

Trustees' report and  
financial statements  
for the year ended  
31 December 2023



The Royal College of Radiologists

SEPTEMBER 2024



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# 01 Trustees' report

## Reference and administrative details of the College, its trustees and advisers for the year ended 31 December 2023

Officers and Trustees	On 31 Dec 2023	To 31 August 2023
<b>President</b>	Dr Kath Halliday	Dr Kath Halliday
<b>Medical Director Membership and Business</b>	Dr Qaiser Malik	Dr Julian Elford
<b>Vice Presidents</b>	Dr Stephen Harden, Clinical Radiology Dr Tom Roques, Clinical Oncology	Dr William Ramsden, Clinical Radiology Dr Tom Roques, Clinical Oncology
<b>Medical Director Education and Training</b>	Dr Louise Hanna, Clinical Oncology Dr Priya Suresh, Clinical Radiology	Dr Rachel Cooper, Clinical Oncology Dr Priya Suresh, Clinical Radiology
<b>Medical Director Professional Practice</b>	Dr Raman Uberoi, Clinical Radiology Dr Nicky Thorp, Clinical Oncology	Dr Raman Uberoi, Clinical Radiology Dr Nicky Thorp, Clinical Oncology
<b>Treasurer</b>	Mr Anthony Carey	
<b>Lay Trustee</b>	Sir David Sloman	
<b>Charity number</b>	211540	
<b>Registered office and address</b>	63 Lincoln's Inn Fields London WC2A 3JW	
<b>Key management roles</b>	Oliver Reichardt, Chief Executive Tania Vanburen, Executive Director and Deputy Chief Executive David Botha, Executive Director Gemma Malley, Executive Director	
<b>Independent auditor</b>	<b>Haysmacintyre LLP</b> 10 Queen Street Place, London EC4R 1AG	
<b>Bankers</b>	<b>National Westminster Bank</b> PO Box 2021, 10 Marylebone High Street, London W1A 1FH	
<b>Solicitors</b>	<b>Bates Wells LLP</b> 10 Queen Street Place, London EC4R 1BE	
<b>Investment managers</b>	<b>Sarasin &amp; Partners LLP</b> Juxon House, 100 St Paul's Churchyard, London EC4M 8BU	

The trustees present their report and the audited financial statements for the period ended 31 December 2023 for the RCR group, consisting of the charity The Royal College of Radiologists and its wholly owned subsidiary, RCR Education Ltd. The reference and administrative information set out on pages 4–8 forms part of this report. The financial statements comply with current statutory requirements, the Royal Charter and By-laws of the RCR and the Charities SORP (FRS102) applicable to charities preparing group accounts after 2019.

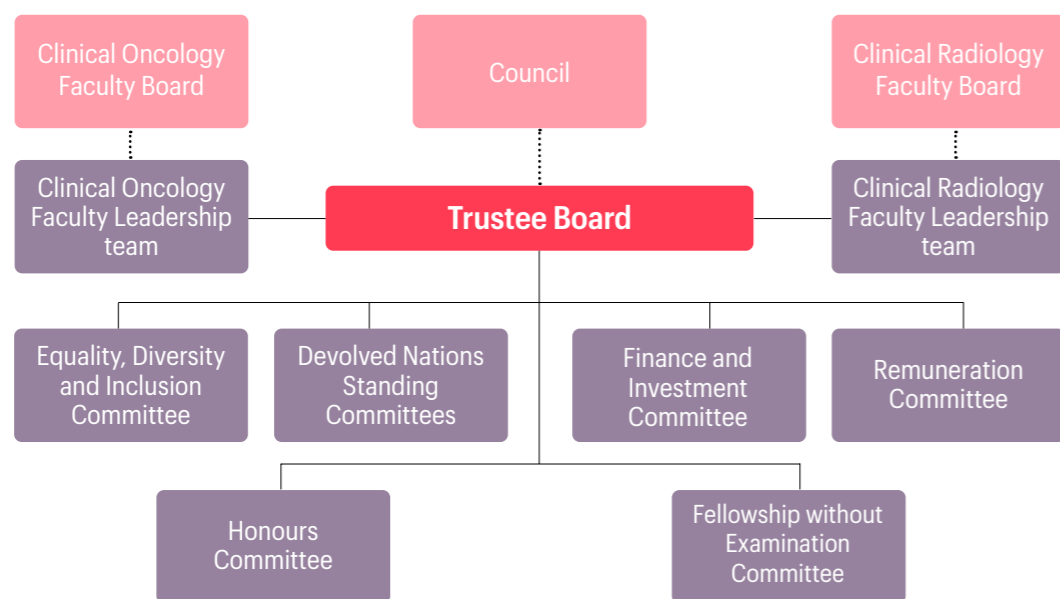
**Structure, governance and management**

The RCR implemented a new governance structure on 1 September 2023 having consulted with members

during 2022, and receiving formal approval from members at an extraordinary general meeting in April 2023 and a member vote on 10 May 2023.

The Trustee Board is the ultimate governing body of the RCR and is made up of up to 12 trustees. The trustees are: the elected Officers (President, two Vice Presidents, two Medical Directors Education and Training and two Medical Directors Professional Practice), the appointed Medical Director Membership and Business, and up to four appointed lay trustees including the Treasurer. Two of the four lay roles were appointed in September. Eligibility requirements and electoral arrangements for all elected positions are set out in the By-laws and Regulations.

Figure 1. Main Governance Boards in the RCR



Prior to 1 September 2023, the RCR’s Trustee Board and ultimate authority, was Council, consisting of 18 trustees and four co-opted persons including two lay members. The new Council body is named after the former trustee body, but retains none of the former Trustee Board’s responsibilities.

The Trustee Board is responsible for the governance of the RCR consistent with the objects defined in the Royal Charter. The Board sets the strategy for the RCR and delegates the decisions on and implementation of specialty-specific policy to the appropriate faculty. Each

faculty is led by a team of officers headed by the vice president and is charged under the constitution with developing its specialty. The faculties are responsible to the Trustee Board for managing the affairs of their faculty through the boards and committees.

Each faculty is led by a Faculty Leadership Team to which a number of committees report, including a Specialty Training Board, a Professional Support and Standards Board, an Academic Committee, a Learning Committee. From time to time other committees and working groups are set up to help deliver the affairs of

the faculty. Other committees and working groups are used from time to time.

The Finance and Investment Committee (FAIC) is responsible to the Trustee Board for ensuring that resource and business planning, delivery and risk for the RCR supports and enables achievement of the RCR strategic priorities. FAIC is led by the Treasurer, includes the President, Vice Presidents and the Medical Director Membership and Business and up to two non-trustee lay members with expertise in business planning, risk management and performance.

The Senior Management Team, headed by the Chief Executive, provide operational leadership of the RCR and management of all staff. The SMT and staff of the RCR support and advise officers, trustees, the boards and committees.

The RCR has an elected Council, a board of elected members to oversee, challenge and feedback members’ views and needs to the trustees.

Trustees, SMT and Council members must maintain and keep up to date their entry in a Register of Interests.

**Induction and training**

Trustees are inducted with a combination of training and briefings on the duties of trustees, and documentation specific to the RCR and also from Charity Commission (eg The Essential Trustee: what you need to know (CC3)); guidance on charitable purposes and public benefit; a copy of the RCR Charter, By-laws and Regulations; information on the RCR structures; the travel and expenses policy; the RCR Strategic Priorities; and the Compact, the RCR’s statement of behavioural values.

In addition, the officers have a tailored induction programme before the start of the College year and access to leadership training and coaching programmes throughout their term of office.

We revise this programme of induction and training from time to time to ensure trustees are properly supported in fulfilling their duties and kept informed on new requirements and standards.

**The RCR Group activities**

The RCR owns a subsidiary company, RCR Education Ltd and this financial report is for the group which includes that company. The RCR also has a 50% stake in IQI Limited as part of a joint venture.

**RCR Education Ltd**

RCR Education Ltd was established in February 2022 as a wholly owned subsidiary of the charity. The RCR uses the entity to undertake areas of its work where there are financial benefits for the charity of operating a limited company as opposed to a charitable operation. Its constitution ensures that there is tight control of the purposes and operations of the entity and limits trading outside of a narrow band of activities agreed with the charity. The directors of the RCR Education Ltd are drawn from the employed senior management team and officers.

RCR Education Ltd reports the financial operations of the global exams and e-Learning activity for the RCR group for the year ending December 2023.

**IQI Ltd**

The RCR operates a joint venture project, QSI Accreditation, with The Society and College for Radiographers and through this has 50% control of a dormant company limited by guarantee, IQI Ltd, Reg number O6799879. This form of JV vehicle is recommended practice as an effective risk management strategy for charitable joint ventures. As the company is dormant, there are no accounts to record.

We plan to activate the company as part of an expansion of the QSI accreditation activity during the next 12 months. The financial accounts for IQI Ltd will be published independently of the RCR and SCOR because neither group has majority control.

