



RCNi
ANNUAL
REPORT
2023





RCN Publishing Company Limited
Annual Report and Financial Statements
for the year ended 31 December 2023
Company Registration No 02119155

Contents

The report of the managing director	2
Strategic report	3
Report of the directors	6
Directors' responsibilities statement	8
Independent auditor's report to the members of RCNi	9
Financial statements	13
Statement of income and retained earnings	14
Statement of financial position	15
Statement of changes in equity	16
Notes forming part of the financial statements	17

The report of the managing director



RCN Publishing Company Limited (RCNi) supports the professional development and learning needs of the nursing profession worldwide and is an integral part of the Royal College of Nursing (RCN) Group.

2023 saw challenging commercial and operating conditions but RCNi continued to provide valuable events, products and services for the nursing profession.

The personal subscription market remains challenging due to the squeeze on household budgets, below inflation nursing pay and economic uncertainty. However, a focus on engagement and the value of RCNi Plus and enhanced marketing activities have helped to stabilise personal subscription income. Institutional subscription income remains consistent and RCNi have begun to explore adjacent markets for sponsorship and advertising opportunities.

One of our key developments was the successful launch of Nursing Live, an event that combined professional development and personal wellbeing, aimed at nursing colleagues of all grades and settings. We continued to hold careers fairs across the UK, bringing prospective employers together with high quality nursing candidates, coupled with offering continuing professional development for attendees.

Once again, we hosted RCN Nursing Awards, celebrating the very best of nursing excellence. Our awards recognised the exceptional contribution of the whole nursing team and were well received by attendees and sponsors.

RCNi commissioned a report to benchmark our carbon emissions and has created an action plan to reduce our impact on the environment and build sustainability into all that we do.

Costs were carefully controlled across all aspects of our business and we continued to review platforms, processes and systems to streamline operations. Our focus on high quality products and services, cost control and generation of new income, helped offset the downturn in some of our traditional markets. This resulted in a break-even position at the end of the year, despite us having invested in a significant new event for the nursing profession. We have a growth plan in place for 2024 to return us to a profit.

I would like to thank RCNi staff for their continued flexibility, engagement and commitment during 2023 – as they are the powerhouse behind all that we do.

A handwritten signature in black ink that reads "Rachel Armitage". The script is cursive and fluid.

Rachel Armitage
Managing Director
Date: 23 April 2024

Strategic report for the year ended 31 December 2023

Review of the business

Business overview

RCNi is a digital health information company with a portfolio of nursing journals, learning and decision support tools, career services and events to support the nursing profession to deliver best practice and achieve its potential.

In line with our strategic aims, 2023 saw continued diversification of revenue streams and a slowing down of the decline in personal subscriptions, due to a focus on customer engagement. We successfully launched a new event for the nursing profession, Nursing Live, in Liverpool and continued to develop our webinar programme.

RCNi continued its hybrid approach to work in 2023, and consequently was able to save costs on reduced office space for 2024. Environmental, social and governance (ESG) continued to be a key focus for RCNi – as we shaped and developed the organisation and aligned our resources to areas of greatest commercial opportunity.

Financial review

In 2023, the business achieved revenue of £10,689,025 (2022: £11,946,825) and incurred a loss before tax of £6,665 (2022 profit: £1,577,388).

RCNi trading income fell 10% compared to prior year. It was impacted by economic conditions for individual customers and budgetary limitations for advertisers, sponsors and institutional subscribers. Additionally, the cessation of *RCN Bulletin* in print meant that there was a downturn in print advertising income and RCN contribution towards costs; but this was offset by an equivalent cost saving on print, postage and distribution.

The 2023 results demonstrate the management focus on cost control, streamlining the business and prioritising digital income growth whilst still enabling an investment in a major new event.

The directors do not propose the payment of a dividend in 2023 (2022: £1,018,606). Net assets at 31 December 2023 were £4,722,410 compared to £5,455,792 in 2022. Total cash and cash on deposit was £3,911,414 (2022: £6,383,431). An investment programme has been implemented in the second half of 2023 to take advantage of high interest rates.

