

COBALT HEALTH

England & Wales · Charity number 1090790

Details

Other names	COBALT UNIT APPEAL FUND, COBALT, COBALT APPEAL FUND, GLOUCESTERSHIRE MAGNETIC RESONANCE IMAGING SERVICE
Status	Registered
Legal form	Charitable company
Company number	04366596
Registered	2002-02-26
Register	View on the Charity Commission register

Contact

Address	Cobalt Health Linton House Clinic Thirlestaine Road Cheltenham GL53 7AS
Phone	01242535906
Email	accounts@cobalthhealth.co.uk
Website	www.cobalthhealth.co.uk

Activities

Objects: THE OBJECTS OF THE CHARITY ARE : 1. THE DETECTION, DIAGNOSIS, TREATMENT AND PREVENTION OF SICKNESS, IN PARTICULAR CANCER, IN PERSONS LIVING IN GLOUCESTERSHIRE, HEREFORDSHIRE, WORCESTERSHIRE AND THE WEST MIDLANDS, AND SUCH OTHER AREAS OF GREAT BRITAIN AND BY SUCH MEANS AS THE TRUSTEES MAY FROM TIME TO TIME DECIDE, INCLUDING THE PROVISION AND MAINTENANCE OF EQUIPMENT; AND 2. TO PROVIDE OR ASSIST IN THE PROVISION OF EDUCATION AND RESEARCH INTO METHODS OF DETECTION, DIAGNOSIS, TREATMENT AND PREVENTION OF SICKNESS, IN PARTICULAR CANCER AND PUBLICATION OF ANY USEFUL RESULTS.

Activities: The Charity works, in collaboration with the National Health Service and other bodies, to prevent, detect, diagnose and treat or alleviate cancers and other life limiting disease/injury. It does this by providing:1) funding to support local NHS oncological and allied services2) a Cancer Prevention and Education Service3) an MRI scanning service4) a PET-CT service5) funding of research

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** GLOUCESTERSHIRE, HEREFORDSHIRE, WORCESTERSHIRE AND THE WEST MIDLANDS, AND SUCH OTHER AREAS OF GREAT BRITAIN AS THE TRUSTEES MAY FROM TIME TO TIME DECIDE.
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£28,192,905	£28,662,565	£31,399,722	182
2024-03-31	£25,362,330	£26,924,960	£31,869,382	174
2023-03-31	£26,842,874	£25,929,080	£33,432,012	161
2022-03-31	£22,884,178	£19,952,417	£32,518,218	131
2021-03-31	£21,674,569	£14,872,035	£29,586,457	117

Trustees

Name	Role	Appointed
Philip James Leonard	Chair	2023-11-16
Claire Morris		2022-06-23
Dr Felicity Jenkins		2023-11-16
Dr Janet Ropner		2019-05-28
Dr Valerie Jane Udale		2020-02-24
Matthew Nicholas Jones		2023-11-16
Pamela Sissons		2022-06-23
Ruth Elaine Goddard		2020-02-24

Linked charities

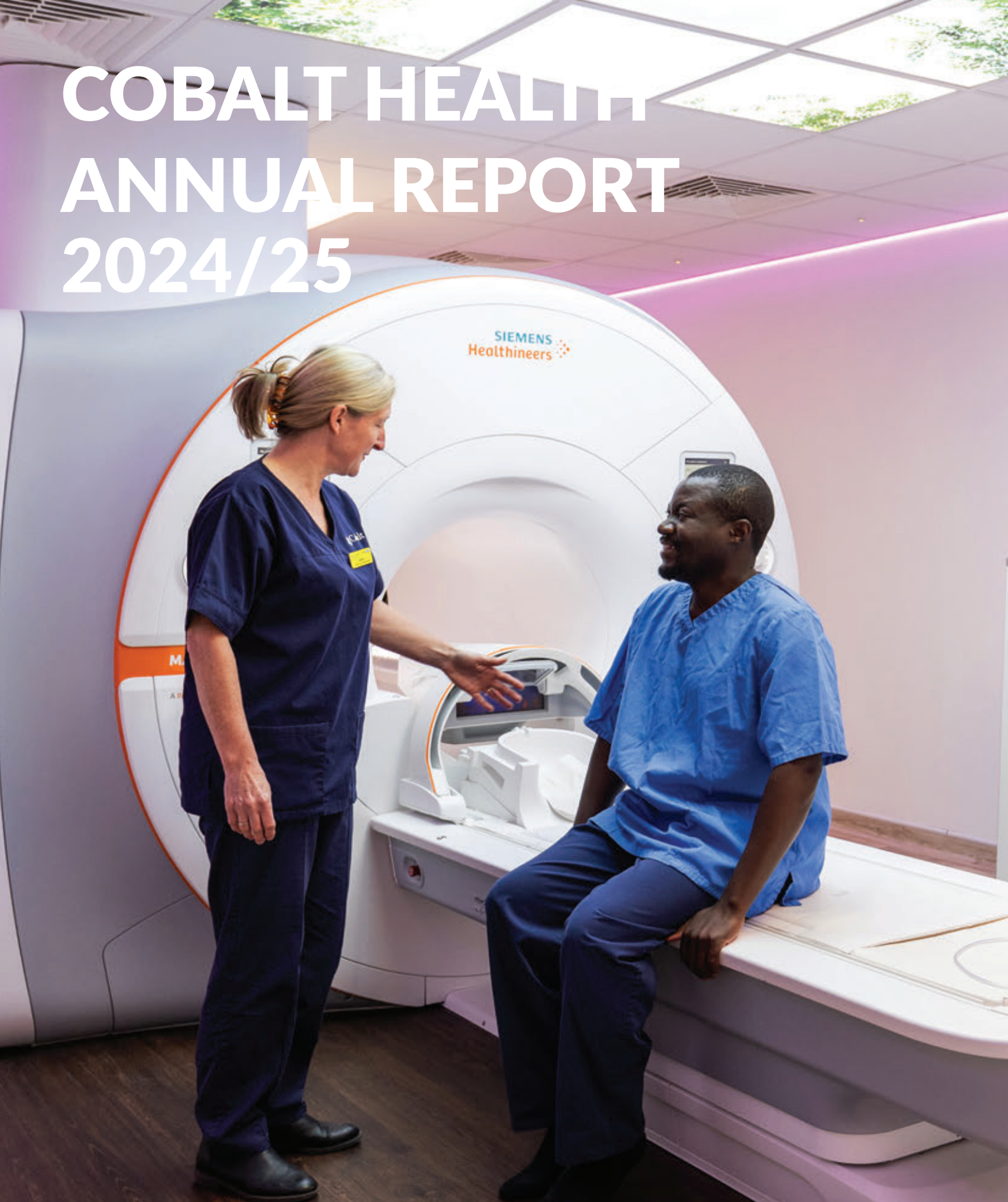
- COBALT UNIT APPEAL FUND (1090790-1)

COBALT HEALTH

England & Wales - Charity number 1090790

Accounts

COBALT HEALTH ANNUAL REPORT 2024/25



www.cobalthhealth.co.uk

Charity Registration Number: 1090790

Company Number: 04366596



Cobalt

Medical Charity

Diagnosis • Research • Education

OUR VISION

The best healthcare outcomes for all through world-class medical imaging.