## Objects and activities

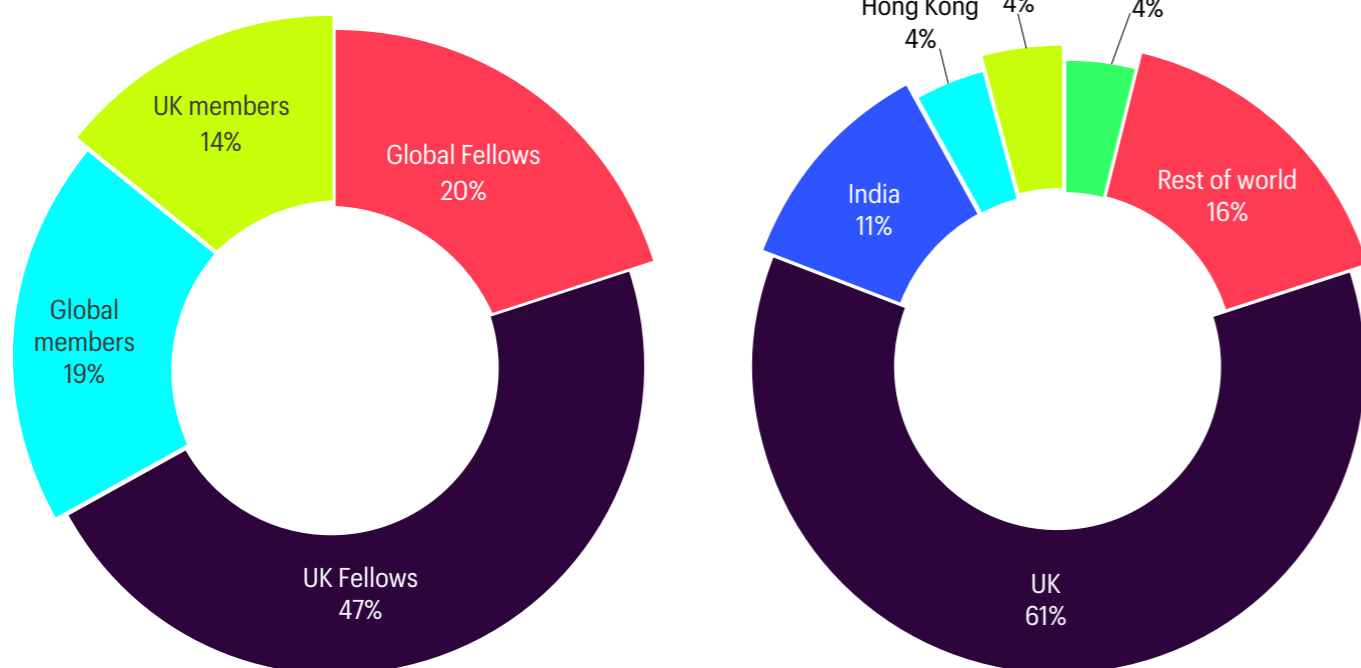
The objects of the RCR are to advance the science and practice of clinical radiology and clinical oncology, as stated in its Royal Charter. These benefit patients by improving the accuracy and speed of diagnosis and the quality of treatment which will improve the quality of life for patients.

Clinical oncologists (CO) are medical specialists skilled in cancer treatment with radiotherapy, chemotherapy and other systemic therapies. Clinical radiologists (CR) are medical specialists who inform the detection,

diagnosis and management of disease through the use of imaging techniques. Radiologists also use minimally invasive methods to treat disease.

As a charity, the RCR is independent of the state and not part of the National Health Service in any of the four UK nations. The RCR does depend upon the skills and experience of its Fellows and members to deliver its work. The RCR has over 16,500 Fellows and members worldwide in the disciplines of clinical oncology and clinical radiology. The very great majority are registered medical or dental practitioners. Over 60% of our Fellows and members are in the UK.

The RCR membership - 2023



The trustees deliver public benefit through the work of the RCR in and for the specialties of clinical radiology and clinical oncology in the interest of patients and the wider public. This includes:

- Defining standards for training.
- Conducting the RCR Fellowship examinations.
- Offering lectureships and awarding prizes, scholarships and research fellowships.
- Diffusing information on matters affecting the specialties.
- Publishing papers, journals and other documents.
- Holding meetings, conferences, seminars and courses.
- Publishing professional guidance and advice.
- Operating a continuing professional development scheme.
- Acting as an authoritative body for the purpose of consultation in matters of public and professional interest.
- Furthering public education and information about the two specialties.
- Managing the RCR investments effectively.

## Strategic Report

### Achievements and next steps

Throughout 2023, the RCR made significant progress towards accomplishing its strategic priorities.

### Achievements and performance

#### 1. Workforce

We support excellent patient care by working collaboratively on team-wide standards and shaping sustainable workforce models for our patients and our specialties.

In 2023, we:

- Announced plans alongside the College of Radiographers to enhance the support we provide to services implementing the Quality Standards for Imaging (QSI) through a QSI Quality Improvement Network (QSIN) and an in-house assessment scheme.
- Hosted a successful campaign to attract the next generation of oncologists, with a 35% increase in applications to clinical oncology (CO) training posts compared to 2022.
- Secured 92 additional training posts for clinical radiology in England.
- Introduced a credential in Mechanical Thrombectomy for Acute Ischaemic Stroke approved by the General Medical Council.
- Published consensus statements for bladder cancer.
- Continued the development of our radiotherapy consent forms to ensure the language used is inclusive for all patients.
- Supported a 29% increase in exam capacity – accommodating 6,000 radiology candidates and 2,000 oncology candidates.
- Enacted a revised and more effective appeals policy/process for our exams.
- Successfully introduced the CO2B reformed exam, eliminating the reliance on patient involvement.
- Created a new trainee scheme for iRefer – a proposed enhancement of the current iRefer Guideline Review process – and approved 218 guidelines.
- Introduced a new process for obtaining a Certificate of Eligibility of Specialist Registration (CESR) –making it more streamlined and practical but retaining sufficient rigour to ensure the standard for a CESR in a non-CCT specialty remains unchanged.

#### 2. Be the experts

We highlight the contribution our specialties make to safe, evidence-based and cost-effective patient care, and contribute to the debate on the future of healthcare in the UK and overseas.

During 2023, we:

- Published our 2022 censuses, both of which achieved a 100% response rate, which highlighted the dire need for a sustainable workforce plan for our specialties and generated 1,111 mentions in the media in the first week.
- Responded to 13 consultations from the government and NHS England, alongside completing 43 NICE consultations and contributing to the COVID-19 inquiry.
- Developed strong relations with major media outlets, with officers making multiple appearances notably on Times Radio, LBC and the BBC Radio 4 Today programme.
- Met with the Secretary of State for Health and Social Care and successive health ministers to discuss workforce issues, including staff retention, paediatric interventional radiology, a long-term workforce plan and AI.
- Supported colleagues overseas by introducing five global courses to potential partners – covering topics on MRI, paediatric imaging, MSK, trauma and emergency and oncology imaging.

#### 3. Professional learning

The RCR strives to develop our educational offer to support our doctors to meet the challenges of practice.

We developed our professional learning offer by:

- Publishing essential guidance, including homeworking for radiologists, radiotherapy dose fractionation (fourth edition), standards for reporting practitioners in adult chest X-ray, recommendations for specialists practising ultrasound, and more.
- Hosting our 2023 Annual Conference in Birmingham and online, which was attended by over 1,000 attendees.
- Starting a major project to redevelop the RCR Learning system to improve it for our membership, involving auditing the content and recruiting ten Fellows to work on this.
- Launching our interactive Radiology Events and Learning (REAL) resource, allowing radiologists to submit their own educational cases for inclusion to practise.

- Continuing to release learning materials via our Learning Hub including piloting an artificial intelligence (AI) blended learning course for clinical radiology and expanding our CO Part 1 Exam question bank to 314 sample quiz questions.

#### 4. Membership value

Our Fellows and members are grappling with huge demands at a time of considerable workforce pressure and are at the helm of transformative developments like AI. We are working hard to make sure that their voice is being heard loud and clear, influencing policy and supporting them to deliver the best care for their patients, regardless of where or how they practice.

In 2023, with our Fellows and members' help, we:

- Ensured that our specialties are recognised, valued and understood at the highest level by meeting regularly with Ministers, Shadow Ministers, government officials and politicians across the four nations.
- Continued to explore the benefits of closer working between the two specialties of clinical oncology and medical oncology by establishing a new joint working group between the RCR and the Association of Cancer Physicians.
- Admitted over 700 new Fellows to the RCR.
- Conducted the biennial survey, which was completed by 20% of the membership, and expanded the number of members on our Insight Panel to over 1,800. The insights gained from these surveys has helped us better to understand our members' needs, views and areas of interest, to influence and steer the future of our work.
- Started a review of our Journals and member publications to ensure they are relevant, easily accessible and trusted.
- Developed a new Spotlight series to share best practice and practical support for practitioners at all stages of their career.
- Welcomed thousands of new global members and built relationships with radiological societies in South East Asia, the Middle East and multiple other regions.
- Increased the capacity of our radiology and oncology exams with the opening of new venues in Egypt, India, Pakistan and Malaysia.

#### 5. Our College

We shape a College that is agile, responsive, accountable and open.