Directors

Tim Brooks (Chair) until March 2023
Susan Sinclair (Interim Chair) from April 2023
Andrea Davies (Deputy Chair) from April 2023
Rachel Armitage
Joseph Gary Bell
Dr Caroline Shuldhham
Philip Smithers
Sarah Walsh from September 2023
Sophie Wybrew-Bond

Registered office

20 Cavendish Square
London W1G 0RN

Company number

02119155

Statutory auditor

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

Objectives

Our vision is to inspire the nursing profession to achieve its potential and deliver best clinical practice to improve patient care and outcomes.

To achieve this vision, our focus is on providing education, learning and decision support content, driving digital engagement and using data analytics to provide insight into what works for our readers and customers. Strategic partnerships will continue to be important to expand our reach and impact worldwide. Working closely with the RCN in 2024, RCNi will continue to inform and address the education, learning and development needs of the nursing profession to provide support for every step of their career.

Principal risks and uncertainties

The major risks to the business in 2024 are the impact of economic uncertainty on individual subscriptions and the risks associated with face-to-face events as advertisers have limited budgets. In response, RCNi will continue to transform its digital portfolio to meet market needs, invest in tools and resource to underpin management decisions.

Financial risk management

The following statements summarise the company's policy in managing identified forms of financial risk:

Price risk

The company broke even but has sufficient reserves to finance its planned activities. Salary rises are negotiated and agreed locally with staff. Raw materials, such as paper, are purchased subject to contracts with suppliers based on current market prices. RCNi's risk register is reviewed and updated monthly by the RCNi Executive Team and with the non-executive directors at each board meeting. RCNi risks are also reviewed by the RCN Group Audit Committee. This proactive approach to risk ensures that risk management is a fundamental part of our day-to-day business.

Credit risk

RCNi has a diverse customer base. The range of customers includes government bodies, NHS bodies, further education institutions, universities, private companies and individuals.

RCNi manages credit risk by deploying several internal controls, including assessing the credit worthiness while performing onboarding processes, regular monitoring of the outstanding debtors, and liaising with customers to understand any change in their financial position.

Liquidity risk

The company has no long-term borrowings. The facility of a short-term overdraft is available when required.

Interest rate cash flow risk

The company does not have any borrowings and therefore the risk from an interest rate hike is minimal. The company does have surplus funds which it is able to place in a short-term deposit account with the company's bankers, however it does not depend on interest income and therefore the risk from interest rate changes is minimal.

Future developments

We will continue to improve operational effectiveness through the automation of business processes and procedures, rationalisation of digital platforms and ensuring that our workforce has the skills required to support RCNi as it continues to pursue its transformation agenda.

Approval

Approved by the board on 23 April 2024 and signed on its behalf by:

Rachel Armitage

Rachel Armitage
Managing Director

Date: 23 April 2024



Report of the directors for the year ended 31 December 2023

The directors present their report together with the audited financial statements for the year ended 31 December 2023. Comparative figures are for the year ended 31 December 2022.

Results and dividends

The company incurred a loss of £6,665 (2022 profit: £1,577,388). The directors do not propose the payment of a dividend (2022: £1,018,606, paid in 2023).

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Tim Brooks (Chair) until March 2023
Susan Sinclair (Interim Chair) from April 2023
Andrea Davies (Deputy Chair) from April 2023
Rachel Armitage
Joseph Gary Bell
Dr Caroline Shulldham
Philip Smithers
Sarah Walsh from September 2023
Sophie Wybrew-Bond

No director had any interest in the ordinary shares of the company.

Going concern

Scenario planning for the 2024 full year budget was carried out by the management team to consider the financial impact of continuing economic uncertainty and inflationary pressures.

The continued development of RCNi Plus and targeted engagement exercises are specifically designed to address the issue of decline in personal subscriptions revenue. Close monitoring of our business-to-business sectors enables us to ensure our resources are focused in areas of highest growth.