CONTENTS

Chair of the Board of Trustees' statement	4
About us	5
Our values	5
Our impact	6, 7
Trustees' Strategic Report	8
Our objectives	9
Patient story	10, 11
Diagnosis – Aims, achievements and the future	12, 13, 14, 15, 16, 17
Research – Aims, achievements and the future	18, 19, 20
Patient viewpoint	21
Research and why it matters - an update from our Director of Clinical Research	22, 23

Education - Aims, achievements and the future	24, 25
Fundraising Report	26, 27, 28
Giving with Confidence	29
Financial overview	30, 31, 32, 33
Structure, governance and management	34
Statement of trustees' responsibilities	35
Independent auditors' report to the members of Cobalt Health	36, 37, 38
Statement of financial activities	39
Balance sheet	40
Cash flow statement	41
Notes to the financial statements	42 - 61
Trustees, executives and advisors	62
Glossary	63

CHAIR OF THE BOARD OF TRUSTEES' STATEMENT



Earlier this year, like many of you, I read the NHS 10-Year Plan with great interest. Having worked in healthcare for 30 years, I can say it represents the most progressive vision for the service that I can remember.

The proposed changes are compelling for two key reasons. First, the shift towards primary and community care, supported by smaller and more specialist hospitals, reflects what patients consistently tell us they want. We have all seen the transformative power of technology in our daily lives; applying the capabilities of smartphones, apps, and digital tools to healthcare feels long overdue.

Secondly, this vision speaks directly to Cobalt's mission. We are already working with our NHS partners to make it a reality. Through advanced screening and diagnostic services—particularly in cancer and dementia, we aim to detect these challenging diseases as early as possible, giving clinicians the best chance to secure longer and better-quality lives for patients. Our mobile and relocatable facilities embody a flexible model of care that can respond to the evolving needs of our communities.

Cobalt has always been committed to investing in the best technology available. From our early days, more than 60 years ago, when we introduced cutting-edge scanners, to today's exciting opportunities in AI and personalised medicine, we continue to embrace innovation. These tools not only enhance diagnosis but also support administration and, importantly, offer the opportunity to improve the care experience for patients and their families. In a world where the "future of healthcare" is often discussed, we can be proud that Cobalt is already delivering it.

Research also remains a jewel in Cobalt's crown. Our studies have impact far beyond our size. Two recent projects stand out. The BRAID study, a randomised controlled trial evaluating

different scanning methods for diagnosing cancer in women with dense breasts, was published in The Lancet. This represents a tremendous achievement, well supported by our research, marketing, and fundraising teams in promoting our role with local media. Another valuable project focuses on patient gown design, a seemingly small detail but one that places dignity and privacy at the heart of care, true to our ethos. My sincere thanks go to all involved in research at Cobalt.

On behalf of the Board, I want to thank our exceptional managers, staff, and volunteers. As I write this, my second annual report summary, I reflect on a year marked by change but also anchored in the continuous and consistent professionalism and compassion for which we are well known. This ethos shines through in the outstanding patient feedback we continue to receive. I would also like to extend my personal gratitude to my fellow non-executive board members, it is an honour to work alongside such a talented and committed team.

This year we also welcomed Jim Brown as our new Chief Executive Officer. Jim brings with him a distinguished career in the British Army and valuable NHS experience before joining Cobalt in June. I would like to recognise the remarkable service of Malcolm MacKeith, who first served as Finance Director and latterly as Chief Executive. His 10 years of dedication have been instrumental to the charity's success, and we are grateful for his support in ensuring a smooth transition before his well-earned retirement.

Looking ahead, I do so with optimism. We will continue to deliver the highest standards of care, while continuing to invest in our research and education programmes. The board and I are excited to work closely with Jim and the team as we embark on the next chapter of Cobalt's proud history.

Phil Leonard

ABOUT US

We deliver quality, patient-focused diagnostic imaging; we undertake research, mainly in cancer and dementia; and we invest in sustainable innovation and improving patient care. We educate medical professionals and support the development of the next generation of healthcare workers. We partner with colleagues in the NHS, like-minded people in local communities, experts and pioneers. To make all this possible, we depend on donations and income from our services.

Last year we celebrated our 60th anniversary and the achievements and impact we have made since Dr Fred Hanna, Howard Crooks and a committee of medics established the Cobalt Unit Appeal Fund, to raise money to build a centre for NHS cancer treatment in Cheltenham all those years ago. The success of that first fundraising campaign, led to many more over the years, including fundraising for whole body x-ray equipment, buildings to house the breast screening service and many cutting-edge scanners. Our mission is still to enable timely, accurate diagnosis and treatment through sustainable innovation in imaging.

Each year we provide diagnostic imaging for over 160,000 patients at our imaging centres in Cheltenham, Gloucester and Birmingham, and through a fleet of

eighteen MRI*, CT* and PET/CT* mobile scanners. We are a leading provider of ultra-low dose CT lung cancer screening services in the UK, working in partnership with the NHS. We focus on offering equipment and services not generally available within the NHS, using the latest technology to deliver superior image quality, improve patient comfort and enable shorter scanning times.

Alongside our diagnostic services, we also fund and participate in research on a local, national and international basis. We are currently supporting over 80 research projects and clinical trials, with the aim of advancing the detection and treatment of cancer, dementia and other long-term conditions. We provide education events for medical professionals, including GPs, consultants, physiotherapists and chiropractors; and support undergraduate radiography students with clinical placements.

In June 2025 we welcomed our new CEO, Jim Brown, to lead us through our next chapter.