In 2023 we:

- Introduced changes to modernise the governance of the RCR to better meet our members' priorities, including a Trustee Board responsible for the leadership, management and administration of the College. Appointments to the new Trustee Board included a new lay Treasurer, Anthony Carey, and a new lay Trustee, Sir David Sloman.
- Appointed a new Medical Director for Membership and Business, Dr Qaiser Malik, with responsibility for equality, diversity and inclusion (EDI) in the RCR.
- Welcomed the new Vice-President for Clinical Radiology, Dr Stephen Harden, and the new Medical Director for Education and Training, Clinical Oncology, Dr Louise Hanna.
- Developed a new visual identity that will resonate with key audiences – elevating our profile and influence and ensuring the way we come across visually reflects who we are and what we stand for.
- Launched a new website which positions clinical radiology and clinical oncology as the dynamic, innovative specialties of choice, alongside improved navigation and added functionality for a better user experience.
- Established a new All-Party Parliamentary Group to highlight the value of diagnostics, promote the diagnostic workforce and improve diagnostic services.
- Made good progress on our EDI action plan, which was published in 2022. The EDI Committee monitors our EDI activity and provides high-level strategic oversight and advice to the Trustee Board on the EDI work of the College.
- Continued to work with our Fairer Training Fellows to address differential attainment.
- Launched a new website for iRefer to ensure this flagship product remains competitive and easily accessible.
- Created a new AI team, to engage with key stakeholders including NHS England, the Department of Health and Social Care and colleagues who are experts in AI to develop the College's evolving AI strategy – and ensure it has a positive impact on medical imaging and cancer treatment.

#### 2024 and beyond

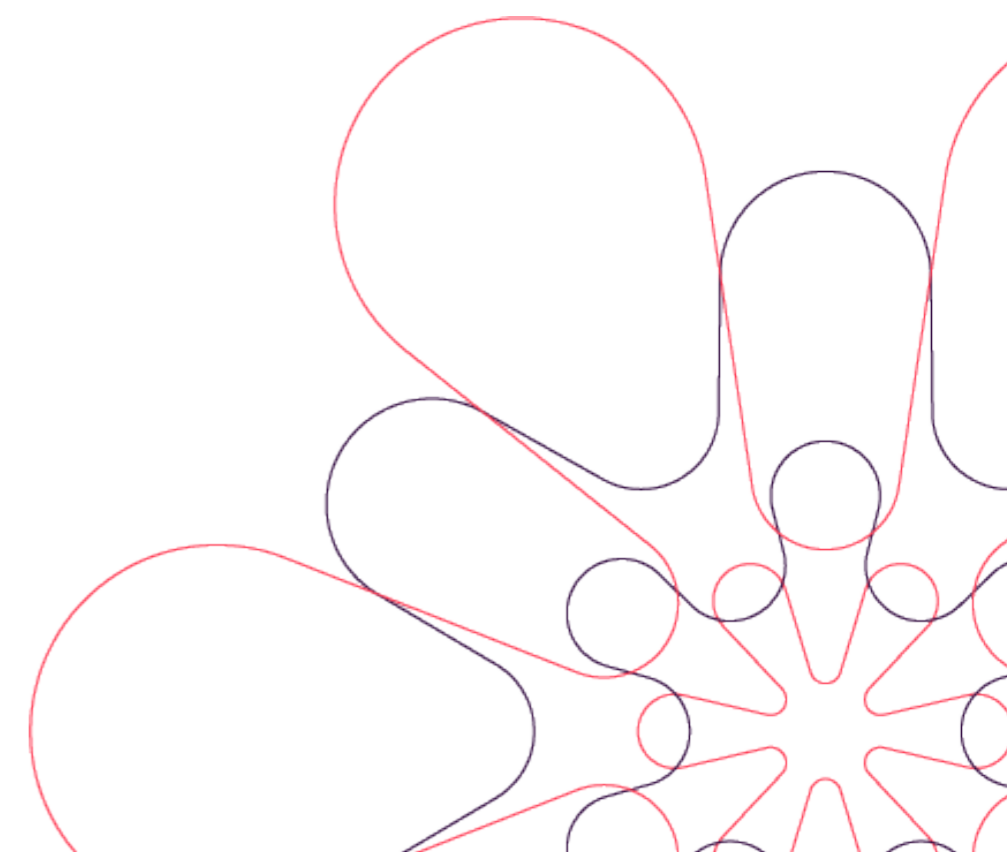
This year will see the RCR maintain our focus on our key strategic priorities, with particular attention given to maximising our workforce, providing the tools and working conditions needed for optimum patient care, and supporting new ways of working. Some of the projects that will continue into 2024 include:

- Developing an AI Registry in imaging to monitor the spread of AI tools being deployed across the NHS, to enable a coordinated audit at scale and provide opportunities for further collaborations such as activities supporting real-world evidence generation and research.
- The launch of our new QSI Quality Improvement Network and an in-house assessment scheme, alongside expanding the QSI team to deliver the scheme and building in the relevant processes and resources.
- Publishing the main findings from our membership survey to ensure we address all issues raised to best support our Fellows and members.
- Forming a task and finish group to issue guidance for trusts about how to deliver and structure training opportunities.
- Launching a new SAS strategy for engaging more effectively with SAS and locally-employed doctors.
- Launching a new mentoring platform, offering a more seamless matching process by allowing Fellows and members to create a personalised profile either as a mentor or mentee.

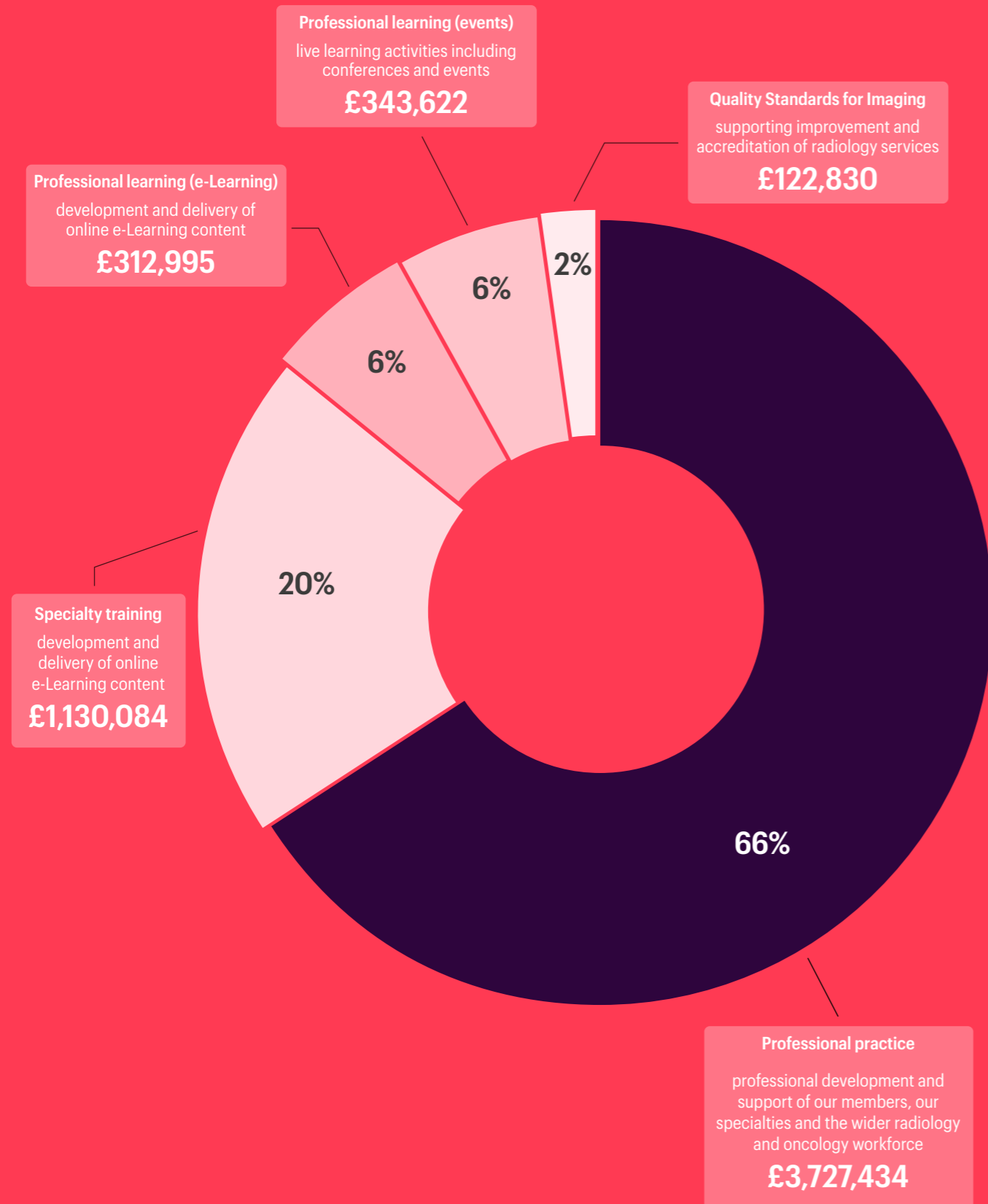
- Holding our 2nd RCR Global Radiology Conference in Dubai, where we will bring together faculty leaders from around the globe to discuss the positive impact cutting-edge technology has on the industry and how it benefits patients.
- Work on reforming our CR2B exam will be largely focused on preparation for the implementation of changes to the exam in 2025.
- Revamping our admission ceremonies to provide increased opportunities to engage and inspire new Fellows.
- Further guidance documents, including validation of AI algorithms designed to detect lung cancer and auto-contouring in radiotherapy.



