benevolent Grants Manager; Benevolent Grants Officer; Clerk to the Trustees; and Team Administrator. Additionally, the Foundation is supported by a dedicated member of the RCN Finance team.

The Foundation is also supported throughout the year by a number of RCN staff as required.

Compliance

Our key governance documents, processes and controls are in place to ensure that the Foundation operates in an efficient and effective way in order to best deliver its charitable objectives. We conduct regular effectiveness reviews of these.

The Foundation has a clear statement of purpose and a set of organisational values which are described in our strategy document, a summary of which is available on the Foundation website.

We review our strategy each year and we have an annual plan against which our activities and achievements for that year are monitored. A financial strategy was developed in 2019.

Conflicts of interest

We have a register of interests which is updated regularly. We have guidance for managing conflicts and we ask Trustees and advisers to identify any conflicts at the beginning of each meeting.

Fundraising statement

The RCN Foundation is committed to achieving its charitable objectives to support and strengthen nursing and improve patient care. We fundraise so that we can deliver our charitable objectives.

Our fundraising function operates within the guidance provided by the Fundraising Regulator, and all fundraising activity supports the Code of Fundraising Practice. We promise to be open, honest, clear, respectful, fair, reasonable, and accountable.

All Foundation staff and volunteers, including the Board of Trustees, have a responsibility to be aware and have a thorough understanding of fundraising best practice. The Foundation respects the rights of its supporters to clear, truthful information about our work, how donations and other income are spent, and how we manage donors' information responsibly.

The individuals that we mail are our supporters with whom we already have a relationship, and who have given their consent to be contacted by us. All supporter data is stored securely and is GDPR compliant. We never buy in any data lists for fundraising, and we do not sell or share supporter details with any other individuals or organisations.

We employed two professional fundraising agencies with regard to key aspects of our fundraising activities in 2022. All other fundraising activities were planned and delivered in house by our small fundraising team, who build relationships with our supporters.

Our policies and procedures are compliant with best practice as set out by the Chartered Institute of Fundraising, with the best interests of the charity's donors and the vulnerable paramount. We never pressure anyone to make a donation and take particular care to avoid asking vulnerable people for donations. This is clearly set out in our policy on Fundraising Communications with Vulnerable Supporters.

We will not solicit or accept donations from companies or individuals who participate in activities which could cause detriment to the charity's reputation or work.

The charity received no complaints regarding its fundraising activities in 2022. Complaints are taken very seriously and will be investigated, with disciplinary action being taken where appropriate. If a complaint is deemed serious enough it may result in the removal of a fundraiser from a campaign and/or the termination of a campaign. As an organisation committed to learning we review our fundraising practices annually and update all fundraising processes and policies to ensure the highest fundraising standards are achieved.

Thank you to all our supporters

We are extraordinarily grateful to each and every individual, team and organisation who have supported us during the year.

With their vital help, we have been able to continue to achieve our purpose of supporting and strengthening nursing and midwifery to improve the health and wellbeing of the public.

Every donation we receive, whether big or small, makes a real difference to the lives of hundreds of nurses, midwives and health care practitioners, and through them patients and families.

Thank you.



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Statement of Trustees' responsibilities

The Trustees (who are also directors of RCN Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information;
- the Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report on pages 6 to 19 was approved by the board and signed on its behalf by:



Professor Jane Cummings RN, CBE
Chair of the Board of Trustees
Date: 25 April 2023

Independent auditor's report to the members and Trustees of the RCN Foundation

Opinion

We have audited the financial statements of RCN Foundation ('the charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities (SOFA), the Balance Sheet the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' 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 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of responsibilities set out on page 34, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for

being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

Auditing standards limit the required audit procedures to identify non-compliance with these

laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing of legacy income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London, United Kingdom

Date: 31 May 2023



Financial statements

Statement of financial activities 31 December 2022 (Incorporating the income and expenditure account)

	Note	Unrestricted funds		Restricted funds		Endowment funds		RCNF 31 December 2022 £'000	RCNF Group 31 December 2022 £'000
		RCNF 2022 £'000	RCNF Group 2022 £'000	RCNF 2022 £'000	RCNF Group 2022 £'000	RCNF 2022 £'000	RCNF Group 2022 £'000		
Income from:									
Income and endowments									
Donations and legacies	2	60	61	198	198	-	-	258	259
Income earned from other activities									
Investment income	3	745	745	245	245	-	-	990	990
Income earned from other trading activities									
Sponsorship income		4	4	-	-	-	-	4	4
Licence income		-	-	-	-	-	-	-	-
Total income		809	810	443	443	-	-	1,252	1,253
Expenditure									
Cost of raising funds	4	476	476	-	-	-	-	476	476
Expenditure on charitable activities:									
Education and training		443	443	319	319	-	-	762	762
Benevolent fund		214	245	333	333	-	-	547	578
Clinical practice and promoting the profession		155	155	-	-	-	-	155	155
Research		86	86	150	150	-	-	236	236
Total expenditure	4	1,374	1,405	802	802	-	-	2,176	2,207
Net (expenditure) before investment (losses)		(565)	(595)	(359)	(359)	-	-	(924)	(954)
Net (losses) on investments	13	(3,965)	(3,965)	(1,278)	(1,278)	(124)	(124)	(5,367)	(5,367)
Net expenditure for the year		(4,530)	(4,560)	(1,637)	(1,637)	(124)	(124)	(6,291)	(6,321)
Transfers between funds	13	(3)	(3)	196	196	(193)	(193)	-	-
Net movement in funds	13	(4,533)	(4,563)	(1,441)	(1,441)	(317)	(317)	(6,291)	(6,321)
Reconciliation of funds									
Fund balances brought forward at the start of the period	13	30,931	30,962	10,151	10,151	783	783	41,865	41,896
Fund balances carried forward at the end of the period	13	26,398	26,399	8,710	8,710	466	466	35,574	35,575

Notes on pages 44 to 66 form part of these financial statements.