OUR VALUES



Our core values, which lead our strategy are built around our patient-centric ethos; Innovative, Caring, Accessible, Respectful and Ethical (I CARE).



I	C	A	R	E
INNOVATIVE	CARING	ACCESSIBLE	RESPECTFUL	ETHICAL

OUR IMPACT

Here are just a few examples of how Cobalt is making a difference:

We delivered over 3,100 days of lung cancer screening, identifying patients who benefitted from treatment at an early, more treatable stage.

Over 1,300 NHS breast cancer research patients were recruited onto a key trial by Cobalt's research nurses. The trial led to earlier detection of some cancers in participants.

We help train the next generation of radiographers by supporting universities with course development and placement opportunities for radiography students.

We are currently participating in 50 active research trials mainly in cancer and dementia. Creating more opportunities for patients to participate, and helping improve understanding of these diseases.

Our team supporting the Gloucestershire Community Diagnostic Centre delivered 400 scans per week for NHS patients in the centre of Gloucester City. Reducing pressure on the main hospitals.

We have invested in AI software for our scanners, improving image quality and shortening scanning times for patients.



PET/CT is seen as the 'go to' test for diagnosing and monitoring treatment for cancer and dementia. In 2024/25, we delivered a record number (4,976) scans for patients from the three counties - Gloucestershire, Herefordshire and Worcestershire - on behalf of NHS England, an increase of 16% on the previous year. With scans for research trials and a handful of private patients, the total was over 5,500. We are investigating siting a scanner in Worcestershire to help absorb the growth and provide a more accessible service for those patients travelling from this area to Cheltenham.

We delivered over 13,000 MRI, CT and PET/CT scans on behalf of local NHS trusts and NHS England, supporting the prompt delivery of diagnostic imaging for local patients.

Cobalt's Teenagers and Young Adults with Cancer Nurse, Megan Willsher, helped over 50 patients and their families with their journey through diagnosis and treatment.

Translative medicine – from research to the clinic

Our team at the ITM (Institute of Translational Medicine) Imaging Centre work closely with the consultants, clinicians and physics team at the University of Birmingham NHS Foundation Trust to help develop new clinical pathways. Research projects conceived locally and developed with the help of our advanced 3.0 Tesla MRI scanner are now established clinical pathways, changing outcomes for critically ill people.



Improving lung cancer survival rates

The Manchester University NHS Foundation Trust (MFT) lung screening programme was one of the earliest established and has been the most successful in enabling screening to take place in community settings. We are proud to have supported this programme since 2018.

Prior to the screening programme the majority of lung cancers were discovered at stage three to four. As a direct result of our activity the majority (76%) are now discovered at stage one to two, with participants going on to receive treatment with significantly

improved 5-year survival rates. In 2024/25 we delivered 43,335 CT scans for the MFT programme.

Speaking on social media, MFT lung screening attendee Margaret said:

'I went for my scan. Stage one lung cancer [was] found. I had no symptoms. [I had an] operation within six weeks of diagnosis to remove it. My care was excellent. Six months on [I am] due for a scan to check all is still clear. [As] far as I am concerned, they saved my life. Thank you to all [the] hospitals and staff I came into contact with'.

TRUSTEES' STRATEGIC REPORT

The Cobalt board of trustees present their Strategic Report and the Financial Statements for the year ended 31 March 2025. The Charity reports its achievements in 2024/25 against its core activities of diagnosis, research and education.

Public Benefit

When reviewing the aims and objectives, and planning future activities, the trustees have referred to and believe they have complied with the duty in section 17 of the Charities Act 2011. This relates to having due regard to the Charity Commission's published general guidance on public benefit, in particular, to its supplementary public benefit guidance on fee-charging. The trustees have also considered how planned activities will contribute to the aims and objectives they have set.

The trustees believe that this report demonstrates the charity's commitment to providing public benefit through a range of activities, including:

- the advancement of diagnostic practice
- the sharing of knowledge with healthcare practitioners
- the provision of low-cost and free scans to assist in patients' diagnosis and treatment
- helping the NHS and cancer alliances to take cancer screening into the community

Our commitment to quality

We fulfil Care Quality Commission standards and demonstrate the consistent audit and improvement required to meet the:

- Quality Standard for Imaging (QSI)
- BS 70000 Medical physics, clinical engineering and associated scientific services in healthcare accreditation
- ISO 9001:2015 Quality Management Systems Standard
- ISO14001:2015 Environmental Management Systems Standard
- ISO45001:2018 Occupational Health and Safety Management Systems Standard
- Cyber Essentials Plus



OUR OBJECTIVES

The detection, diagnosis, treatment and prevention of sickness, in particular cancer, in persons living in Gloucestershire, Herefordshire, Worcestershire and the West Midlands, and such other areas of Great Britain and by such means as the trustees may from time to time decide, including the provision and maintenance of equipment and to provide or assist in the provision of education and research into methods of detection, diagnosis, treatment and prevention of sickness, in particular cancer and dementia and publication of any useful results.

The charity's articles include the powers to develop, deliver and promote services that detect, diagnose, treat and prevent sickness, in particular cancer and dementia.

When reviewing whether the charity has been successful, the trustees consider:

Number of patients scanned;

- Feedback from patients and referring clinicians about the quality of the service;
- Support provided to oncology and dementia services, including research and clinical trials;
- Investment in up-to-date equipment and aiding the introduction of new diagnostic imaging innovations;
- Effectiveness of the training and education delivered to healthcare professionals;
- Number of research projects and clinical trials supported;
- Number of internal research studies and papers accepted;
- Effectiveness of externally funded research;
- Levels of employee satisfaction;
- Financial performance of the charity and its ability to fund future activities;



PATIENT STORY

MY STORY - SO FAR!

BY JEN SCOTT



(2023)

Me trying not to look too ill when a friend came to visit. I remember feeling so weak and unfocused. Note Trixie the medication pump on the table with my attempt to hide the tubes.



(2024)

My sister and I at a Christmas celebration I never thought I'd see.

'The moment I walked in the reception at Cobalt, I felt reassured, looked after,' says Jen Scott, whose journey began in early 2023, when she was on a walking holiday in Cornwall, with a sudden inability to swallow. Within days she was diagnosed with a 27cm in length oesophageal tumour - shocking news for someone who had been healthy and full of energy just weeks earlier.

She said 'The prognosis wasn't good, and I initially decided not to have treatment and started to plan the end-of-life procedure. Then my oncologist mentioned a clinical trial. That changed everything for me, and I decided to accept it.'