All RCNi staff are enabled to work in an agile manner, either remotely or in the office.

Efforts continue to be made to control costs, with ongoing supplier reviews and to ensure that customers pay in a timely manner.

2023 ended with RCNi breaking even and having healthy cash reserves, despite challenging trading conditions. Therefore, it is reasonable to consider the business a going concern.

The directors confirm that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and therefore the going concern basis of accounting has been adopted in preparation of the annual financial statements.

Financial risk management

Matters required for disclosure on financial risk management are included within the strategic report and forms part of this report by cross reference.

Events after the balance sheet date

There have been no material post-balance sheet events that would require disclosure.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Crowe LLP were re-appointed as auditor to the company in accordance with section 485 of the Companies Act 2006.

Rachel Armitage

Rachel Armitage
Managing Director
Date: 23 April 2024



Directors' responsibilities statement

The directors are responsible for preparing the Annual Report 2023 and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the board and signed on its behalf by:



Rachel Armitage
Managing Director
Date: 23 April 2024

Independent auditor's report to the members of RCNi

Opinion

We have audited the financial statements of RCNi for the year ended 31 December 2023 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position, the Statement of Changes in Equity 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 UK Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023
- and of its profit for the year then ended
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The directors 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 mis-stated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether this gives rise to a material mis-statement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the strategic report and the directors' 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 company and its environment obtained in the course of the audit, we have not identified material mis-statements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 8, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material mis-statement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, 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 mis-statement when it exists.

Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at:

[frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities)

This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members 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 2024





Financial statements

Statement of income and retained earnings for year ended 31 December 2023

	Note	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Turnover	3	10,689,025	11,946,825
Cost of sales		(5,251,728)	(4,567,717)
Gross profit		5,437,297	7,379,108
Distribution costs		(3,147,530)	(3,923,426)
Administrative expenses		(2,399,612)	(1,887,114)
Operating (loss)/profit	6	(109,845)	1,568,568
Interest receivable and similar income		103,180	13,604
Interest payable		–	(4,784)
(Loss)/profit before taxation		(6,665)	1,577,388
Taxation on profit	7	291,889	(304,130)
Profit for the financial year		285,224	1,273,258
Retained profit at 1 January 2023		4,955,792	4,778,562
Profit for the financial year		285,224	1,273,258
Dividends paid		(1,018,606)	(1,096,028)
Retained profit at 31 December 2023		4,222,410	4,955,792

All amounts relate to continuing activities.

There are no other comprehensive income or expenses in the current financial year and preceding financial year other than the profit after tax of £285,224 (2022: £1,273,258) shown above. Accordingly no statement of comprehensive income has been presented.

The notes on pages 17 to 32 form part of these financial statements.

Statement of financial position at 31 December 2023

	Note	31 December 2023 £	31 December 2022 £
Fixed assets			
Tangible assets	8	79,834	112,088
Intangible assets	8	–	–
Total fixed assets		79,834	112,088
Current assets			
Debtors	9	2,343,615	1,672,742
Short-term deposits	10	3,429,872	5,902,315
Cash at bank and in hand		481,542	481,116
Total current assets		6,255,029	8,056,173
Creditors: amount falling due within one year	11	(1,615,471)	(2,704,178)
Net current assets		4,639,558	5,351,995
Total assets less current liabilities		4,719,392	5,464,083
Provision for liabilities	12	3,018	(8,291)
Net assets		4,722,410	5,455,792
Capital and reserves			
Called up share capital	13	500,000	500,000
Profit and loss account		4,222,410	4,955,792
Total shareholders' funds		4,722,410	5,455,792

The financial statements of RCNi, registered number 02119155, were approved and authorised to be issued by the Board of Directors on 23 April 2024 and signed on its behalf by:



Rachel Armitage
Managing Director
Date: 23 April 2024

The notes on pages 17 to 32 form part of these financial statements

Statement of changes in equity for the year ended 31 December 2023

	Note	Share capital £	Profit and loss £	Total £
Balance at 1 January 2022		500,000	4,778,562	5,278,562
Profit for the year being total comprehensive income		–	1,273,258	1,273,258
Dividends paid		–	(1,096,028)	(1,096,028)
Balance at 31 December 2022		500,000	4,955,792	5,455,792
Profit for the year being total comprehensive income		–	285,224	285,224
Dividends paid		–	(1,018,606)	(1,018,606)
Balance at 31 December 2023		500,000	4,222,410	4,722,410

During the year, RCNi paid dividends amounting to £1,018,606 in respect of 2022 (31 December 2022: £1,096,028).

Notes forming part of the financial statements for the year ended 31 December 2023

1. Accounting policies

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

General information and basis of accounting

RCNi is a private company limited by shares and incorporated in the UK and registered in England and Wales under the Companies Act. The address of the registered office is 20 Cavendish Square, London W1G 0RN. The nature of the group's operations and its principal activities are set out in the strategic report on pages 3 to 5.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the FRC.

The functional currency of RCNi is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The financial statements are also presented in pounds sterling.

RCNi meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to financial instruments, key management personnel and presentation of a cash flow statement.

Turnover

Turnover, less VAT, represents sales to customers at invoiced amounts and, for subscription income, the money received from subscribers for the issues published in the year. Royalty income is recognised on receipt unless it is for the future in which case it is deferred. Most of the turnover is generated in the UK. Income received in advance is deferred based on the actual price per publication multiplied by the number of months paid in advance by subscribers.

Expenditure

Expenditure is recognised on an accruals basis.

Fixed assets

Fixed assets including software, with a value of less than £500 are expensed at acquisition. Fixed assets including software with a value of £500 or above have depreciation provided to write-off the cost, less estimated residual values, evenly over their expected useful lives. It is calculated at the following rates:

Assets in the course of construction are not depreciated until they come into use.

Leasehold improvements	Over the period of the lease
Computer hardware	3 years
Computer software	3 to 5 years
Fixtures, fittings and office equipment	3 to 5 years

Intangible assets

Intangible assets are amortised on a straight-line basis over three years.

Going concern

The company's activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on pages 3-5. The company's cash position remains strong which is set out in the statement of Financial Position. Cash deposits plus cash at bank have decreased compared to those at 31 December 2022 by £2,472,017. The company undertakes a formalised process of budgeting, reporting and review. The Board of Directors has reviewed budgets and forecasts for 2024.

It is reasonable to consider the business a going concern. Please see Report of the directors on page 6 for further information.

The directors confirm that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Related party transactions

The company has taken advantage of the exemption in FRS 102 from disclosing transactions with RCN UK and other wholly-owned companies within the group.

Pension costs

A number of the company's employees belong to RCN UK's defined benefit pension scheme. As it is not possible to identify the company's share of the underlying assets and liabilities in the scheme, contributions are charged to the profit and loss account as they become payable.

Since 1 November 2013, the RCN UK has set up a defined contribution pension scheme and a number of the company's employees belong to the scheme. The scheme has three levels of employee and employer contribution. This scheme is used to fulfil the auto-enrolment obligations. All new employees and those not in the defined benefit scheme are automatically enrolled into the lowest contribution level. Once in the scheme employees can opt to move to a higher level of contribution. Please see note 18.1 for more information. All employer contributions made to the scheme are charged to the profit and loss account as they become payable.

Where a liability arises on the pension scheme, RCN UK will notify RCNi of its share of the liability on an annual basis. This is accrued upon notification. Note 4 outlines the charge for the year.

Joint arrangements

RCNi has a jointly controlled operation with the BMJ, publishing *Evidence-Based Nursing*. The company accounts for its portion of the turnover and costs relating to this arrangement which is detailed in note 17.

Tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the amount of reported taxable income and the amount reported on the income statement.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Provisions

Provisions for future liabilities are recognised when there is a legal or constructive financial obligation that can be reliably estimated and for which there is an expectation that payment will be made.