Dr Kath Halliday, President



# Where does the membership fee go?



## Financial report

### Risk management

The Trustee Board holds ultimate responsibility for the management of risk but delegates the oversight of risk management strategy and process to the Finance and Investment Committee (FAIC). FAIC and the Senior Management Team (SMT) identify the strategic and operational risks which the SMT manages

day-to-day through programmes focused on income diversification, business process improvement and the application of new technology. FAIC oversees these activities, scrutinises the risk register and advises the trustees accordingly.

The Trustee Board has reviewed the risks and has identified these as the most significant threats to delivery of the RCR's strategic aims:

Table 1

Risk	Mitigation and monitoring
The long-term effect of current NHS workforce levels and workplace culture on the availability, capacity and appetite of our UK doctors for participating in the RCR's work is uncertain. This may lead to changes in the nature of the relationships and arrangements that the RCR operates to plan and deliver our strategic priorities.	We continue to promote and monitor wellbeing across all staff and doctor resources and seek to ensure the relationship and arrangements for engaging doctors meets their long-term needs.
The College is exposed to an increase in cyber threats, which risks compromising access to, or the quality of, our data, operations and communications.	We have implemented a programme of changes to our information services within a CAF strategic framework. The full programme of changes will take some time to complete and will be maintained and enhanced ongoing to meet new threats. FAIC monitors progress towards the strategic goals.
Unmet overseas demand for exams discourages candidates from seeking FRCR and encourages commitments to alternatives.	We continue to build exams capacity in the UK and internationally to increase the number of opportunities available.  We are developing new models of examinations to accommodate demand and make it easier for candidates to participate.  An increased global focus from the RCR improves our communication at local level.
Shortage of national training numbers coupled with retirements leads to a drop in membership numbers, income and capacity.	We have expanded our campaign for workforce improvements adding additional resources to our communications and policy areas.  We will continue to contribute to NHS and government plans and policy.  We will increase our membership overseas.
Failure to deliver financial sustainability may require us to promote a short-term response (significant cost reduction or fee increases) over medium term priorities.	Comprehensive financial reporting and multi-year financial planning regime ensures that trustees have visibility of and ability to influence outturns.  We have given clear guidance for trustees on the funds available for charitable investment.  We have a policy for minimum reserves levels necessary for financial security and are on track with plans to achieve those goals.

### Going concern

The accounts are prepared based on the RCR being a going concern. Trustee Board assesses the financial circumstances and outlook for the College and takes the advice of the Finance and Investment Committee (FAIC) when considering the accounts.

FAIC regularly scrutinises financial management and performance information and provides advice to Trustee Board on the statutory accounts, budgets and reserves policies. This information includes:

- Regular management accounts and commentaries.
- Budgets for the next year.
- Financial forecasts beyond the end of the current financial year, the three-year plan.
- Regular reviews of risks and mitigation step.
- Reviews of investment performance.
- Reviews of the financial policies, controls and cashflow management reporting exercised by the business.

### Confidence in going concern

The Trustee Board has considered and accepted the advice and recommendation of FAIC who, after scrutinising the financial reports and resources of the College, have recommended approval of the accounts on the basis of going concern.

The main points considered by FAIC in their recommendation to Trustee Board are:

- That the College is following a three-year plan that returns the RCR to making a surplus and that the early 2024 outcomes and the medium term outlook remains on plan.
- There are high levels of cash liquidity in the business model and there is access to additional cash for short and long-term need. Analysis shows that the RCR will remain solvent even when financially stressed.
- The RCR follows good practice in reporting and financial planning giving good visibility of risks and outturn and time to manage challenges.

### Impact of COVID-19

The disruption and transformation caused by COVID-19 pandemic and associated restrictions have reformed the RCR into a stronger and more resilient organisation.

We have adapted our activities to be more flexible and hybrid. We have adopted different ways of working

post COVID: our staff work most of the time from home, but we retain a regular pattern of days when all staff are together in the office to enhance the sense of community. Most committees meet virtually with in person meetings once per year. Our CPD events are a combination of hybrid and live tailored to suit the audience's needs. Our exams use technology to reduce the risk of similar disruption and we are researching remote proctoring.

We continue to repay the Coronavirus Business Interruption Loan (2.91% interest pa) taken out in early 2021 and which expires in 2027.

### Policies

#### Employee remuneration policy

The College carries out regular remuneration reviews to ensure employee remuneration is competitive in the market and that we can recruit and retain high quality staff. The College operates a pay progression structure that links pay progression to the achievement of objectives, learning and development expectations and core competencies.

The Remuneration Committee exercises responsibility on behalf of Trustee Board for the review of the remuneration of key management personnel and any remuneration of Fellows.

The College implemented a 4% pay increase for all staff which came into effect from 1 January 2024, this uplift was 1% lower than the 5% uplift awarded to all staff in January 2023. The pay benchmarking exercise that took place in October 2023 highlighted that the pay rates for most management staff (grades five and six) had fallen below the market. To recognise this and ensure the RCR continued to pay staff in line with its pay principles, an additional pay increase was applied to the pay grades, with grade five receiving an additional 3% and grade six an additional 5%. All adjustments to pay rates were made within the 5% pay budget approved by trustees.

#### Ethical and sustainable investment policy

The RCR operates a sustainable and ethical investment strategy. Investments may only be made in organisations demonstrating adherence to strategic plans consistent with the Paris Climate Accord goals of limiting the average global temperature rise by 2050 to 1.5°C. It also excludes companies whose principal purpose is in tobacco, armaments, alcohol, gambling, pornography, as well as extraction and production of thermal coal and tar sands. Trustees recently agreed to extend the strategy to exclude all investments in

organisations that undertake fossil fuel extraction.

The RCR uses the Sarasin Climate Active Endowment fund that takes a strong stance on ethical and social stewardship matters and uses positive and ethical screening in the investments. The trustees are content that this positive screening approach is an effective way of demonstrating the RCR's support for climate change initiatives and is consistent with the RCR charitable objectives. The Colleges' funds will move into a new fund in April 2024 consistent with the revised strategy.

The objectives of the investment policy are to maximise total returns via growth in capital and income to enable the College to carry out its purposes consistently year by year with due and proper consideration for future needs.

To 31 December 2022 (Total return)	1 Year %	3 Years (annualised) %	5 Years (annualised) %	7 Years (annualised) %
The Royal College of Radiologists (Gross of estimated costs)	9.1	3.1	8.1	6.8
Composite benchmark (Gross of fees)	11.7	5.8	8.4	6.8
Long-term target: UK CPI +4% (Gross of fees)	8.1	10.8	8.6	8.5
The Royal College of Radiologists (Net of costs)	8.3	2.3	7.3	6.1
ARC Steady Growth Charity Index (Net of fees)	7.5	3.0	5.5	4.5

### Environmental policy

The RCR recognises that its operations can have a harmful effect on the local and global environment and that these effects will adversely impact global health issues and health inequality. The RCR commits to reducing the long-term environmental impact of the RCR's operations.

The RCR has made changes to its suppliers and ways of working that have resulted in a significant reduction in its carbon footprint for scope 1 and 2 activities from its 2019 benchmark of 108 tonnes CO<sub>2</sub>e annually to almost nil currently. The details of this programme and its achievements are here.

We have extended our carbon footprint monitoring to include the effect of Scope 3 activities and intend to pursue the strategy to achieve net zero and to embed this commitment in a wide ranging sustainability strategy.

The College expects the invested funds to match or exceed the portfolio benchmark return and has a moderate risk appetite.

The RCR agreed a total returns policy in 2021 to fix the income return to the equivalent of 4% of fund value by selling a portion of capital. This policy would be exercised annually at the discretion of the FAIC considering the level of growth of the capital funds. The policy was not applied in 2023.

The portfolio returns over different periods is shown below. FAIC have explored the performance with the fund manager and are satisfied with the performance of the investment manager in achieving the fund aims.

The RCR aims to reduce:

- Its carbon footprint and to eliminate unnecessary carbon generated from the RCR's operations and aspire to net zero.
- The quantity of waste produced and to increase the proportion of that waste that is recycled.
- The quantities of raw materials including water, paper and plastics used in its operations and to eliminate unnecessary usage.

### Reserves policy

The RCR has a policy to have sufficient general reserves to fund a minimum of five months of operating expenses to cover the financial implications of a significant and permanent reduction in income and managing a controlled contraction of the business to sustainable levels. There is no policy on an upper level of reserves.

In 2022 trustees agreed a financial strategy that would cause the level of general reserves to dip below the policy threshold in 2023 and 2024 and then begin to climb from 2025 to achieve the policy goal in 2026. This plan is monitored regularly by FAIC, is reviewed annually by SMT and approved annually by Trustee Board. The Trustee Board reaffirmed the plan in 2023.

Trustees have considered the advice of FAIC on the reserves policy and agree that the free general reserves are sufficient to meet the College's immediate needs.

The College retains £4.7m (2023: £5.5m) of general reserves equivalent to 4.6 months cover.