To assess eligibility and accurately stage the cancer, her oncologist referred her for a PET/CT scan at Cobalt, in Cheltenham. When NHS transport didn't show up, Jen was determined not to miss the scan. 'I got a taxi home, and drove myself to Cobalt,' she recalls.

That scan played a crucial role in guiding her treatment plan over the following months: a long course of daily chemotherapy via the feeding tube, plus intravenous chemotherapy. Jen said 'I was attached to a pump 24 hours a day. I named it Trixie [she] went everywhere with me. Nothing went into my mouth or down my oesophagus into my stomach for nine months, no water, nothing.'

'My sister was my main source of support in every way. Friends did what they could but were afraid of passing on any germs they might have. Some stayed away, others didn't know what to say. Cancer is lonely.'



(May 2025)

My partner and I getting the keys to our home together and the start of our futures



(June 2025)

Starting to feel more energetic again (I had started gentle tai chi)

The treatment continued with side effects and complications often resulting in hospital admission and Jen returned to Cobalt several times for follow-up scans to track her progress.

'Eventually there were signs of the treatment working. I couldn't believe it, my oncologist became optimistic and it was thought that I may, in time, be able to drink fluids. I began to increase the volume of feed which meant I could have a couple of hours without being attached to Trixie the tube.'

Before her illness Jen had joined a dating site and had forgotten about it so was curious when she received a message from a man who had a 'really brilliant, funny, clever and appealing profile'. She found herself agreeing to meet for a coffee. 'My head was saying it wasn't a good time to consider a relationship, but my heart was saying yes.'

So I taped my feeding tubes to my stomach and went to meet the clever profile writer. It was a hot day and I chose a small carton of juice and pretended to drink with a straw. Madness.'

Jen met him a few times always avoiding eating and drinking. Eventually she told him about her situation, and he was very understanding. Two years on and they've moved into a new home together!

The treatments continued with varying success and in early May, Jen agreed to stop treatment and wait and see what develops. She has recently received her latest scan results from Cobalt which show no sign of cancer.

Jen said 'By nature I'm a positive, motivated, curious and impulsive person. I believe that these attributes have, and will continue to play an important part in my recovery and overall health and outlook. At my lowest point I continued to drag myself outside and breathe in the fresh air, taking note of the season. These things kept me in touch with my personality and character. Every trip to Cobalt has been professional and efficient.'

Jen

June 2025



DIAGNOSIS

AIMS FOR 2024/25 WERE:

We aim to support NHS services by providing enhanced medical care to people who are sick and injured, using the most up-to-date imaging technology that would not otherwise have been available. The specific aims for 2024/25 included:

- To focus the targeted lung health check activity to support those programmes that best meet Cobalt's three objectives of improved diagnosis, education and research to improve understanding, techniques and shared practice.
- To continue our work on a project with the Institute of Translational Medicine at the QE Hospital Birmingham to upgrade our research scanner there, effectively making it as-new, increasing the diagnostic and research capability and extending its potential operational life by up to ten years.
- To continue to evaluate tools which establish visual and audio links to remote/mobile scanners so that senior radiographers can support their colleagues by being able to shadow the operation of the scanner, with the intention of providing higher levels of technical support, training and education, and improved patient safety through live interpretation of unexpected findings.
- To work with NHS colleagues in Worcester to explore the provision of a PET/CT service in the county, with

the aim of reducing the travel time for many patients, including those travelling from Herefordshire. Helping patients closer to Birmingham to access a PET/CT service with shorter wait times.

- To work with referrers and our radiologists to ensure that we use the 300 PSMA doses we secured with the support of Cobalt's NHS England Specialist Commissioner for the maximum benefit of patients showing signs of prostate cancer to help with both their diagnosis and ongoing treatment.
- To participate in NHS England led discussions, and to both monitor and prepare to be part of a national roll out should NICE approve the use of new treatments for dementia patients to slow the progression of disease.
- To keep monitoring the potential for further cancer screening programmes that will need the support of diagnostic imaging.
- To work with local consultants to start a specialist cardiac MRI service in Cheltenham, with the medium-term target of being recognised by NHS Specialist commissioners so that particularly ill patients will not need to travel to Oxford and Bristol for this service.
- To deliver the Dudley CDC project in a timely manner and to work closely with the local trust team to continue to deliver an excellent facility and service.

DIAGNOSIS

ACHIEVEMENTS IN 2024/25 WERE:

Lung Cancer Screening services (LCS)

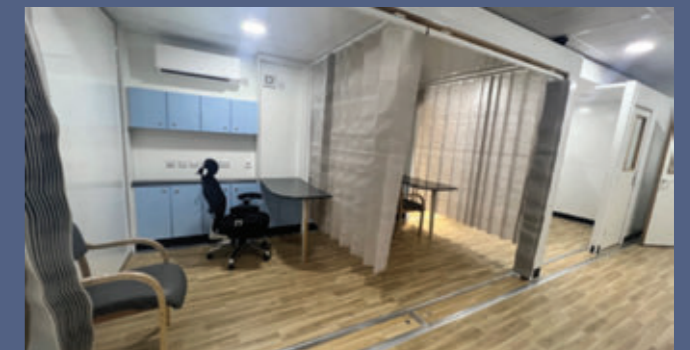
The targeted lung health check programmes have been renamed lung cancer screening services. We continued to support six services, delivering 3,100 days of screening, up from 2,024 in 2023/24. The growth was the result of new services covered by existing contracts.

These complex services, requiring the deployment of staff and up to three interconnecting trailer units and generators, made a loss in the previous year. To address this, a new operations centre was created with tools introduced to improve visibility, response rates, and control costs. As a result, the loss has been reduced, efficiencies found and the financial drain on charity resources stemmed.

New support units for the Manchester University NHS Foundation Trust (MFT) lung screening programme

The MFT lung cancer screening programme grew from one scanner in 2023 to four in 2024. Three of these units undertake initial screenings and first time CT scans, with the fourth moving locations frequently to undertake follow-up scans from previous attendees. We often provide over 200 CT scans a day for this service.

To improve facilities for the team of cancer and research nurses, two new large-scale support units were designed in collaboration with Gloucestershire charity Hope for Tomorrow (HfT) and trailer manufacturer, WH Bence. HfT has a history of supporting mobile cancer treatment facilities and owns one of the new trailers which we hire to support the service.