Statement of financial activities 31 December 2021 (Incorporating the income and expenditure account)

	Note	Unrestricted funds		Restricted funds		Endowment funds		RCNF 31 December 2021 £'000	RCNF Group 31 December 2021 £'000
		RCNF 2021 £'000	RCNF Group 2021 £'000	RCNF 2021 £'000	RCNF Group 2021 £'000	RCNF 2021 £'000	RCNF Group 2021 £'000		
Income from:									
Income and endowments									
Donations and legacies	2	96	124	524	524	-	-	620	648
Income earned from other activities									
Investment income	3	609	609	200	200	-	-	809	809
Income earned from other trading activities									
Sponsorship income		3	3	-	-	-	-	3	3
Licence income		-	-	5	5	-	-	5	5
Total income		708	736	729	729	-	-	1,437	1,465
Expenditure									
Cost of raising funds	4	433	433	-	-	-	-	433	433
Expenditure on charitable activities:									
Education and training		140	140	181	181	-	-	321	321
Benevolent fund		524	2,270	245	245	-	-	769	2,515
Clinical practice and promoting the profession		184	184	-	-	-	-	184	184
Research		209	209	215	215	-	-	424	424
Total expenditure	4	1,490	3,236	641	641	-	-	2,131	3,877
Net income/(expenditure) before investment gains/(losses)		(782)	(2,500)	88	88	-	-	(694)	(2,412)
Net gains on investments	13	2,611	2,611	841	841	82	82	3,534	3,534
Net income for the year		1,829	111	929	929	82	82	2,840	1,122
Transfers between funds	13	(68)	(68)	70	70	(2)	(2)	-	-
Net movement in funds	13	1,761	43	999	999	80	80	2,840	1,122
Reconciliation of funds									
Fund balances brought forward at the start of the period	13	29,170	30,919	9,152	9,152	703	703	39,025	40,774
Fund balances carried forward at the end of the period	13	30,931	30,962	10,151	10,151	783	783	41,865	41,896

Balance sheet as at 31 December 2022

	Note	RCN Foundation		RCN Foundation Group	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	6	1	2	1	2
Long-term investments	8.1	32,301	41,134	32,301	41,134
Total fixed assets		32,302	41,136	32,302	41,136
Current assets					
Debtors	9	24	135	24	131
Short-term investments	8.2	3,519	500	3,519	500
Cash at bank and in hand		551	724	551	1,475
Total current assets		4,094	1,359	4,094	2,106
Liabilities					
Creditors: amounts falling due within one year	10	(764)	(592)	(763)	(1,308)
Net current assets		3,330	767	3,331	798
Total assets less current liabilities		35,632	41,903	35,633	41,934
Creditors: amounts falling due after one year	10	(58)	(38)	(58)	(38)
Total net assets		35,574	41,865	35,575	41,896
The funds of the charity					
Restricted funds:					
Permanent endowment	13	82	765	82	765
Expendable endowment	13	384	18	384	18
Restricted income funds	13	8,710	10,151	8,710	10,151
Total restricted funds		9,176	10,934	9,176	10,934
Unrestricted funds:					
Revaluation reserve	12	991	8,991	991	8,991
General funds	13	25,141	21,474	25,142	21,505
Designated funds	13	266	466	266	466
Total unrestricted funds	13	26,398	30,931	26,399	30,962
Total charity funds		35,574	41,865	35,575	41,896

Approved and authorised for issue by the Board of Trustees on 25 April 2022 and signed on their behalf by:



Professor Jane Cummings RN, CBE
Chair of the Board of Trustees

Statement of cash flows

	Note	RCN Foundation		RCN Foundation Group	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		£'000	£'000	£'000	£'000
Reconciliation of net movement in funds to net cash flow from operating activities:					
Net movement in funds		(6,291)	2,840	(6,321)	1,121
Dividends and interest from investments		(990)	(809)	(990)	(809)
Losses/(gains) from investments		5,367	(3,534)	5,367	(3,534)
Decrease/(increase) in debtors	9	111	(51)	107	(47)
Increase/(decrease) in creditors	10	192	219	(525)	(374)
Net cash (used) in operating activities		(1,611)	(1,335)	(2,362)	(3,643)
Cash flows from investing activities:					
Dividends and interest from investments	3	990	809	990	809
Proceeds from sale of investments	8.1	20,973	10,144	20,973	10,144
Purchase of investments	8.1	(16,075)	(10,118)	(16,075)	(10,118)
Net cash provided by investing activities		5,888	835	5,888	835
Change in cash and cash equivalents in the reporting period		4,277	(500)	3,526	(2,808)
Opening cash at bank		724	758	1,474	3,817
Opening cash in investments		362	1,320	362	1,320
Opening cash in short-term investment		500	-	500	-
Cash and cash equivalents at the beginning of the reporting period		1,586	2,078	2,336	5,137
Change in cash and cash equivalents due to exchange rate movements		(557)	8	(556)	8
Cash and cash equivalents at the end of the reporting period		5,306	1,586	5,306	2,337
Represented by:					
Closing cash at bank		551	724	551	1,475
Closing cash held in investment portfolio		1,236	362	1,236	362
Closing cash in short-term investment		3,519	500	3,519	500
Total cash and cash equivalents		5,306	1,586	5,306	2,337

Notes to the financial statements

1. Accounting policies

The consolidated financial statements presented show the consolidated statement of financial activities, balance sheet and the statement of cash flows of the RCN Foundation Group for the year ended 31 December 2022.