Dividend

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the year in which the dividends are approved by the board.

Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions in applying the company's accounting policies to determine the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis, with revisions to accounting estimates applied prospectively.

Critical accounting judgements

Critical judgements, apart from those involving estimations, that are applied in the preparation of the financial statements are discussed below.

Pensions

Determining the amount of the company's retirement benefit obligations and the net costs of providing such benefits requires assumptions to be made concerning long-term interest rates, inflation, salary and pension increases, investment returns and longevity of current and future pensioners. Changes in these assumptions could significantly impact the amount of the obligations or the cost of providing such benefits. The company makes assumptions concerning these matters with the assistance of advice from independent qualified actuaries. Details of the assumptions made are set out in note 18.

3. Turnover

Turnover, which is stated net of value added tax, represents the net amounts invoiced during the year, and is derived from the following activities:

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Journals	8,720,265	9,557,983
Exhibitions	1,966,676	1,648,647
Other communication	1,751	728,186
Other income	333	12,009
Total	10,689,025	11,946,825

An analysis of the company's turnover by geographical market is set out below:

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Turnover:		
UK	9,289,509	10,532,392
Overseas	1,399,516	1,414,433
Total	10,689,025	11,946,825

4. Employee costs

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Staff costs consist of:		
Wages and salaries	5,834,032	5,366,504
Social security costs	616,616	601,112
Other pension costs	584,352	525,414
Total	7,035,000	6,493,030

For the year ended 31 December 2023 a charge of £267,413 (2022: £257,499) has also been included in other pension costs, which is the company's regular contributions made into the defined benefit scheme. The company is also contributing to the defined contribution scheme.

The average monthly number of employees, including executive directors, employed by the company during the year was:

	Year ended 31 December 2023 Number	Year ended 31 December 2022 Number
Editorial and production	67	66
Distribution and sales	30	31
Administration	13	12
Total	110	109

5. Directors

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Directors' emoluments consist of:		
Remuneration for management services	455,908	475,004
Pension contributions	34,383	27,096
Total	490,291	502,100

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Highest paid director		
Remuneration for management services	188,742	179,376
Pension contributions	5,662	-
Total	194,404	179,376

6. Operating profit

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
This has been arrived at after charging:		
Depreciation and amortisation	61,881	66,511
Auditor's remuneration	16,600	15,750
Foreign exchange (gain)/loss	33,599	(39,343)
Rent under operating leases:		
Land and buildings	164,751	162,575

7. Taxation on profit

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
UK corporation tax		
Profit on tax for the current year	8,470	297,785
Adjustments in respect of prior years	(289,050)	8,658
Total current tax charge	(280,580)	306,443
Deferred taxation movement in the year		
Origination and reversal of timing differences in current year	(11,309)	(2,313)
Adjustments in respect of prior years - deferred tax	-	-
Short-term timing difference	-	-
Effect of tax rate change on opening balance	-	-
Taxation on profit on ordinary activities	(291,889)	304,130

The tax assessed for the year is 23.52% (2022: 19%).

Legislation was introduced in the Finance Bill 2021 to set the charge to Corporation Tax at 25% for the financial year beginning 1 April 2023.

The differences are explained below:

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Loss before tax	(6,665)	1,577,388
Tax on ordinary activities at the standard rate of corporation tax in the UK of 23.52% (2022: 19%)	(1,568)	299,704
Expenses not deductible for tax purposes	-	-
Adjustments in respect of prior years	(289,050)	8,658
Adjustments in respect of prior years - deferred tax	-	-
Group relief claimed	-	-
Change in tax rates	-	-
Fixed assets differences	(94)	(4,232)
Marginal relief	(507)	-
Adjustments in respect of deferred tax	(670)	-
Total tax (credit)/charge for the period	(291,889)	304,130

The Corporation Tax rate for the year ended 31 December 2023 is 23.52% (31 December 2022: 19%). The deferred tax rate for the year ended 31 December 2023 is 25% (31 December 2022: 25%).