Remote scanning support tools

The development of remote management tools, to establish visual and audio tools to support radiographers, is proving problematic for scanners in the field to obtain a suitably strong and consistent communications /wifi signal. The potential benefits would be significant, and we will continue to review future options.

Cardiac MRI

We started providing a cardiac MRI service for patients. The scans are undertaken with the support of two cardiologists working closely with our teams on site. The initial trial has been successful, and we are receiving more referrals and increasing efficiencies as the team gains experience.

Community Diagnostic Centres (CDC)*

The NHS ethos behind the development of Community Diagnostic Centres (CDCs) and the aspirations of the programme align with our values.

We continue to work in partnership with Gloucestershire Hospitals NHS Foundation Trust to deliver the MRI and CT imaging for the CDC at Gloucester Quays. The centre delivers 400 scans per week. This level of activity has been supported by the introduction of AI software on the MRI scanner, a revision of working practices, and excellent teamwork. The addition of a dedicated centre manager and the inclusion of paramedics working with the team has ensured that patient safety remains paramount.



Cobalt at Gloucester Quays

We won the contract to provide MRI and CT imaging for the Dudley Group NHS Foundation Trust CDC at Corbett Outpatient Centre in Stourbridge. Working with WH Bence, we developed an innovative design to fit within a restricted space. The bespoke units were prepared to be delivered in late December 2024. Delays with site preparation by the site owner meant the units could not be delivered until June 2025. The CT and MRI services have been provided throughout this time using separate mobile scanners at Corbett and Dudley Hospitals. We look forward to bringing our teams together to operate the combined service.

PET/CT



Our relocatable PET/CT scanner in operation at Coventry Hospital



The spacious scan room within the relocatable unit

Our first PET/CT relocatable unit

- Our first relocatable PET/CT unit was completed in Summer 2024 and commenced service in October, supporting Coventry and Warwickshire Partnership NHS Trust whilst their scanner was upgraded. The Siemens Flow Edge PET/CT is the same advanced scanner installed in the recently built mobile unit. We were able to repurpose this scanner from Cobalt Imaging Centre Cheltenham resulting in both considerable financial and environmental benefit.

- We are working closely with Worcestershire Acute Hospitals NHS Trust to site the unit at the Alexandra Hospital, Redditch, with plans to provide a local service and improve access for patients in this area. To further enhance the provision in this area we aim to provide education and research opportunities for the local clinical teams and universities, including shared working and support for radiologists. The service launch is planned for Autumn 2025.

* See glossary of terms page 63

Our mobile PET/CT service

Following our concern that the potential impact of this scanner was being lost due to insufficient activity, and discussions with the team at St. George's Hospital, the service days and the number of patients scanned every week have increased by inviting other London trusts to use the service to help manage their PET/CT waiting lists.



Prostate Specific Membrane Antigen (PSMA) scans

We have provided PSMA tracer scans through a formal arrangement with NHS England's specialist commissioners to NHS patients for three years. This antigen helps to diagnose prostate cancers, particularly in younger men with more aggressive cancers.

NHS England provided funding for 300 scans in 2024/25, however we were unable to deliver this number due to the fragility of the supply of the PSMA tracer. The tracer often failed production checks on the day of the scan, leading to delayed diagnosis and a growing waiting list. So, whilst it was pleasing to see an increase from 121 completed scans in 2023/24 to 219 in 2024/25, there was a missed opportunity, which was out of our control.

We continue to collaborate with the providers of the tracer to try and maximise the use of funded scans.

New dementia medicines

To date NICE have not agreed to fund any of the new dementia drugs, as the cost is seen as too high for the additional life benefit gained. We have seen a limited increase in private PET/CT and MRI scans for patients who are self-funding the treatment. We will continue to monitor developments of new dementia treatments/pathways.

Upgrading our 3.0 Tesla MRI scanners to incorporate more advanced AI features

The trustees approved a plan to upgrade all three 3.0 Tesla MRI scanners, with the first being undertaken in 2024/25.

We have the only mobile 3.0 Tesla MRI scanner in Europe. Philips offered us an upgrade to add AI capability and improved hardware, extending the life of the scanner by three years. This has enabled us to continue to support the Royal National Orthopaedic Hospital with their complex imaging and provided the prospect of working on two new clinical studies for concussion in sport and prostate screening.

We agreed with University Hospitals Birmingham (UHB) team to delay the upgrade of the 3.0 Tesla scanner at our ITM Imaging Centre, to enable us to provide specialist scans whilst their own 3.0 Tesla scanner was upgraded. Work commenced on the upgrade in June 2025. The 3.0 Tesla at Cobalt Imaging Centre, Cheltenham will also be upgraded in Summer 2025.

DIAGNOSIS

THE FUTURE



Cardiac Imaging

- To explore further development of cardiac services including the provision of CT scans and replacing our current ultrasound scanner to provide improved heart imaging with tools for echocardiograms.

MRI – 3.0 Tesla upgrades

To complete the upgrade of our 3.0 Tesla scanners:

- The investment of £1m to upgrade the 3.0 Tesla scanner at the Institute of Translational Medicine (ITM) Imaging Centre started in June 2025. The enhanced scanner retains the existing magnet, significantly reducing the environmental impact of the upgrade. Once complete the team at the ITM Imaging Centre will be able to extend the high-quality research and clinical work undertaken with UHB and their partners.
- A similar upgrade of the static 3.0 Tesla in Cobalt Imaging Centre, Cheltenham was derailed by concerns about the longevity of the Faraday cage that controls the magnetic field. It was agreed that an AI upgrade would provide most of the advantages being sought from the larger project. This upgrade ensures the scanner will continue to provide advanced research level imaging for a further five years. This £185k project will be completed in Summer 2025.

- To commence work with our research partners to use the 3.0 Tesla MRI scanners for immediate concussion studies and prostate screening.

PET/CT

- To continue to work with Worcestershire Acute Hospitals NHS Trust to establish a PET/CT service in the county and develop related educational and research activities.
- To monitor the planned renewal of national NHS PET/CT contracts and prepare for future engagement in the bid process, with the aim of continuing to provide high quality PET/CT for the three counties.
- To work with the PSMA tracer producers to enable us to utilise all funded scans from NHS England to expedite prostate cancer assessments.
- To recruit staff for the new PET/CT service in Worcestershire in anticipation of an increase in referrals.
- To increase the number of cross-trained CT and PET/CT staff to improve flexibility in the team and for career progression.