## Financial review

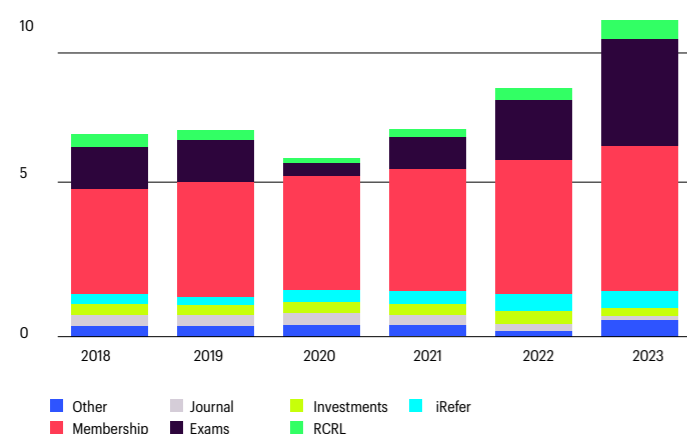
The results for the year are set out in the statements on pages 21 to 23.

### Summary of results

The RCR grew strongly due to growth in global examination candidates and in global membership. We expanded exams delivery into Pakistan and grew the participation in all major exam centres including the UK. Many of our global candidates chose to become members and global membership rose by over 2,000 members, (46%).

RCR income has grown by over 20% a year since 2020 particularly from increased exam places and membership. We have been successful in recruiting and retaining global members who also then take the FRCR exam. The proportion of income earned from membership and exams has remained relatively constant at just below 80% since 2018.

### Income Growth by function 2018-2023 (£m)



### Group Results

Income grew £2.4m, 26% to £11.5m (2022 £9.1m) with the largest growth contributions coming from new global exams (up 55%, £700k), membership subscriptions (£700k, 15%) and UK based exams (up £400k, 30%). We experienced growth in our CPD offer with income rising £200k, 40%, and secured £130k of funding to support the growth of AI in clinical radiology scenarios.

Expenditure rose £1.5m, 14% from additional candidates (£400k) and new or expanded activities across the business including additional support for specialty training (£250k), iRefer (£170k) and support for membership and our website (£220k). Staffing costs rose 15% due to additional headcount as we continued to support growth areas.

The group made an operating loss of £0.9m (2022: £1.8m). We also reported unrealised losses of £655k in our investment property portfolio and gains of £542k in the managed investment portfolio. Overall the RCR reports a reduction in reserves of £1.0m (2022: a £4.2m reduction).

Reserves closed at £25.2m (2022: £26.3m). Unrestricted funds closed at £6.3m (2022: £7.0m) including general reserves of £4.7m (2022: £5.4m). Restricted reserves closed at £2.2m against £2.4m in 2022.

This was the second period of trading the RCR Education Ltd covering the 12 months to 31 December 2023. The organisation made a loss of £172k (2022: £271k) because the costs of delivering the global exams were higher due to supplier challenges and the income earned from additional candidates was discounted due to incentives to join as members. Without these the entity would have broken even or better. The charity trustees recognise that many of the costs of the RCR Education are the shared costs of the charity and are not incremental. Therefore they have agreed to support RCR Education financially in 2024 and through the 3 year plan period. RCR Education Ltd should make a surplus in 2024.

### Designated and restricted reserves

The RCR holds funds in restricted and designated reserves for specified purposes. The main funds are shown below. Many of these funds are invested and dividend income is used to top them up or they feel the effect of unrealised gains and losses.

### Designated funds

Two funds are set aside to support College projects which are included under the reserves policy: £500k in a building maintenance fund to cover uninsured emergency repairs on Lincolns Inn Fields and a major project fund to support the write-down of the current CRM asset in 2024.

### Restricted funds

Total restricted reserves were £2.2m (2022: £2.4m). In 2023 the RCR spent £506k of restricted funds with the largest component being £165k against the QSI Accreditation programme, a joint venture with the Society and College of Radiographers (SCOR). Other spend includes £179k towards forming global educational partnerships, the development of an AI programme in the RCR and supporting e-Learning capability, £44k on research awards and eponymous prize awards.

### Research funds

The College invites applications for its research grant schemes annually and makes awards based on scientific merit. Grants are to foster research into medical imaging (clinical radiology) and the investigation and treatment of cancer (clinical oncology).

The College has allocated £1.1m (2022: £1.2m) of restricted and unrestricted funds towards future research grants for clinical radiology (£0.7m in the unrestricted Kodak fund) and clinical oncology (£0.5m in restricted funds included above) to cover the next 7–10 years of demand. In 2023, the RCR awarded £54k in grants (2022: £52k).

### Other funds

The College retains £1.6m (2022: £1.6m) of unrestricted funds separate from the general funds considered under the reserves policy:

£170k (2022: £162k) to support the Cyclotron Trust learning programme. The fund benefited from £5k of investment income, £5k was spent and an unrealised gain of £9k recorded from a gain in the underlying investments.

£738k within the Wormald fund (2022: £630k) for CO educational activities. The fund awarded £9k, gained £42k from dividend income and £76k from unrealised gains.

### Tangible fixed assets

The RCR retains its buildings at the prevailing valuation and the trustees believe no change in value of land or buildings is required. The accounting policy is set out in the notes to the accounts, page 25.

The RCR had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

## Responsibilities of the trustees

The trustees are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the College and of the incoming resources and application of resources of the RCR 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 SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable 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 RCR will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the RCR and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities SORP (FRS 102) and the provisions of the Royal Charter and By-Laws.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. They are also responsible for safeguarding the assets of the RCR and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

All charitable companies have a duty to act in accordance with Section 172 of the Companies Act 2006 ('Duty to promote the success of a company'). The trustees consider that they have complied with their duties in Section 172 of the Companies Act 2006 by promoting the charity's success in achieving its charitable purpose: improving the science and practice of clinical radiology and clinical oncology.



In so far as each of the trustees at the time the report is approved are aware:

- a) there is no relevant audit information of which the auditors are unaware and,
- b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware

of that information. The trustees are responsible for the maintenance and integrity of the RCR, and financial information included on the RCR's website.

**The trustees**

Individuals who served as charity trustees during the year and up to the date of this report were as follows:

From 1 Jan 2023 to 31 Aug 2023	From 1 Sept 2023 to 31 Dec 2023
Dr K Halliday, President	Dr K Halliday, President
Dr J Elford, Treasurer	Dr Q Maik, Medical Director, Membership & Business
Dr W Ramsden, Dean, Clinical Radiology	Dr S Harden, Dean, Clinical Radiology
Dr T Roques, Dean, Clinical Oncology	Dr T Roques, Dean, Clinical Oncology
Dr P Suresh, Warden, Clinical Radiology	Dr P Suresh, Warden, Clinical Radiology
Dr R Cooper, Warden, Clinical Oncology	Dr L Hanna, Warden, Clinical Oncology
Dr R Uberoi, Registrar, Clinical Radiology	Dr R Uberoi, Registrar, Clinical Radiology
Dr N Thorp, Registrar, Clinical Oncology	Dr N Thorp, Registrar, Clinical Oncology
	Mr A Carey, Treasurer
	Sir David Sloman, Trustee

Elected members of the Council and trustees to 31 August 2023

From 1 Jan 2023 to 31 Aug 2023	
Dr A Bahl	Dr J Holemans
Dr M Rolles	Dr N Screatton
Dr J Miller	Dr C Coyle
Dr E Loney	Dr S Sundar
Dr A Taylor	Dr J Gildersleve

**Auditors**

Haysmacintyre LLP were appointed as the charity's auditors during the year and have expressed their willingness to continue in that capacity. The report of the trustees has been approved by the trustees on 20 September 2024 and signed on their behalf by:



Dr Kath Halliday, President



Anthony Carey, Treasurer

# 02 Independent auditor's report to the Members of The Royal College of Radiologists

## Opinion

We have audited the financial statements of The Royal College of Radiologists for the year ended 31 December 2023, which comprise the Consolidated Statement of Financial Activities, the Group and charity balance sheets, the Consolidated cash flows statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2023 and of the group's net movement in funds for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 group 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 group/charity'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 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. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charity; or
- Sufficient accounting records have not been kept; or
- The parent charity financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees 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 group's and the parent charity'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 group or the parent charity 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 misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and the environment in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the charity's Royal Charter, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body for our audit work, for this report or for the opinions we have formed.