8. Fixed assets

Tangible assets

	Short leasehold improvements £	Assets in the course of construction £	Computer equipment £	Office equipment £	Fixtures and fittings £	Total £
Cost of assets						
As at 1 January 2023	2,000	-	1,229,303	32,263	20,568	1,284,134
Additions	-	-	29,626	-	-	29,626
Disposals	-	-	(1,044,963)	-	(11,728)	(1,056,691)
As at 31 December 2023	2,000	-	213,966	32,263	8,840	257,069
Accumulated depreciation						
As at 1 January 2023	2,000	-	1,128,928	26,992	14,126	1,172,046
Depreciation charge for the year	-	-	57,207	2,433	2,241	61,881
Disposals	-	-	(1,044,964)	-	(11,728)	(1,056,692)
As at 31 December 2023	2,000	-	141,171	29,425	4,639	177,235
Net book value						
As at 31 December 2023	-	-	72,795	2,838	4,201	79,834
As at 31 December 2022	-	-	100,375	5,271	6,442	112,088

Intangible assets

	£
Cost of assets	
As at 1 January 2023	9,032
As at 31 December 2023	9,032
Accumulated amortisation	
As at 1 January 2023	9,032
Charge for the year	-
As at 31 December 2023	9,032
Net book value	
As at 31 December 2023	-
As at 31 December 2022	-

Intangible assets consist of domain names purchased by the company, valued at cost and amortised straight-line over 3 years.

9. Debtors

	31 December 2023 £	31 December 2022 £
Trade debtors	1,279,447	1,240,300
Amounts owed by the RCN UK	423,965	–
Corporation tax receivable	321,391	–
Prepayments and accrued income	318,812	432,442
Total	2,343,615	1,672,742

The amounts due from RCN UK are not subject to interest and are repayable on demand.

10. Short-term deposit

	31 December 2023 £	31 December 2022 £
Corporate cash manager plus	1,428,062	5,902,315
Natwest bank treasury account	2,001,810	–
Total	3,429,872	5,902,315

11. Creditors: amounts falling due within one year

	31 December 2023 £	31 December 2022 £
Trade creditors	144,510	416,806
Amount payable to RCN UK	–	619,257
Taxation and social security	172,969	471,769
Other creditors	69,436	67,286
Payments received on account	142,037	51,872
Accruals and deferred income	1,086,519	1,077,188
Total	1,615,471	2,704,178

The amounts owed to RCN UK are not subject to interest and are repayable on demand.

12. Provisions for liabilities and charges

	31 December 2023 £	31 December 2022 £
Provision for deferred tax	3,018	(8,291)
Total	3,018	8,291

Deferred tax liability balance

The company has a deferred tax liability arising from timing differences as set out below. This liability has been recognised in these financial statements, shown at 23.52% rate for the current year (2022: 19%).

Analysis of deferred tax liability

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Excess of capital allowances over depreciation		(21,249)
Short-term timing differences	17,423	12,958
Fixed assets timing differences	(14,405)	-
Total deferred tax (liability)	3,018	(8,291)

Deferred tax movement

	Movement £
Opening balance at 1 January 2023	(8,291)
Charge to profit and loss account (see note 7)	11,309
Closing balance at 31 December 2023	3,018

13. Called up share capital

	Authorised		Allocated, called up and fully paid	
	31 December 2023 £	31 December 2022 £	31 December 2023 £	31 December 2022 £
Ordinary shares of £1 each	500,000	500,000	500,000	500,000

14. Dividends

The directors do not recommend the payment of a dividend for the year ended 31 December 2023. A dividend of £1,018,606 was paid in 2023 relating to 2022.