The RCN Foundation Group financial statements consolidate the accounts of the RCN Foundation and its subsidiary, COVID-19 Healthcare Support Appeal.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

The RCN Foundation is a private company limited by guarantee (registered company: 7026001), it was registered as a charity (registered charity: 1134606) on 2 March 2010.

a. Accounting convention

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of investments at market value, and are in accordance with the Statement of Recommended Practice: Accounting and Reporting for Charities (SORP 2019) guidance on the application of the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective 1 January 2015 and the Companies Act 2006, and Charities Accounts (Scotland regulations 2006) and Charities and Trustee Investment (Scotland) Act 2005.

The RCN Foundation meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of disclosure exemptions available to it in respect of its separate financial statements. Accordingly, exemption has been taken in relation to disclosure of remuneration of key management personnel.

The RCN Foundation constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the RCN Foundation's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the financial statements are to do with the valuation of investments. Since the market value of investments are dependent on the fluctuation of the open market these are exposed to a degree of uncertainty and speculation.

b. Statement of cash flows

The RCN UK prepares and files a consolidated statement of cash flows which includes the cash flows of the RCN Foundation. Under FRS 102, a statement of cash flow is incorporated within these financial statements for the year ended 31 December 2022.

c. Income

All income is accounted for when the RCN Foundation has entitlement to the funds, the amount can be quantified and it is probable that the income will be received.

Income includes interest and dividends receivable from the investment portfolio, donations and legacies to the various restricted funds held by the RCN Foundation, and unrestricted legacies and donations gifted to the RCN Foundation.

Legacy income is accrued at the point that the entitlement and measurability of the amount become known and it is probable that the legacy income will be received. Measurability in the case of residual and pecuniary legacies is counted from the earlier of estate financial statements being finalised and cash received.

d. Expenditure

Expenditure is recognised on an accruals basis and allocated according to the RCN Foundation's objectives. Charitable activities relate to the objectives which are explained within the Trustees' report of this annual report and financial statements. Restricted expenditure relates to grants and awards paid out under the terms of the individual funds.

Where expenditure cannot be directly allocated under these main categories, they are allocated across activities in the ratio shown below based on actual direct expenditure incurred on the activities.

	31 December 2022 %	31 December 2021 %
Cost of raising funds	23	20
Education and training	32	15
Benevolent fund	26	36
Clinical practice	8	9
Research	11	20

Cost of raising funds

The cost of raising funds relate to the fee paid to the investment managers and other costs incurred by the charity to raise funds for its charitable work.

Objective 1: Education and training

Promoting the science and art of nursing and the better education and training of nurses and their efficiency in the profession of nursing.

Objective 2: Benevolent funds

Assisting nurses who by reason of adversity, ill-health or otherwise are in need of assistance of any nature.

Objective 3: Clinical practice

Supporting the development of clinical practice and the improvement of care.

Objective 4: Research

To fund nursing-led innovation projects and research and development activity to support the development of leading edge clinical practice, educational tools and the improvement of patient care.

Grants payable

Grants and bursaries payable are charged to the Statement of Financial Activities in the year in which the grant is awarded and the successful granting is conveyed to the recipient. In cases where the offer is conditional, grants are wholly recognised as expenditure in the year when the conditions have been satisfied by the recipient. If there are conditions that are within the control of the RCN Foundation the expenditure is recognised to the extent the conditions are fulfilled. Those grants which are payable in future periods are included in creditors as set out in note 10.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support cost have been allocated are set out in note 4. Governance costs include all cost of compliance with constitutional and statutory requirements, including legal and audit fees and the cost of Trustee meetings and are included within support costs.

e. Irrecoverable value added tax

Where value added tax is incurred and cannot be recovered it is expensed in the Statement of Financial Activities. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f. Tangible assets – software

The only asset held by the RCN Foundation is a customer relationship management database. The database depreciates over five years using straight line depreciation after deducting any residual value at the end of the useful life of the database.

g. Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value, where market value represents the mid-market price on the last trading day before the period end. Investments purchased as part of the treasury management, which are intended to be held for less than one year, are shown as current assets (short-term investments). Investments held to generate longer term income and capital growth are shown within fixed assets. All gains and losses are taken to the statement of financial activities as they arise. Realised and unrealised investment gains and losses are combined in the statement of financial activities. Any unrealised or realised gains arising from investments are taken to the fund for which the investments are held.

h. Endowments

Where funds are given to be held as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trusts' terms provide

for the expenditure of capital rather than its preservation. Permanent endowment funds are donations that have been given to the RCN Foundation to be held as capital with no power to convert the funds to income. Permanent endowment funds are held by the RCN Foundation as a corporate Trustee and do not form part of the corporate property of the charitable company. Investment income generated from the endowment funds is allocated to these restricted funds.

i. Restricted income funds

Where income is received for purposes specified by the donor or the terms of appeal under which it was raised, that income is shown as restricted in the statement of financial activities. This includes income arising from endowment funds if it is restricted in use by the donor. Expenditure for the specified purposes is shown as restricted expenditure. Any unexpended balance at the balance sheet date is carried forward as a restricted income fund.

j. Unrestricted funds

Unrestricted funds are expendable at the discretion of the Trustees in the furtherance of the objects of the RCN Foundation.

k. Designated funds

Designated funds are unrestricted funds that have been earmarked for a particular purpose by the Trustees. The designated funds are set out in note 13.