*Haysmacintyre LLP*  
Haysmacintyre LLP 10 Queen Street Place  
London EC4R 1AG

### Statutory Auditors

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date: 2nd October 2024

### Consolidated Statement of Financial Activities

		Restricted funds 2023	Unrestricted funds 2023	Total funds 2023	Total funds 2022
	Note	£	£	£	£
<b>Income from:</b>					
Donations and legacies	4	9,852	-	9,852	60,013
Income from activities	5	80,692	9,004,311	9,085,003	7,440,718
Trading subsidiary	5	-	2,033,600	2,033,600	1,257,410
Investments	6	63,981	353,776	417,757	369,289
Other income	7	-	14,225	14,225	4,482
<b>Total income</b>		<b>154,525</b>	<b>11,405,912</b>	<b>11,560,437</b>	<b>9,131,912</b>
<b>Expenditure on:</b>					
Charitable activities	8	509,357	9,865,560	10,374,918	9,340,687
Other activities	8	-	2,194,757	2,194,757	1,579,614
<b>Total expenditure</b>		<b>509,357</b>	<b>12,060,317</b>	<b>12,569,675</b>	<b>10,920,301</b>
<b>Net expenditure</b>		<b>(354,832)</b>	<b>(654,404)</b>	<b>(1,009,236)</b>	<b>(1,788,389)</b>
Gains/(losses) on revaluation of fixed assets	14	-	(680,000)	(680,000)	(850,000)
Gains/(losses) on investments	15	115,108	426,960	542,068	(1,517,631)
Transfers					
<b>Net movement in funds</b>		<b>(239,724)</b>	<b>(907,444)</b>	<b>(1,147,169)</b>	<b>(4,156,019)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,404,047	23,869,102	26,273,149	30,429,168
Net movement in funds		(239,574)	(907,444)	(1,147,169)	(4,156,019)
<b>Total funds carried forward</b>		<b>2,164,323</b>	<b>22,961,658</b>	<b>25,125,980</b>	<b>26,273,149</b>

## Consolidated and Charity Balance Sheet as at 31 December 2023

	Note	Consolidated		The Charity	
		2023	2022	2023	2022
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	12	2,340,178	1,684,694	2,340,178	1,684,694
Tangible assets	13	14,901,361	15,203,561	14,901,361	15,203,561
Investment property	14	2,000,000	2,680,000	2,000,000	2,680,000
Listed investments	15	10,758,957	10,202,889	10,758,957	10,202,889
		<b>30,000,496</b>	<b>29,771,144</b>	<b>30,000,496</b>	<b>29,771,144</b>
<b>Current assets</b>					
Debtors	16	2,282,433	733,508	781,276	1,001,623
Cash at bank and in hand	23	1,736,758	2,932,467	1,731,836	1,250,747
		<b>4,019,191</b>	<b>3,665,975</b>	<b>2,513,110</b>	<b>2,252,370</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	17	(8,209,575)	(6,241,477)	(6,246,535)	(4,556,807)
<b>Net current assets</b>		<b>(4,190,384)</b>	<b>(2,575,502)</b>	<b>(3,733,423)</b>	<b>(2,304,437)</b>
Creditors: amounts falling due more than one year	18	(684,132)	(922,493)	(684,132)	(922,493)
<b>Total net assets</b>		<b>25,125,980</b>	<b>26,273,149</b>	<b>25,582,941</b>	<b>26,544,214</b>
<b>Charity funds</b>					
Restricted funds	20	2,164,322	2,404,047	2,164,322	2,404,047
Unrestricted funds	20	22,961,658	23,869,102	23,418,619	24,140,167
<b>Total funds</b>		<b>25,125,980</b>	<b>26,273,149</b>	<b>25,582,941</b>	<b>26,544,214</b>

The report of the trustees has been approved by the trustees on 20 September 2024 and signed on their behalf by:



Dr Kath Halliday, President



Anthony Carey, Treasurer

## Consolidated Statement of Cash flows as at 31 December 2023

	Note	2023	2022
		£	£
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	22-24	(226,232)	1,496,968
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		398,266	369,289
Proceeds from the sale of tangible fixed assets		-	-
Purchase of tangible fixed assets	13	(83,959)	(437,203)
Purchase of intangible fixed assets	12	(1,077,585)	(1,040,476)
Purchase of investments		(500,000)	(1,007,893)
Sale of investments		486,000	922,801
Sale of investment property		-	1,287,188
<b>Net cash used in investing activities</b>		<b>(777,278)</b>	<b>93,706</b>
<b>CBILS Loan Repayment</b>		<b>(180,000)</b>	<b>(135,000)</b>
CBILS Loan Interest		(12,199)	(25,850)
<b>Net cash used from financing activities</b>		<b>(192,199)</b>	<b>(160,850)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(1,195,709)</b>	<b>1,429,824</b>
Cash and cash equivalents at the beginning of the year		2,932,467	1,502,643
<b>Cash and cash equivalents at the end of the year</b>		<b>1,736,758</b>	<b>2,932,467</b>

# 03 Notes to the financial statements for the year ended 31 December 2023

## 1. General information

The Royal College of Radiologists is a Public Benefit Entity registered as a charity in England and Wales (charity number: 211540) and a Royal Charter company (RC000854). Its registered office is 63 Lincoln's Inn Fields, London, WC2A 3JW.

The trading subsidiary is RCR Education Ltd, 13941872, a wholly owned subsidiary of the RCR and registered in England and Wales with an office at 63 Lincoln's Inn Fields, London WC2A 3JW.

## Accounting policies

### 1.1 Basis of preparation of financial statements

The consolidated financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

### 1.2 Going concern

The trustees consider that there are no material uncertainties about the College's ability to continue as a going concern.

### 1.3 Income

Income is recognised when the College has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Subscriptions are included on a receivable basis. Income is deferred for the proportion

of the 2023/24 subscriptions applicable to the College's accounting period to 31 December 2023.

Examination income is recognised in the period that the exam sitting takes place. Income and costs for 2024 sittings are deferred until the date of the exam.

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities and is recognised on receipt or when entitlement to receipt is probable.

Income from other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of delivering services to members, examinations, training, and other educational activities undertaken to further the purposes of the College and the associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### Allocation of support costs

Resources expended are allocated to the activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Professional practice and member support	43%
UK exams	9%
Global exams	11%
Specialty training	14%
Professional learning and development	10%
e-Learning	4%
iRefer	8%

## 2.5 Intangible assets and amortisation

Intangible assets are stated at cost, less accumulated amortisation. Intangible assets costing more than £500 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible fixed assets are initially recognised at cost. After recognition, under the cost model, intangible fixed assets are measured at cost less accumulated amortisation. All costs incurred to bring an intangible fixed asset into its intended working condition should be included in the measurement of cost.

The intangible assets capitalised during the year are under construction and not in use, therefore no amortisation has been charged in the period.

Asset lives are reviewed annual and may be shortened and the accelerated depreciation recognised as a cost.

## 2.6 Tangible fixed assets and depreciation

Individual tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Land and Freehold property are held at fair value at the reporting date. In accordance with FRS102 freehold land is not depreciated. Depreciation is charged on freehold buildings over 50 years on a straight-line basis. Valuations are performed periodically with a maximum interval of five years, and more frequently if open market values are considered to be volatile, to ensure

that the fair value of a revalued building does not differ materially from its carrying amount. In any accounting period where a revaluation is not undertaken an impairment review will be conducted and provision would be made for any impairment.

Any revaluation surplus or loss is charged to the Statement of Financial Activities in the year of revaluation. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the buildings and the net amount is restated to the revalued amount of the buildings.

The estimated useful lives are as follows:

Building infrastructure	- 10 years
Membership database	- 4 years
iRefer guidelines	- 4 years
Intangible assets	4-7 years
Furniture	5 years
Computer hardware	3-5 years

## 2.7 Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. The valuation method used to determine fair value will be stated in the notes to the financial statements.

## 2.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The College does not acquire put options, derivatives or other complex financial instruments.

## 2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## 2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## 2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date because of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably.

## 2.12 Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

## 2.13 Pensions

The College operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the College in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the College to the fund. The College has no liability under the scheme other than for the payment of those contributions.

## 2.14 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the trustees for purposes.

Restricted funds and expendable endowment funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the funds.

## 2.15 Basis of consolidation

The financial statements consolidate the accounts of the College and the wholly owned subsidiary, RCR Education Ltd, on a line by line basis.

## 3. Critical accounting estimates and areas of judgement

Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

### Critical accounting estimates and assumptions:

Valuation of land and buildings and investment properties – The Colleges land, buildings and investment properties are stated at their estimated fair value based on management estimates as disclosed in note 13.

## 4. Income from donations and legacies

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Total 2022
	£	£	£	£
<b>Donations</b>				
David Skeggs Lecture	-	1,500	1,500	1,500
Dr Terence Wheele	-	-	-	400
NHS England	-	-	-	50,000
Roentgen Professorship Fund	-	8,352	8,352	8,113
<b>Total 2023</b>	-	<b>9,852</b>	<b>9,852</b>	<b>60,013</b>

**5. Income from activities**

	Restricted funds - charity 2023	Unrestricted funds - RCR Education Ltd 2023	Unrestricted funds - charity 2023	Total funds 2023	Total funds 2022
	£	£	£	£	£
Membership subscriptions	-	-	5,194,239	5,194,239	4,535,413
UK Examination fees	-	-	1,786,695	1,786,695	1,361,573
Global examination fees	-	1,948,537	-	1,948,537	1,237,946
Event income	-	-	711,457	711,457	506,705
e-Learning programme	-	62,369	-	62,369	19,464
Royalties and publications	-	-	336,160	336,160	371,031
Service fees	80,692	22,694	975,760	1,079,146	665,997
<b>Total 2023</b>	<b>80,692</b>	<b>2,033,600</b>	<b>9,004,311</b>	<b>11,118,603</b>	<b>8,698,129</b>

**6. Investment income**

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£	£
Properties income - Rent	-	64,170	64,170	64,303
Investment income - Bank interest	-	37,786	37,786	5,243
Investment income - Dividends	61,145	240,656	301,801	299,743
Investment income - Realised gain	2,836	11,164	14,000	-
<b>Total 2023</b>	<b>63,981</b>	<b>353,776</b>	<b>417,757</b>	<b>369,289</b>
Total 2022	56,442	312,847	369,289	

**7. Other income**

	Unrestricted funds 2023	Unrestricted funds 2022
	£	£
Facilities income	14,225	4,482
<b>Total</b>	<b>14,225</b>	<b>4,482</b>