15. Commitments under operating leases

As at 31 December 2023, the company had total future minimum lease payments under non-cancellable operating leases as set out below:

	31 December 2023	31 December 2022
	Land and buildings £	Land and buildings £
Total future minimum lease payments for non-cancellable operating leases:		
Not later than one year	69,683	150,192
Later than one year and not later than five years	17,421	187,740
Total	87,104	337,932

16. Parent undertaking

The company's parent undertaking is RCN UK, whose principal place of business is 20 Cavendish Square, London W1G 0RN. The results of the company are included in the consolidated financial statements of RCN UK which are available from the above address. The RCN is the only company to consolidate RCNi's financial statements.

17. Related party

In 1997, the company started a joint venture with the BMJ, publishing the journal *Evidence-Based Nursing*. The company's share of the revenue at 31 December 2023 was £415,275 (31 December 2022: £442,517) and the share of the cost was £114,369 (31 December 2022: £101,518). The company was owed £28,000 by The BMJ at 31 December 2023 (2022: £59,976).

The BMJ's immediate and ultimate parent undertaking which is also its ultimate controlling party as at 31 December 2023 was the British Medical Association (BMA). The BMA is the smallest and largest group in which the BMJ is consolidated. The registered office is BMA House, Tavistock Square, London WC1H 9JR.

Due to the nature of RCNi's operations and the composition of its board and staff, it is inevitable that transactions will take place with external bodies, trusts and organisations with which board members and/or staff may be associated. RCNi maintains a register of interests in which all such interests are declared, and all transactions are conducted at arm's length and in accordance with the RCN Group financial regulations and usual procurement procedures. £744.90 of payments were made to board members for the reimbursement of incidental expenses during the year (31 December 2022: £591.11).

During the year, the following transactions took place with companies in which board or staff members had interests:

RCNi received £16,651 from the NMC (31 December 2022: £24,000) for exhibition fees.

RCNi received £7,703 from CSH Surrey Community Health Services (31 December 2022: £6,780) for RCNi learning institution.

Caroline Shuldham is a non-executive director with RCNi and also holds the following positions at organisations associated with RCNi: a registrant at the NMC, non-executive director of CSH Community Health Services.

18. Pension commitments

18.1 RCN Group defined contribution pension scheme

Since 1 November 2013, all new employees were auto-enrolled into a defined contribution scheme. The scheme is a Group Personal Pension plan managed and administered by Standard Life. The scheme has 3 contribution levels.

Contribution level	Employee	Employee	Employer
	If not salary sacrifice	Salary sacrifice	
Level 1	2.4%	3.0%	8.0%
Level 2	4.0%	5.0%	10.0%
Level 3	5.6%	7.0%	12.0%

All new employees are automatically enrolled into level 1 under auto enrolment regulation. Employees may then choose a higher contribution level.

18.2 RCN Group defined benefit pension scheme

The RCN Group operates a defined benefit pension scheme with the assets of the scheme being held in separate trustee administered funds. This scheme was closed to new members with effect from 1 November 2013. Existing active members as at 31 October 2013 can still contribute to the scheme.

As it is not possible to identify the RCNi's share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis, RCNi does not recognise a pension asset or liability, or an actuarial pension reserve on the statement of financial position. Contributions are charged to the statement of income and retained earnings as they become payable.

The share of the RCN UK defined benefit pension scheme assets and liabilities that relate to the company's members of the scheme is not readily available. At the actuarial valuation as at 30 September 2022, the liabilities for RCNi members calculated on the discontinuance basis represented 7.5% (2022: 7.5%) of the total liabilities on the same basis.

Employer

From 1 April 2021 to present, the employers contributions for the normal retirement age (NRA) of 60 is 12.2%, 65 is 17.2% and 67 is 19.2%.

Contributory employees

From 1 November 2013 current members contributions were set out in the schedule of contributions at 6%, 8% or 13% (depending on employee opted retirement age). From 1 April 2018 current member contributions were set at 6.2%, 8.2% or 13.2% (depending on employee opted retirement age). From 1 April 2021 current member contributions rose to 7.2%, 9.2% or 14.2%. No change to the rates was required as a result of the 30 September 2022 triennial valuation.