In 2019, the RCN Foundation received the final instalment of £134,000 from CAF America, as a result of a fundraising campaign led by RCN UK Ambassador Emilia Clarke on the online fundraising platform Omaze in 2018. The grant has been designated by the Trustees for educational purposes and in 2022 £131,215 (2021: £100,635) have been spent on the ongoing advanced practice education programme in the specialism of neuro rehabilitation. The RCN Foundation is planning to spend the remaining funds in the next two years.

l. Financial instruments

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

m. Pensions

The RCN UK operates defined benefit and defined contribution schemes. As the RCN Foundation staff are employed by the RCN UK and work for the RCN Foundation in accordance with the service level agreement (SLA) they fall within the pension schemes of the RCN UK.

n. Critical accounting judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as

at the statement of financial performance date and the amounts reported for income and expenditure during the year. However, the nature of the estimates means that actual outcomes could differ from those estimates.

For the avoidance of doubt there are no critical accounting judgements or estimates applied in these financial statements.

o. Going concern

A detailed forecast was prepared to assess organisational financial resilience. The assessment anticipates net movement in the funds for the next 12 months from the date of signing off the financial statements.

The RCN Foundation Board of Trustees has reviewed the assessment of the RCN Foundation's financial resources. The assessment includes a thorough review of the RCN Foundation's cash flow forecast, investment income and donations pledged.

The board is of the opinion that the sustainability and viability of the business as a going concern are not threatened. Therefore, it is not appropriate to modify the key assumptions and judgments while preparing the financial statements for the business. The RCN Foundation is considered to have sufficient resources to meet its obligations as they fall due for at least 12 months after the signing of the financial statements.

2. Donations and legacies

RCN Foundation

	Unrestricted		Restricted		Total donations and legacies	
	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Regular giving	16	11	84	97	100	108
Major donors		24	83	21	83	45
Legacies	9	(34)	11	69	20	35
Corporate income and partnership	6	57	14	320	20	377
Other donations	26	37	2	7	28	44
Gift aid	3	1	4	10	7	11
Total	60	96	198	524	258	620

The negative amount in legacies for 2021 relates to a legacy incorrectly accounted for in 2021.

RCN Foundation Group

	Unrestricted		Restricted		Total donations and legacies	
	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Regular giving	16	11	84	97	100	108
Major donors		24	83	21	83	45
Legacies	9	(34)	11	69	20	35
Corporate income and partnership	6	57	14	320	20	377
Other donations	26	65	2	7	28	72
Gift aid	4	1	4	10	8	11
Total	61	124	198	524	259	648

3. Investment income

	31 December 2022 £'000	31 December 2021 £'000
UK equities	397	337
Overseas equities	383	310
UK fixed interest	179	162
Bank interest	31	-
Overseas fixed interest	-	-
Total	990	809

All investments are owned solely by the RCN Foundation.

4. Analysis of total expenditure

4.1. RCN Foundation

	Cost of raising funds		Charitable activities		Support costs		Total expenditure	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Grants/bursaries:								
– to organisations	-	-	423	840	-	-	423	840
– to individuals	-	-	592	340	-	-	592	340
RCN UK service fee	159	179	338	264	305	183	802	626
Investment management fee	156	169	-	-	-	-	156	169
Fundraising costs	65	21	-	-	-	-	65	21
Trustee costs	-	-	-	-	38	47	38	47
Audit and tax advice	-	-	-	-	14	14	14	14
Publicity and events	-	-	-	-	45	32	45	32
Professional services	-	-	-	-	17	30	17	30
Travel and subsistence	-	-	-	-	2	-	2	-
IT costs	-	-	6	-	-	-	6	-
Miscellaneous cost	-	-	-	-	16	12	16	12
	380	369	1,359	1,444	437	318	2,176	2,131
Support costs	96	64	341	254	(437)	(318)	-	-
Total	476	433	1,700	1,698	-	-	2,176	2,131

Support costs are allocated across the charitable activities and the cost of raising funds based on the actual costs incurred on these activities.

External audit fee – auditor services of £13,500 including VAT are included in these financial statements (31 December 2021: £13,830).

4.2. RCN Foundation Group

	Cost of raising funds		Charitable activities		Support costs		Total expenditure	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Grants/bursaries:								
– to organisations	-	-	414	2,521	-	-	414	2,521
– to individuals	-	-	592	340	-	-	592	340
RCN UK service fee	159	179	338	264	305	183	802	626
Investment management fee	156	169	-	-	-	-	156	169
Fundraising costs	65	21	-	-	-	-	65	21
Trustee costs	-	-	-	-	38	47	38	47
Audit and tax advice	-	-	-	-	14	23	14	23
Publicity and events	-	-	-	-	45	36	45	36
Professional services	-	-	-	-	57	82	57	82
Travel and subsistence	-	-	-	-	2	-	2	-
IT costs	-	-	6	-	-	-	6	-
Miscellaneous cost	-	-	-	-	16	12	16	12
	380	369	1,350	3,125	477	383	2,207	3,877
Support costs	96	64	381	319	(477)	(383)	-	-
Total	476	433	1,731	3,444	-	-	2,207	3,877

Support costs are allocated across the charitable activities and the cost of raising funds based on the actual costs incurred on these activities.