**8. Resources expended 2023**

	Professional Affairs and Support	UK Exam Program	Global Exam Program	Specialty Training	Professional Learning and Development	e-Learning Program	iRefer	Restricted	Total
	£	£	£	£	£	£	£	£	£
Direct staff cost	1,512,207	372,453	411,733	608,769	499,168	147,720	385,913	296,258	4,242,382
Direct expenses	779,415	1,363,641	1,001,906	143,397	547,750	75,758	90,274	117,628	4,119,769
Depreciation	195,765	99,641	-	-	-	8,679	84,578	-	388,663
	<b>2,487,387</b>	<b>1,835,735</b>	<b>1,413,639</b>	<b>752,166</b>	<b>1,055,079</b>	<b>232,157</b>	<b>560,765</b>	<b>413,886</b>	<b>8,750,814</b>
Support cost 8a	1,397,360	308,241	349,340	452,087	328,791	123,296	246,593	82,198	3,287,905
Governance cost 8a	225,656	49,777	56,414	73,006	53,096	19,911	39,822	13,274	530,956
<b>2023 Totals</b>	<b>4,110,403</b>	<b>2,193,753</b>	<b>1,819,393</b>	<b>1,277,259</b>	<b>1,436,965</b>	<b>375,364</b>	<b>847,180</b>	<b>509,357</b>	<b>12,569,675</b>

Average headcount	34.0	7.5	8.5	11.0	8.0	3.0	6.0	2.0	80.0
2023 headcount allocation %	43%	9%	11%	14%	10%	4%	8%	3%	

**Resources expended by fund**

Unrestricted	4,110,403	2,193,753	-	1,277,259	1,436,965	-	847,180	-	9,865,560
Restricted	-	-	-	-	-	-	-	509,357	509,357
<b>Charitable activities</b>	<b>4,110,403</b>	<b>2,193,753</b>	<b>-</b>	<b>1,277,259</b>	<b>1,436,965</b>	<b>-</b>	<b>847,180</b>	<b>509,357</b>	<b>10,374,918</b>
RCR Education Ltd	-	-	1,819,393	-	-	375,364	-	-	2,194,757

**8a. Support activities 2023**

	Support costs	Governance	Total
	£	£	£
Indirect staff cost	1,392,198	271,496	1,663,694
Indirect expenses	1,476,108	259,460	1,735,568
Depreciation	419,599	-	419,599
<b>Total support cost</b>	<b>3,287,905</b>	<b>530,956</b>	<b>3,818,861</b>

**8b. Resources expended 2022**

	Professional Affairs and Support	UK Exam Program	Global Exam Program	Specialty Training	Professional Learning and Development	e-Learning Program	iRefer	Total
	£	£	£	£	£	£	£	£
Direct staff cost	1,569,515	423,717	312,330	464,515	425,117	148,008	241,334	3,584,535
Direct expenses	840,024	1,089,618	844,844	73,082	337,667	72,955	218,231	3,476,422
Depreciation	-	8,679	-	-	-	-	50,758	59,437
<b>Subtotal - Resources expended</b>	<b>2,409,539</b>	<b>1,522,014</b>	<b>1,157,174</b>	<b>537,597</b>	<b>762,784</b>	<b>220,963</b>	<b>510,323</b>	<b>7,120,394</b>
Support cost 8c	1,378,140	689,070	136,381	413,442	505,318	62,146	137,814	3,322,311
Governance cost 8c	209,403	104,701	2,002	62,821	76,781	948	20,940	477,596
<b>Total - Resources expended</b>	<b>3,997,082</b>	<b>2,315,785</b>	<b>1,295,557</b>	<b>1,013,859</b>	<b>1,344,883</b>	<b>284,057</b>	<b>669,077</b>	<b>10,920,301</b>
Average headcount	30	15	-	9	11	-	3	68
2022 headcount allocation %	44%	22%	0%	13%	16%	0%	4%	-

**8c. Support activities 2022**

	Support costs	Governance	Total
	£	£	£
Direct staff cost	1,367,259	243,701	1,610,960
Direct expenses	1,493,385	233,895	1,727,280
Depreciation	461,667	-	461,667
<b>Total support cost</b>	<b>3,322,311</b>	<b>477,596</b>	<b>3,799,907</b>

**9. Auditor's remuneration**

	2023	2022
	£	£
Fees payable to the College's auditor for the audit of the College's annual accounts	<b>32,585</b>	24,950
Other fees payable to the College's auditor	<b>3,098</b>	3,695

**10. Staff costs**

	2023	2022
Wages and salaries (including temporary staff)	<b>4,948,637</b>	3,905,010
Social security costs	<b>485,630</b>	422,653
Contribution to defined contribution pension schemes	<b>667,021</b>	533,388
	<b>6,101,288</b>	4,861,051

The average number of persons employed by the College during the year was as follows:	2023	2022
Examinations	16	15
Speciality training	11	9
Professional Learning and Development incl. e-Learning	11	11
iRefer	6	3
Professional Affairs and support	34	30
Support and administration	24	21
	102	89

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:	2023	2022
C1 In the band £60,000 - £69,999	10	4
C2 In the band £70,000 - £79,000	0	0
C3 In the band £80,000 - £89,999	0	2
C4 In the band £90,000 - £99,999	2	2
C5 In the band £100,000 - £119,999	1	0
C6 In the band £130,000 - £139,999	1	1

Until 14 September 2023, employer's pension contributions were paid at a rate of 15%. From 15 September 2023, employer pension contributions were at 8% for new employees. Total employer's pension contributions for employees earning more than £60,000 was £120,684 (2022: £86,120). The total employee benefits including pension and employer's NI contributions of the key management personnel were £567,180 (2022:£519,091).



## 11. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £23,328 were reimbursed or paid directly to trustees (2022 - £11,067 to 7 trustees). Expenses were in connection with travel and accommodation costs.

## 12. Intangible assets

	Database (CRM1)	Database (CRM2)	Intangible Assets	Asset under construction	Total
Cost	£	£	£	£	£
At 1 January 2023	1,196,777	220,347	736,297	417,615	2,571,036
Additions	-	285,307	380,421	411,858	1,077,585
<b>At 31 December 2023</b>	<b>1,196,777</b>	<b>505,654</b>	<b>1,116,718</b>	<b>829,473</b>	<b>3,648,622</b>
Depreciation					
At 1 January 2023	805,691	-	80,651	-	886,342
Charge for the year	195,543	-	226,559	-	422,101
<b>At 31 December 2023</b>	<b>1,001,234</b>	<b>-</b>	<b>307,210</b>	<b>-</b>	<b>1,308,444</b>
Net book value					
<b>At 31 December 2023</b>	<b>195,543</b>	<b>505,654</b>	<b>809,509</b>	<b>829,473</b>	<b>2,340,178</b>
At 31 December 2022	391,086	220,347	655,646	417,615	1,684,694

## 13. Tangible fixed assets

	Land	Buildings	Building Infrastructure	Furniture Fixtures & Fittings	Computers	Network	Artwork	Total
	£	£	£	£	£	£	£	£
Cost or valuation								
<b>At 1 January 2023</b>	<b>6,900,000</b>	<b>7,600,000</b>	<b>190,320</b>	<b>651,075</b>	<b>757,565</b>	<b>182,720</b>	<b>9,514</b>	<b>16,291,194</b>
Additions	-	-	28,323	18,222	37,414	-	-	83,959
<b>At 31 December 2023</b>	<b>6,900,000</b>	<b>7,600,000</b>	<b>218,643</b>	<b>669,298</b>	<b>794,979</b>	<b>182,720</b>	<b>9,514</b>	<b>16,375,154</b>
Depreciation								
At 1 January 2023	-	-	40,976	454,992	562,807	28,858	-	1,087,633
Charge for the year	-	152,000	9,951	62,056	125,609	36,544	-	386,159
<b>At 31 December 2023</b>	<b>-</b>	<b>152,000</b>	<b>50,926</b>	<b>517,048</b>	<b>688,416</b>	<b>65,402</b>	<b>-</b>	<b>1,473,793</b>
Net book value								
<b>At 31 December 2023</b>	<b>6,900,000</b>	<b>7,448,000</b>	<b>167,716</b>	<b>152,250</b>	<b>106,563</b>	<b>117,318</b>	<b>9,514</b>	<b>14,901,361</b>
At 31 December 2022	6,900,000	7,600,000	149,344	196,084	194,758	153,862	9,514	15,203,561

## 14. Investment property

	Investment properties
Valuation	£
At 1 January 2023	2,680,000
Loss on revaluation	(680,000)
<b>At 31 December 2023</b>	<b>2,000,000</b>

**15. Fixed asset investments**

Listed investments	2023	2022
Cost or valuation	£	£
At 1 January 2023	10,202,889	11,718,520
Additions	500,000	1,007,893
Disposals	(486,000)	(837,067)
Revaluations	542,068	(1,686,457)
	<b>10,758,957</b>	<b>10,202,889</b>
Sarasin Climate Active Endowment fund units	10,754,014	10,192,744
Cash	4,943	10,145
	<b>10,758,957</b>	<b>10,202,889</b>