CDC

- To support the Dudley Group NHS Foundation Trust CDC by establishing the planned MRI and CT scanners in the new location at Corbett Outpatient

Centre and recruiting a dedicated manager to work with the trust to ensure a high performing service benefitting the local community.

- To monitor NHS England’s ongoing strategy for the rollout of CDCs to identify further opportunities to support trusts planning to run their own CDCs with an outsourced imaging component.

PSIRF – Patient Safety and Incident Response Framework.

- The Patient Safety and Incident Response Framework (PSIRF) sets out the NHS’s approach to developing and maintaining effective systems and processes for responding to, and learning from any patient safety incidents.
- In response to this requirement, we have appointed two new roles, the first a Quality Manager and Health and Safety Officer and the second a Clinical Governance Manager and Patient Safety Specialist. Both appointees are members of the internal incident review group and report to the trustee-led Clinical Governance Committee. They will continue to ensure that all staff and managers are aware of their responsibilities.

Lung Cancer Screening (LCS) services

- We are proud to have led the expansion of lung cancer screening services being delivered in convenient community locations. Changes to the pattern of the service over time, the complexity of support required, and significant inflation in logistics costs have resulted in financial deficits in a number of the services we provide. We recognise the immense impact lung cancer screening provides, but this cannot be to the detriment of other developments, including our research and education programmes. We will focus our future LCS activities on programmes where the partnership is strong, our team can excel in delivery, the impact is high, and the service is sustainable.

Energy efficiency and carbon reduction

- To continue to work with grant makers and key suppliers to develop improvements in hybrid battery technology and heat recovery systems to save energy, reduce our carbon footprint and improve finances.
- Supporting breast cancer screening services for Gloucestershire Hospitals NHS Foundation Trust.
- To continue to subsidise accommodation for the NHS breast cancer screening service at our Cobalt House property, Thirlestaine Breast Centre.



RESEARCH

AIMS FOR 2024/25 WERE TO:

Research is a key element of our vision to improve outcomes for patients now and in the future and benefits the wider health system. It provides opportunities for staff development and helps increase recruitment rates and retention.

- Support further radiographer-led research to improve patient experience.
- Explore the benefits of AI in the operation of scanners and the interpretation of images. This will require dedicated research time for staff through integrated job planning and recruitment, including opportunities for internal secondments and fellowships.
- Continue to develop opportunities for Cobalt staff to undertake training in research methods, good research practice and peer mentoring opportunities, to assist staff in the presentation and promotion of their results.
- Continue to employ a research fellow to support internal / external research collaborations. To

consider the benefit of employing a second fellow to expand the range of activity.

- Ensure that our role in research and innovation is recognised through publications, and representation at conferences.
- Build on relationships with local universities, research centers and hospital trusts to share resources and expertise, and provide opportunities for collaborative research, with access to funding through an external application process.
- Establish a project team to build a research database of existing scans and to consider what data should be included in the future, and how best to achieve this in order to maximise the benefit of this information.
- Develop relationships with experts with complementary skills, eg statisticians, IT, physicists, and ethics experts, etc who can advise in the design of internal research projects, help train staff, assist in the design of projects and evaluate applications.

RESEARCH

ACHIEVEMENTS AND IMPACT IN 2024/25 WERE

Radiographer-led research continued to develop in 2024/25, with new projects being started.

- In June 2024, Kerry Pawley presented two projects at UKIO. The first was, poster presentation of her joint project with fellow MRI radiographer Zoe Wray on the benefits of using video projection systems to reduce anxiety when in a scanner.
- The second was a pitch of an idea to research whether patients would appreciate a better designed gown when undertaking a breast MRI scan. She was awarded a £5,000 research grant to pursue the “more than a gown project”. Stage one was gathering patient feedback on their experiences.

Our Royal Brompton Fellow

- Dr Shah, Cobalt’s thoracic and interventional radiology fellow, based at Royal Brompton Hospital, provided members of the Research Committee with an excellent end-of-term presentation on his findings and learnings. He accredited this opportunity for his development of new clinical skills in lung tumour detection, biopsy, ablation, and endovascular intervention.
- He co-chaired the Royal Brompton, Royal Marsden and University College Hospitals sarcoma lung multi-disciplinary team meetings. Ultimately his work is resulting in several papers and posters, including a scientific poster presentation at UKIO entitled: “Assessing the Impact of Educational Videos on Patient Anxiety State and Understanding Prior

to IR Procedures”, which showed the benefits how using videos to explain procedures lowered patient anxiety.

Institute of Translational Medicine (ITM), Birmingham

- The trustees held their April 2025 research meeting at the ITM, where they heard from the Trust and local consultants about the research being undertaken at the centre. Currently 24% of weekday time at our imaging centre supporting the ITM has been dedicated to research. Prior research undertaken at our imaging centre in partnership with the ITM has led to new patient pathways adopted locally, nationally and internationally. This is translational research in action.