4.3. Expenditure on charitable activities – RCN Foundation

	Education and training		Benevolent funds		Clinical practice and promoting the profession	Research		Total charitable activities		
	2022 £'000	2021 £'000	2022 £'000	2021 £'000		2022 £'000	2021 £'000	31 December 2022 £'000	31 December 2021 £'000	
Grants/bursaries (note 5):										
– to organisations	209	70	–	350	68	90	146	330	423	840
– to individuals	312	111	280	229	–	–	–	–	592	340
RCN UK service fee	88	92	151	75	56	66	43	31	338	264
IT costs	–	–	6	–	–	–	–	–	6	–
Care home summit	–	–	–	–	–	–	–	–	–	–
Specialist nursing programme consultancy fees	–	–	–	–	–	–	–	–	–	–
LSS evaluation costs	–	–	–	–	–	–	–	–	–	–
Fees (agency and Just Giving)	–	–	–	–	–	–	–	–	–	–
	609	273	437	654	124	156	189	361	1,359	1,444
Support costs	153	48	110	115	31	28	47	63	341	254
Total	762	321	547	769	155	184	236	424	1,700	1,698

In 2022, the RCN UK service fee is allocated to charitable activities according to the time spent by the RCN Foundation staff on each activity.

Staff costs – RCN Foundation

The RCN Foundation does not employ any staff directly. A service level agreement is in place between RCN UK and the RCN Foundation for the provision of services to the RCN Foundation (RCN service fee). Under these arrangements there are ten employee who work for RCN Foundation (31 December 2021: ten employees), one of whom falls into the banding of £60,000 – £70,000 per annum and one falls into the banding of £80,000 – £90,000 per annum. Pension payments made with regard to the highest paid individual amounted to £10,758 (31 December 2021: £10,002).

	31 December 2022 £'000	31 December 2021 £'000
Wages and salaries	572	463
Social security costs	64	51
Other pension costs	66	52
Total	702	566

4.4. Expenditure on charitable activities – RCN Foundation Group

	Education and training		Benevolent funds		Clinical practice and promoting the profession		Research		Total charitable activities	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Grants/bursaries (note 5):										
– to organisations	209	70	(9)	2,031	68	90	146	330	414	2,521
– to individuals	312	111	280	229	–	–	–	–	592	340
RCN UK service fee	88	92	151	75	56	66	43	31	338	264
IT costs	–	–	6	–	–	–	–	–	6	–
Care home summit	–	–	–	–	–	–	–	–	–	–
Specialist nursing programme consultancy fees	–	–	–	–	–	–	–	–	–	–
LSS evaluation costs	–	–	–	–	–	–	–	–	–	–
Fees (agency and Just Giving)	–	–	–	–	–	–	–	–	–	–
	609	273	428	2,335	124	156	189	361	1,350	3,125
Support costs	153	48	150	180	31	28	47	63	381	319
Total	762	321	578	2,515	155	184	236	424	1,731	3,444

Staff costs – RCN Foundation Group

The RCN Foundation Group does not employ any staff directly. A service level agreement is in place between RCN UK and the RCN Foundation for the provision of services to the RCN Foundation (RCN service fee) and an arrangement is in place between RCN UK and CHSA for the provision of services to CHSA. In 2022, no employee worked for CHSA (31 December 2021: one).

	31 December 2022 £'000	31 December 2021 £'000
Wages and salaries	572	490
Social security costs	64	54
Other pension costs	66	55
Total	702	599

5. Grants payable

Grants payable – RCN Foundation

	Unrestricted funds		Restricted funds		Total grants payable	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Balance brought forward at start of period	-	19	166	186	166	205
Awarded in the period:						
Grants and bursaries	271	539	780	678	1,051	1,217
Unused awards written back	-	-	(36)	(37)	(36)	(37)
Charge to SOFA	271	539	744	641	1,015	1,180
Paid in period	(178)	(558)	(659)	(661)	(837)	(1,219)
Balance carried forward at the end of the period	93	-	251	166	344	166
Falling due within one year	93	-	193	128	286	128
Falling due after one year	-	-	58	38	58	38

Grants payable – RCN Foundation Group

	Unrestricted funds		Restricted funds		Total grants payable	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Balance brought forward at start of period	700	1,310	166	186	866	1,496
Awarded in the period:						
Grants and bursaries	271	2,220	780	678	1,051	2,898
Unused awards written back	(9)	-	(36)	(37)	(45)	(37)
Charge to SOFA	262	2,220	744	641	1,006	2,861
Paid in period	(869)	(2,830)	(659)	(661)	(1,528)	(3,491)
Balance carried forward at the end of the period	93	700	251	166	344	866
Falling due within one year	93	700	193	128	286	828
Falling due after one year	-	-	58	38	58	38

Grants were awarded as follows:

	RCN Foundation		RCN Foundation Group	
	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Grants/bursaries to organisations:				
Aneurin Bevan University	-	10	-	10
British Association of Social Workers (BASW)	-	-	-	90
Body & Soul	-	-	-	98
Cardiff University	83	150	83	150
Care Workers Charity	-	-	-	150
Central and North West London NHS Foundation Trust	-	-	-	30
Doctors in Distress	-	-	-	80
Edinburgh Napier University	-	7	-	7
Frontline 19	-	-	-	175
Impact Foundation	9	13	9	13
Hospice UK	-	-	-	140
Hospital Consultants and Specialists Association (HCSA)	-	-	-	24
Institute of Health Visitors	-	16	-	66
Intensive Care Society	-	-	-	170
Lamplight Support Services (LSS)	-	350	-	350
Listen Up Storytelling	-	-	-	19
Northumbria University	11	20	11	20
Nurse Lifeline	-	-	-	50
Pharmacist Support	-	-	-	32
Queen Mary University	11	19	11	19
Queen's Nursing Institute (QNI)	2	38	2	168
Queen's Nursing Institute Scotland (QNIS)	-	-	-	59
RCN	4	-	4	123
RCN - Prince of Wales Cadet Scheme	-	50	-	50
RCN - Sharing nurses' life stories	-	4	-	4
Salt Thinking	62	22	62	22
Society and College of Radiographers	-	-	(9)	11
South Tyneside and Sunderland Charity	-	-	-	120
TASC (The Ambulance Staff Charity)	-	-	-	130
University of Edinburgh	200	101	200	101
University of West London (UWL)	-	10	-	10
University of Huddersfield	30	10	30	10
University of Hertfordshire	10	20	10	20
Total grants to organisations	422	840	413	2,521

	RCN Foundation		RCN Foundation Group	
	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Grants/bursaries to individuals:				
Educational bursaries	348	149	348	149
Educational bursaries write backs	(36)	(37)	(36)	(37)
Benevolent grants	276	206	276	206
COVID-19 related benevolent grants	4	22	4	22
Total grants to individuals	592	340	592	340

In the year the RCN Foundation Group awarded educational bursaries to 255 individuals (2021: 95) and benevolent grants to 618 individuals (2021: 378).

In the year the RCN Foundation awarded educational bursaries to 255 individuals (2021: 95) and benevolent grants to 618 individuals (2021: 378).

6. Tangible assets

Note	Computer software £'000	Assets under construction £'000	Total £'000
Cost or valuation			
Balance at 1 January 2022	14	-	14
Disposals	-	-	-
Balance at 31 December 2022	14	-	14
Accumulated depreciation			
Balance at 1 January 2022	12	-	12
Charge for the year	1	-	1
Balance at 31 December 2022	13	-	13
Net book value at 31 December 2022	1	-	1
Net book value at 31 December 2021	2	-	2

All fixed assets are owned by the RCN Foundation.

7. Taxation

The RCN Foundation is exempt from tax as all its income is charitable and is applied for charitable purposes.

8. Investments

8.1. Long-term investments

	31 December 2022 £'000	31 December 2021 £'000
Market value at the start of the year	40,772	37,273
Additions at cost	16,011	10,118
Call payments	64	-
Disposals at carrying value	(20,923)	(9,960)
Redemptions	(50)	(184)
Realised gain	3,191	2,435
Unrealised (loss)/gains	(8,000)	1,090
Investments at market value at the end of the year	31,065	40,772
Cash held for reinvestment	1,236	362
Market value at the end of the year	32,301	41,134
Historic cost at the end of the year	31,317	32,143

Investments at market value (including short-term investments) comprise:

	31 December 2022 £'000	31 December 2021 £'000
Listed investments		
Fixed interest (Government securities and bonds)	5,644	5,384
UK equities	7,638	8,756
Global equities	14,734	21,901
Alternative assets	1,697	2,883
Property	1,452	1,710
Liquid assets in long-term fund	1,136	1,001
Total	32,301	41,635

The Trustees believe that the carrying value of the investments is supported by their underlying net assets. All investments are owned by the RCN Foundation.

Holdings over 5%

None of the investments represented holdings in excess of 5% of the investment portfolio at the start or the end of the period.

8.2. Short-term investments

	31 December 2022 £'000	31 December 2021 £'000
Market value at the start of the year	500	1,000
Additions at cost	–	1,000
Redemptions	–	(2,000)
Investments at market value at year end	500	–
Cash held for reinvestment	3,019	500
Market value at the end of the year	3,519	500
Historic cost at end of the year	3,519	500

All investments are owned solely by the RCN Foundation.

9. Debtors

	RCN Foundation		RCN Foundation Group	
	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Prepayments and accrued income	18	127	18	127
Trade debtors	6	3	6	3
Due from RCN UK	–	–	–	–
Due from CHSA	–	4	–	–
Sundry debtor	–	1	–	1
Total	24	135	24	131

10. Creditors

	RCN Foundation		RCN Foundation Group	
	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000
Amounts falling due within one year				
Trade creditors	3	77	3	77
Grants payable (note 5)	286	127	286	828
Accruals	76	115	76	123
Due to RCN UK	385	273	385	280
Other creditors	14	–	13	–
Total	764	592	763	1,308
Amounts falling due after one year				
Grants payable (note 5)	58	38	58	38
Total	822	630	821	1,346