**16. Debtors**

	Charity 2023	RCR Education Ltd 2023	Group 2023	2022
	£	£	£	£
Trade debtors	242,194	-	242,194	190,325
Other debtors	2,623	1,501,157	1,503,780	112,670
Prepayments and Accrued Income	536,459	-	536,459	430,513
	<b>781,276</b>	<b>1,501,157</b>	<b>2,282,433</b>	<b>733,508</b>

**17. Creditors – amounts falling due within one year**

	2023			2022		
	Charity	RCR Ltd.	Group	Charity	RCR Ltd.	Group
	£	£	£	£	£	£
Subscriptions and fees in advance	2,107,761	-	2,107,761	1,780,571	-	1,780,571
Trade creditors	124,925	-	124,925	523,021	-	523,021
Other taxation and social security	217,418	-	217,418	178,783	-	178,783
Accruals and deferred income	2,166,414	1,963,040	4,129,453	1,894,433	1,684,670	3,579,103
CBIL Loan	180,000	-	180,000	180,000	-	180,000
Intercompany creditor	1,450,018	-	1,450,018	-	-	-
	<b>6,246,535</b>	<b>1,963,040</b>	<b>8,209,575</b>	<b>4,556,807</b>	<b>1,684,670</b>	<b>6,241,477</b>

**18. Creditors – amounts falling due after one year**

	2023	2022
	£	£
CBILS loan	405,000	585,000
Royalties contract bonus	20,000	30,000
iRefer royalties	259,132	307,493
	<b>684,132</b>	<b>922,493</b>

CBILS loan is £900,000 over six years from March 2021 at a fixed interest rate, repayable from the 1st anniversary. Royalty bonus was paid on signing new contract and will be amortised over the five-year life. iRefer royalties provision relates to license subscription fee paid in 2023 for 2024, 2025 and 2026.

**19. Statement of funds – current year**

	Balance at 1 January 2023	Income	Expenditure	Transfers in/out	Gains/ (losses)	Balance at 31 December 2023
	£	£	£	£	£	£
<b>Restricted funds</b>						
e-Learning projects	a	199,085	-	(71,909)	-	127,176
QSI Accreditation programme	b	20,000	80,692	(166,799)	-	(64,683)
NHS England	c	50,000	-	-	-	50,000
Other Restricted funds		112,636	8,352	(95,471)	-	25,517
"Prize" fund	d	62,214	-	(7,728)	60,881	115,367
"Lecture" fund	f	123,095	1,500	-	(60,881)	63,714
"Research CO"	g	467,502	-	(13,661)	-	453,841
Education fund	h	1,369,516	63,981	(153,790)	-	1,115,108
		<b>2,404,048</b>	<b>154,525</b>	<b>(509,358)</b>	<b>-</b>	<b>115,108</b>
<b>Unrestricted funds</b>						
General funds		4,510,110	11,343,732	(10,998,571)	(1,062,427)	342,907
<b>Designated funds</b>						
Building maintenance fund	h	500,000	15,474	(955)	(15,474)	499,045
Major projects fund	i	397,848	-	(195,543)	-	202,305
Clinical Oncology & Radiology R&D fund	j	83,774	-	(131)	(83,643)	-
Cyclotron	k	161,805	4,768	(4,966)	-	8,597
CR Research fund (Kodak)	l	696,935	-	(39,822)	-	657,113
Wormald fund	m	630,375	41,938	(12,068)	-	75,456
<b>Fixed Asset funds</b>						
Freehold property	n	14,500,000	-	(152,000)	-	14,348,000
Fixed asset fund	o	703,562	-	(234,159)	83,959	553,362
Intangible assets	p	1,684,692	-	(422,101)	1,077,585	2,340,176
Revaluation reserve		-	-	-	(680,000)	(680,000)
		<b>23,869,101</b>	<b>11,405,912</b>	<b>(12,060,316)</b>	<b>-</b>	<b>(253,040)</b>
<b>Total of funds</b>		<b>26,273,149</b>	<b>11,560,437</b>	<b>(12,569,674)</b>	<b>-</b>	<b>(137,932)</b>
						<b>25,125,980</b>

**20. Summary of funds – current year**

	Balance at 1 January 2023	Income	Expenditure	Transfers, Gains/(losses)	Balance at 31 December 2023
	£	£	£	£	£
Designated funds	19,358,990	62,180	(1,061,745)	466,480	18,825,905
General funds	4,510,112	11,343,732	(10,998,571)	(719,520)	4,135,753
Restricted funds	2,404,047	154,525	(509,358)	115,108	2,164,322
<b>Total</b>	<b>26,273,149</b>	<b>11,560,437</b>	<b>(12,569,674)</b>	<b>(137,932)</b>	<b>25,125,980</b>

**Summary of funds – prior year**

	Balance at 1 January 2022	Income	Expenditure	Transfers, Gains/(losses)	Balance at 31 December 2022
	£	£	£	£	£
Designated funds	19,441,748	4,210	(551,059)	464,091	19,358,990
General funds	8,056,796	8,995,989	(10,087,732)	(2,454,941)	4,510,112
Restricted funds	2,930,624	131,714	(281,510)	(376,781)	2,404,047
<b>Total</b>	<b>30,429,168</b>	<b>9,131,913</b>	<b>(10,920,301)</b>	<b>(2,367,631)</b>	<b>26,273,149</b>

**21a. Analysis of net assets between funds – current year**

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	-	14,901,361	14,901,361
Intangible fixed assets	-	2,340,178	2,340,178
Fixed asset investments	2,182,289	8,576,668	10,758,957
Investment property	-	2,000,000	2,000,000
Current assets	-	4,056,792	4,056,792
Creditors due within one year	-	(8,162,068)	(8,162,068)
Creditors due more than one year	-	(684,132)	(684,132)
<b>Total</b>	<b>2,182,289</b>	<b>23,028,799</b>	<b>25,211,088</b>

**21b. Analysis of net between funds - prior year**

	Restricted funds 2022	Unrestricted funds 2022	Total funds 2022
	£	£	£
Tangible fixed assets	-	15,203,561	15,203,561
Intangible fixed assets	-	1,684,694	1,684,694
Fixed asset investments	2,600,055	8,833,375	10,202,889
Investment property	-	2,680,000	2,680,000
Current assets	-	3,665,975	3,665,975
Creditors due within one year	(196,007)	(6,241,477)	(6,241,477)
Creditors due more than one year	-	(922,493)	(922,493)
<b>Total</b>	<b>2,404,048</b>	<b>24,903,635</b>	<b>26,273,149</b>

**22. Reconciliation of net movement in funds to net cash flow from operating activities**

Notes	2023	2022
	£	£
Net income for the year (as per Statement of Financial Activities)	(1,147,169)	(4,156,019)
<b>Adjustments for:</b>		
Depreciation charges	808,261	619,104
Impairment of CRM	-	450,000
Revaluation of investment properties	680,000	850,000
(Gains)/losses on investments	(542,068)	1,361,598
Dividends, interests and rents from investments	(398,266)	(349,009)
Loss on the sale of fixed assets	-	2,000
(Increase)/decrease in debtors	(1,548,925)	(237,686)
Increase/(decrease) in creditors	1,909,737	2,956,980
CBIL Loan	12,199	-
<b>Net cash provided by operating activities</b>	<b>(226,232)</b>	<b>1,496,968</b>

**23. Analysis of cash and cash equivalents**

	2023	2022
	£	£
Cash in hand	1,702,094	2,616,394
Cash in Transit - Stripe, Sagepay	34,664	316,073
<b>Total cash and cash equivalents</b>	<b>1,736,758</b>	<b>2,932,467</b>

**24. Analysis of debt**

	At 1st January 2023	Cashflow	At 31st December 2023
	£	£	£
Cash in hand	2,932,467	(1,131,749)	1,800,718
<b>Total cash and cash equivalents</b>	<b>2,932,467</b>	<b>(1,131,749)</b>	<b>1,800,718</b>

**25. RCR Education Ltd – Statement of comprehensive income for the period ended 31 December 2023**

	2023	2022
	£	£
Turnover	2,010,905	1,257,410
Cost of sales	1,637,117	1,342,330
Gross profit/(loss)	373,788	(84,920)
<b>Other income</b>		
Administrative expenses	(582,379)	(183,200)
Interest receivable/(payable)	22,694	(2,945)
(Loss) on ordinary activities before taxation	(185,897)	(271,065)
<b>Taxation of profit on ordinary activities</b>		
(Loss) for the year	(185,897)	(271,065)
<b>Statement of retained earnings</b>		
Total retained earnings brought forward	(271,065)	-
(Loss) for the year	(185,897)	(271,065)
Distribution under Gift Aid to parent charity	-	-
Total retained (Losses) at 31 December 2023	(456,962)	(271,065)

**RCR Education Ltd - Statement of financial position at 31 December 2023**

	Notes	Total 2023	Total 2022
		£	£
<b>Current assets</b>			
Debtors	8	1,501,157	366,505
Cash at bank		4,922	1,424,348
		1,506,079	1,790,853
<b>Creditors</b>			
Amounts falling due within one year	9	(1,963,038)	(2,061,917)
Net current liabilities		(456,959)	(271,064)
Net liabilities		(456,959)	(271,064)
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Retained earnings		(456,962)	(271,065)
<b>Shareholders' fund</b>		<b>(456,961)</b>	<b>(271,064)</b>

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