The valuation used for FRS 102 disclosures has been based on the most recent actuarial valuation by a qualified independent actuary at 30 September 2022 to take account of the requirements of FRS 102 in order to assess the liabilities of the scheme at 31 December 2023.

The principal actuarial assumptions were as follows:

	31 December 2023	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Discount rate	4.60%	4.90%	1.90%	1.45%	2.05%
Inflation assumptions (RPI)	3.00%	3.12%	3.20%	2.95%	3.00%
Inflation assumptions (CPI)	2.70%	2.81%	2.85%	2.60%	2.00%
Allowance for revaluation of deferred and CARE pensions accrued before 1 November 2013 (with LPI of 5%)*	3.00% (RPI)	3.12% (RPI)	3.20% (RPI)	2.95% (RPI)	3.00% (RPI)
Allowance for CARE revaluation of pensions accrued after 1 November 2013 (with LPI cap of 2.5%)*	2.50% (CPI)	2.50% (CPI)	2.50% (CPI)	2.5% (CPI)	1.60% (CPI)
Allowance for pension payment increases accrued before 1 June 2007 (with LPI cap of 5%)*	2.91% (RPI)	3.01% (RPI)	3.05% (RPI)	2.85% (RPI)	2.90% (RPI)
Allowance for pension payment increases accrued after 1 June 2007 (with LPI cap of 5%)*	2.66% (CPI)	2.75% (CPI)	2.80% (CPI)	2.60% (CPI)	2.10% (CPI)
Allowance for pension payment increases accrued after 1 June 2007 (with LPI cap of 3%)*	2.17% (CPI)	2.23% (CPI)	2.25% (CPI)	–	1.80% (CPI)
Allowance for commutation of pension for cash at retirement	75% of Post A Day	75% of Post A Day	75% of Post A Day	75% of Post A Day	60% of Post A Day

*where Limited Price Index (LPI) is a measure of Retail Price Inflation (RPI) or Consumer Price Index (CPI) with a cap of 5% per annum and floor of 0% per annum.

Life expectancies

	31 December 2023	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Longevity at age of 65 for current pensioners (years)					
- Men	21.6	21.9	21.9	21.9	21.9
- Women	23.9	24.1	24.0	24.0	23.6
Longevity at age of 65 for future pensioners* (years)					
- Men	23.2	23.2	23.2	23.2	23.2
- Women	25.3	25.2	25.2	25.1	24.9

* Assumed currently aged 45

The assets in the group scheme and the expected rate of return were:

	Value at 31 December 2023 £'000	Value at 31 December 2022 £'000	Value at 31 December 2021 £'000	Value at 31 December 2020 £'000	Value at 31 December 2019 £'000
Equities	23,802	6,867	66,672	65,684	72,480
Bonds*	166,400	151,577	260,240	265,684	176,162
Property	27,170	30,057	35,993	15,066	15,075
Other**	56,915	85,070	91,296	85,178	88,998
Insured pensioners	304	363	509	612	520
Total market value of assets	274,591	273,934	454,710	432,224	353,235
Actuarial value of liability	(248,848)	(241,038)	(377,508)	(400,770)	(339,590)
Net pension surplus/(liability)	25,743	32,896	77,202	31,454	13,645

* The bonds figure includes bonds and LDI.

** The other figure includes cash, other, liquid alternatives and private credit.

Further information under FRS 102 is not disclosed in these financial statements as the scheme is a multi-employer scheme, the legal rights to which are held by RCN UK as the sponsoring entity, and it is not possible to extract the relevant figures for each individual company within the Group. Full disclosures are made in the financial statements of RCN UK.





20 Cavendish Square
London W1G 0RN
Tel: 020 7409 3333
rcn.org.uk

011 351 | June 2024

Published by the Royal College of Nursing (RCN). The RCN is a Royal College set up by Royal Charter and a Special Register Trade Union established under the Trade Union and Labour Relations (Consolidation) Act 1992.