11. Analysis of net assets between funds

RCN Foundation

	Unrestricted funds		Restricted funds		Endowment funds		Total funds	
	2022	2021	2022	2021	2022	2021	31 December 2022	31 December 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances at the end of the period are represented by:								
Software	1	2	-	-	-	-	1	2
Investments	22,906	30,136	8,929	10,215	466	783	32,301	41,134
Current assets	4,062	1,258	32	101	-	-	4,094	1,359
- Current liabilities and provisions	(571)	(465)	(193)	(127)	-	-	(764)	(592)
- Non current liabilities	-	-	(58)	(38)	-	-	(58)	(38)
Total net assets	26,398	30,931	8,710	10,151	466	783	35,574	41,865

RCN Foundation Group

	Unrestricted funds		Restricted funds		Endowment funds		Total funds	
	2022	2021	2022	2021	2022	2021	31 December 2022	31 December 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances at the end of the period are represented by:								
Software	1	2	-	-	-	-	1	2
Investments	22,906	30,136	8,929	10,215	466	783	32,301	41,134
Current assets	4,062	2,004	32	101	-	-	4,094	2,105
- Current liabilities and provisions	(570)	(1,180)	(193)	(127)	-	-	(763)	(1,308)
- Non current liabilities	-	-	(58)	(38)	-	-	(58)	(38)
Total net assets	26,399	30,962	8,710	10,151	466	783	35,575	41,896

12. Revaluation reserve

	31 December 2021 £'000	Investment unrealised (loss) £'000	31 December 2022 £'000
Revaluation Reserve	8,991	(8,000)	991
Total	8,991	(8,000)	991

In 2022, the revaluation reserve related to the investment portfolio has increased by the value of the unrealised gain for the year.

Only the RCN Foundation has a revaluation reserve.

13. Movement in funds

13.1. RCN Foundation year end 31 December 2022

	31 December 2021 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers between Funds £'000	31 December 2022 £'000
Endowment funds						
Permanent						
Educational funds	98	-	-	(16)	-	82
Research fund – Daphne Heald R&D Fund	667	-	-	(130)	(537)	-
Expendable						
Educational funds	-	-	-	-	-	-
Benevolent funds	-	-	-	-	-	-
Other funds	18	-	-	22	344	384
Total endowment funds	783	-	-	(124)	(193)	466
Restricted income funds						
Educational funds						
RCNF Professional Education Funds	3,589	86	13	(476)	(12)	3,200
Trevor Clay Scholarship Fund	292	6	3	(66)	-	235
John Colyer Fund	202	4	(21)	(63)	-	122
Cowdray Scholarship Fund	-	-	-	-	-	-
Other educational funds	660	41	(314)	(25)	15	377
Total educational funds	4,743	137	(319)	(630)	3	3,934
Benevolent funds						
RCNF benevolent funds	4,200	254	(328)	(491)	97	3,732
Other benevolent funds	1,065	23	(5)	(118)	(97)	868
Total benevolent funds	5,265	277	(333)	(609)	-	4,600
Research funds	143	29	(150)	(39)	193	176
Total restricted funds	10,151	443	(802)	(1,278)	196	8,710
Unrestricted funds						
General funds	30,465	809	(1,174)	(3,965)	(3)	26,132
Designated funds						
Omaze	466	-	(200)	-	-	266
Other designated funds	-	-	-	-	-	-
Total designated funds	466	-	(200)	-	-	266
Total unrestricted funds	30,931	809	(1,374)	(3,965)	(3)	26,398
Total funds	41,865	1,252	(2,176)	(5,367)	-	35,574

13.2. RCN Foundation year end 31 December 2021

	31 December 2020 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers between Funds £'000	31 December 2021 £'000
Endowment funds						
Permanent						
Educational funds	88	-	-	10	-	98
Research fund – Daphne Heald R&D Fund	597	-	-	70	-	667
Expendable						
Educational funds	2	-	-	-	(2)	-
Benevolent funds	-	-	-	-	-	-
Other funds	16	-	-	2	-	18
Total endowment funds	703	-	-	82	(2)	783
Restricted income funds						
Educational funds						
RCNF Professional Education Funds	3,239	68	(31)	313	-	3,589
Trevor Clay Scholarship Fund	336	7	(65)	44	(30)	292
John Colyer Fund	172	4	(15)	41	-	202
Cowdray Scholarship Fund	-	-	-	-	-	-
Other educational funds	271	424	(71)	16	20	660
Total educational funds	4,018	503	(182)	414	(10)	4,743
Benevolent funds						
RCNF benevolent funds	3,904	179	(206)	323	-	4,200
Other benevolent funds	997	29	(39)	78	-	1,065
Total benevolent funds	4,901	208	(245)	401	-	5,265
Research funds	233	18	(214)	26	80	143
Total restricted funds	9,152	729	(641)	841	70	10,151
Unrestricted funds						
General funds	28,590	708	(1,390)	2,611	(54)	30,465
Designated funds						
Omaze	512	-	(100)	-	54	466
Other designated funds	68	-	-	-	(68)	-
Total designated funds	580	-	(100)	-	(14)	466
Total unrestricted funds	29,170	708	(1,490)	2,611	(68)	30,931
Total funds	39,025	1,437	(2,131)	3,534	-	41,865