Developing AI Radiology Tools for PET/CT

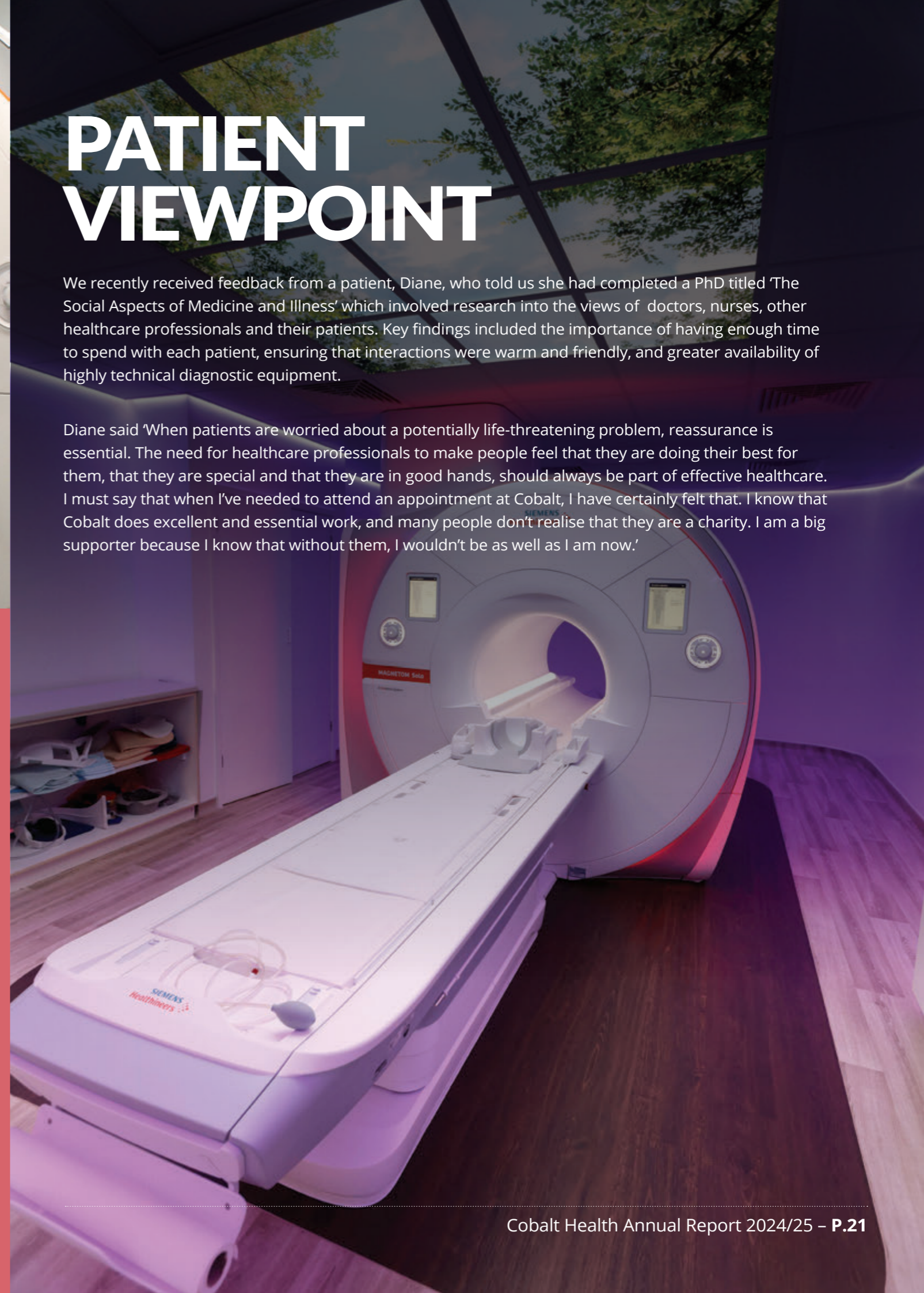
- Prof Iain Lyburn, our Director of Clinical Research and Dr Ayah Nawaar, our Research Fellow and Consultant Nuclear Medicine Physician, continued to work closely with an international team from Siemens on the development of AI tools for reading different types of PET/CT scans. The work has been mainly helping train the AI tools to ensure the findings are accurate. They have participated in writing papers and have been invited to speak at international events about their findings.



PATIENT VIEWPOINT

We recently received feedback from a patient, Diane, who told us she had completed a PhD titled 'The Social Aspects of Medicine and Illness' which involved research into the views of doctors, nurses, other healthcare professionals and their patients. Key findings included the importance of having enough time to spend with each patient, ensuring that interactions were warm and friendly, and greater availability of highly technical diagnostic equipment.

Diane said 'When patients are worried about a potentially life-threatening problem, reassurance is essential. The need for healthcare professionals to make people feel that they are doing their best for them, that they are special and that they are in good hands, should always be part of effective healthcare. I must say that when I've needed to attend an appointment at Cobalt, I have certainly felt that. I know that Cobalt does excellent and essential work, and many people don't realise that they are a charity. I am a big supporter because I know that without them, I wouldn't be as well as I am now.'



RESEARCH

THE FUTURE

The charity aims to continue to invest in and support clinical research by:

- Providing opportunities for PET/CT research activity with colleagues in Worcestershire Acute Hospitals NHS Trust.
- Continuing to support the radiographer-led "more than a gown" project, investigating the benefit that may be derived from a re-designed gown for breast imaging, to a conclusion.
- Expanding radiographer-led research around clinical practice and encouraging more staff to participate and present their findings; using the knowledge gained to support service improvements in the clinic.
- Building a more robust library of publications where Cobalt has been integral to the research, and publishing this through the website.
- Supporting the induction and development of the newly-appointed Research Administrator.

- Continuing to fund the work of the Gloucestershire Breast Cancer Research Nurses to enable patients to participate in appropriate national trials.
- Exploring the extension of the PET/CT AI radiology projects with Siemens.
- Forming a new board committee to investigate the use of AI and new technologies in more areas of the organisation.
- Developing a joint project for the sharing of images held by Cobalt for research purposes.

The clinical leaders of the charity will continue to scan the horizon for medical imaging innovation, when appropriate attending national and/or international conferences to ensure that Cobalt are positioned to pioneer new technologies and techniques, which are proven to deliver tangible benefits for patients.



RESEARCH AND WHY IT MATTERS

PROFESSOR IAIN LYBURN, OUR DIRECTOR OF CLINICAL RESEARCH

By providing insights and solutions to real-world challenges our everyday lives are improved in many areas including healthcare. Over the past two decades our heavy analogue phones have become lighter smart phones with amazing connectivity and high-quality cameras. The same revolution driven by research has occurred in medical imaging - faster more detailed scans create internal views of our bodies, aiding diagnosis and treatment. Common examples include X-rays, CT scans, ultrasounds, MRI, and nuclear medicine imaging scans where technology is constantly changing because of research and development.

Imaging has contributed a large amount to recent medical advances. For example, new cancer treatments can be monitored by functional Positron Emission Tomography (PET)/CT scans which detect metabolic change in structures prior to being shown as a change in shape or size on standard X-rays or CT scans.

Research done well strengthens bonds within teams of healthcare professionals and can drive an increase in the care patients receive. Collaboration in this environment enhances health across the nation. It is very exciting to be involved in considering new approaches and scans, planning trials to measure an effect and seeing the fruits of hard work being introduced positively changing clinical care.