13.3. RCN Foundation Group year end 31 December 2022

	31 December 2021 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers between Funds £'000	31 December 2022 £'000
Endowment funds						
Permanent						
Educational funds	98	-	-	(16)	-	82
Research fund – Daphne Heald R&D Fund	667	-	-	(130)	(537)	-
Expendable						
Educational funds	-	-	-	-	-	-
Benevolent funds	-	-	-	-	-	-
Other funds	18	-	-	22	344	384
Total endowment funds	783	-	-	(124)	(193)	466
Restricted income funds						
Educational funds						
RCNF Professional Education Funds	3,589	86	13	(476)	(12)	3,200
Trevor Clay Scholarship Fund	292	6	3	(66)	-	235
John Colyer Fund	202	4	(21)	(63)	-	122
Cowdray Scholarship Fund	-	-	-	-	-	-
Other educational funds	660	41	(314)	(25)	15	377
Total educational funds	4,743	137	(319)	(630)	3	3,934
Benevolent funds						
RCNF benevolent funds	4,200	254	(328)	(491)	97	3,732
Other benevolent funds	1,065	23	(5)	(118)	(97)	868
Total benevolent funds	5,265	277	(333)	(609)	-	4,600
Research funds	143	29	(150)	(39)	193	176
Total restricted funds	10,151	443	(802)	(1,278)	196	8,710
Unrestricted funds						
General funds	30,496	810	(1,205)	(3,965)	(3)	26,133
Designated funds						
Omaze	466	-	(200)	-	-	266
Other designated funds	-	-	-	-	-	-
Total designated funds	466	-	(200)	-	-	266
Total unrestricted funds	30,962	810	(1,405)	(3,965)	(3)	26,399
Total funds	41,896	1,253	(2,207)	(5,367)	-	35,575

13.4. RCN Foundation Group year end 31 December 2021

	31 December 2020 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Transfers between Funds £'000	31 December 2021 £'000
Endowment funds						
Permanent						
Educational funds	88	-	-	10	-	98
Research fund – Daphne Heald R&D Fund	597	-	-	70	-	667
Expendable						
Educational funds	2	-	-	-	(2)	-
Benevolent funds	-	-	-	-	-	-
Other funds	16	-	-	2	-	18
Total endowment funds	703	-	-	82	(2)	783
Restricted income funds						
Educational funds						
RCNF Professional Education Funds	3,239	68	(31)	313	-	3,589
Trevor Clay Scholarship Fund	336	7	(65)	44	(30)	292
John Colyer Fund	172	4	(15)	41	-	202
Cowdray Scholarship Fund	-	-	-	-	-	-
Other educational funds	271	424	(71)	16	20	660
Total educational funds	4,018	503	(182)	414	(10)	4,743
Benevolent funds						
RCNF benevolent funds	3,904	179	(206)	323	-	4,200
Other benevolent funds	997	29	(39)	78	-	1,065
Total benevolent funds	4,901	208	(245)	401	-	5,265
Research funds	233	18	(214)	26	80	143
Total restricted funds	9,152	729	(641)	841	70	10,151
Unrestricted funds						
General funds	30,339	736	(3,136)	2,611	(54)	30,496
Designated funds						
Omaze	512	-	(100)	-	54	466
Other designated funds	68	-	-	-	(68)	-
Total designated funds	580	-	(100)	-	(14)	466
Total unrestricted funds	30,919	736	(3,236)	2,611	(68)	30,962
Total funds	40,774	1,465	(3,877)	3,534	-	41,896

The funds we hold are for the following purposes:

Educational funds

To provide higher educational facilities, scholarships and annual awards for nurses who are studying or intending to study.

Benevolent funds

To assist nurses who by reason of adversity, ill health or otherwise are in need of assistance.

Research funds

To fund a research and development unit within the RCN and to provide funds to undertake research projects.

Transfers between funds - RCN Foundation

The transfer of £537,000 out of permanent endowments was processed after the Charity Commission agreed with the findings that the Daphne Heald R&D fund should have been treated as expendable endowment. Part of the amount transferred to the expendable endowment has been moved to the related research restricted fund (£193,000), as agreed by the Trustees, to fund one of the existing research projects.

The transfer of £97,000 to the RCNF Benevolent funds relates to the closure of the COVID-19 support fund that was established, through a transfer from RCNF Benevolent funds, in 2020 during the pandemic.

14. Related party transactions

During the year a service charge of £801,286 was incurred by the RCN Foundation Group to RCN based upon the agreed service level agreement to provide staff (31 December 2021: £625,982). As at 31 December 2022, £394,340 is outstanding from RCN Foundation Group to RCN for this service level agreement and arrangement to provide staff (31 December 2021, £321,152).

In the year the RCN Foundation awarded RCN a grant of £4,000 to run the Mary Abbott project. No balance is outstanding at the end of the year relating to this transaction.

15. Remuneration

None of the Trustees received remuneration. Costs incurred by the RCN Foundation Trustees while carrying out trustee duties amounted to £5,047 in the year (31 December 2021: £1,101). These expenses related to £2,794 in accommodation and meals and £2,253 in travel. These costs relate to 8 trustees and are made up of both out of pocket expenses reimbursed as well as those paid directly to a third party.

16. Ultimate controlling party

The RCN is the sole company member of the RCN Foundation. It discharges that role as a quasi-trustee by using its membership to further the charitable purposes of the RCN Foundation. However, the RCN Foundation is established for exclusively charitable purposes and the RCN will respect at all times the RCN Foundation's independence as a charity, separate and distinct from the RCN. The ultimate sanction to appoint and dismiss trustees resides with the RCN. The RCN's principal place of business is 20 Cavendish Square, London W1G 0RN. The results of the RCN Foundation are included in the consolidated financial statements of the RCN which are available from the above address.



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