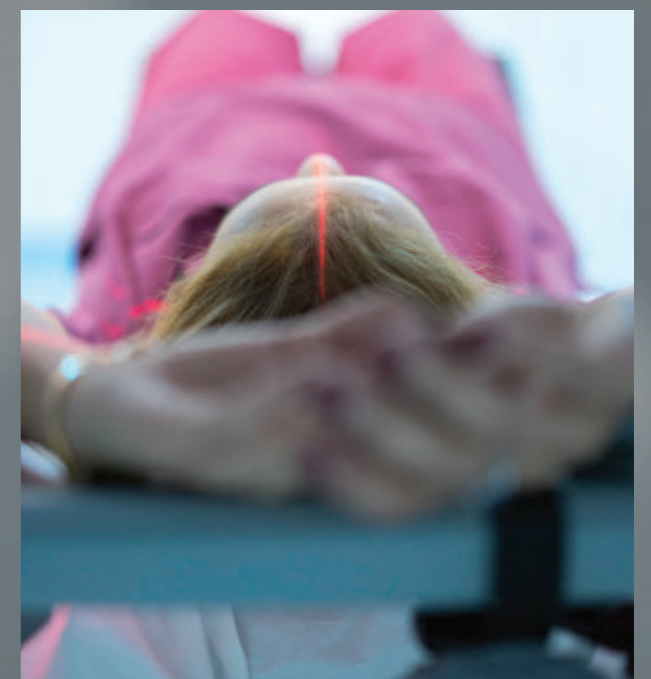
Cobalt continues to make major contributions to research across a number of medical areas including cancer and dementia. The 'State of the Art' scanners at Cobalt mean that local patients have the opportunity of being participants in major trials being conducted at a number of sites across the UK. An example is the Quantitative MRI in NHS Memory Clinics (QMIN-MC) trial - we have contributed over 120 image sets from scans assessing potential dementia to test the ability of predicting how the disease may develop further in individual patients.

Some of you may have noticed the results of the Breast screening; Risk Adaptive Imaging for Density (BRAID) trial brought to public attention in May on news channels including the BBC. Cobalt funded the breast research nurses to enable Gloucestershire Hospitals NHS Foundation Trust to recruit to this trial, undertook the additional MRI scans and purchased equipment for the contrast mammography scans. Over 1300 patients took part locally over a 4-year period. The results showed doing additional scans in women with dense breasts, who had a standard breast screening mammogram which was clear found 3 times as many extra cancers. This is likely to influence the way The UK Government addresses breast screening in the future. The research was well-received and published in the prestigious medical journal, The Lancet, highlighting its relevance and impact.

The nurses continue to identify and recruit suitable patients for other breast screening trails including one called FAST MRI, which explores whether fast, high-quality scans can detect cancers missed in mammograms, and another called SMALL, a study comparing minimally invasive procedures to traditional surgery for small breast cancers.

Artificial intelligence (AI) - machines involved in decision making - is going to play further roles in our lives. AI is likely to be used more in medical imaging, for example increasing the amount of information which can be extracted from scans to assess treatment and long-term outcomes. Our role in this is going to increase.

Thank you for your interest and support of our research - greatly appreciated, particularly by the patients of the future who will benefit - possibly you or a loved one...



EDUCATION

AIMS FOR 2024/25 WERE TO:

- Create online space to share CPD opportunities and relevant further education courses for all staff to encourage their development.
- Expand the training facilitator roles to support CT and PET/CT and the training of staff across modalities.
- Expand the range of courses on the Cobalt Learn platform to cover personal development including leadership, staff welfare and appraisal skills.
- Support the project for remote staff working on scanners in the field to maximise their training opportunities.
- Develop the programme of bite-size lectures and speakers for delivery at national exhibitions.



- Recommence face-to-face classroom training for health professionals alongside the online activity, assessing the scope to restart Cobalt's previously successful oncology and dementia conferences.
- Actively contribute to the development of future radiographers by supporting local universities with placement opportunities and the provision of guest lecturers.

EDUCATION

ACHIEVEMENTS AND IMPACT IN 2024/25 WERE

- Development of Cobalt Learn, our online learning platform for staff, to integrate external courses and as a repository for recordings of online or classroom sessions delivered throughout the year. The software creates a central record of each employee's completed courses enabling easy audit and reporting.
- The training facilitators started developing a programme to support staff across all imaging modalities, including CT and PET/CT, to bring them in line with the established MRI programme.
- Expansion of the range of courses on the Cobalt Learn platform, increasing the number of self-guided learning modules available, including personal development, leadership and staff welfare.
- Development and piloting of Cobalt Perform - this software enables a living digital shared record of employee appraisals, one-to-ones and periodic reviews.
- Delivery of a hugely popular programme of 30-minute lectures at the national UK Imaging and Oncology conference by Cobalt radiographers and our Medical Director on a variety of subjects.
- Development and delivery of a regular curated programme of in-person and online musculoskeletal training sessions for healthcare professionals.
- Relationships built with universities to deliver placement opportunities for student radiographers. Provision of guest lecturers for university students in Gloucestershire.
- Successful recruitment of a multi-media marketing apprentice and a HR apprentice, who will both be studying with Gloucestershire College.



EDUCATION

THE FUTURE

Radiology is evolving rapidly; AI is enabling innovation in many ways, for example, how we handle patient administration, how we scan patients, the types of images we can produce and the way we report on those images, faster than ever before. We are committed to ensuring that our teams of dedicated employees are given the training they need to keep up. We believe in sharing our experience, research findings, and clinical knowledge with other medical professionals for the benefit of patients.

To support these aims our plans will include:

- Full launch of our Cobalt Perform platform, to all employees to facilitate and digitise their development journey. This intelligent system enables a living record of appraisals, one-to-one and periodic reviews.
- Delivery of a broader spectrum of even more lectures at the national UK Imaging and Oncology conference; showcasing our three pillars of diagnosis, research and education.

- Design of an exhibition stand with a separate classroom area for future conferences and showcase events.
- Development and delivery of a full day face-to-face musculoskeletal conference for medical professionals within Cheltenham, to be filmed and shared as individual lectures, promoted by social media.
- Continuing to deliver our regular programme of in-person and online musculoskeletal training sessions.
- Exploring relationships with more universities to support the education of student radiographers, through work placement opportunities and the provision of guest lecturers.
- Continuing to support apprenticeships.
- Working with trusts to extend opportunities for shared working / staff training in areas where Cobalt can provide particular expertise or less-available imaging, including PET/CT imaging in Redditch.



FUNDRAISING REPORT

2024/25 was a challenging year for fundraising for all charities in an uncertain economic climate. Despite this, the team and our incredible supporter community came through and thanks to generous donors, imaginative events, and a lot of teamwork, we raised £789k over the year. That included:

- £112k from individual donations**
- £105k from events and community fundraising**
- £564k from legacies**

We also received additional support from trusts, foundations and local businesses.

Every pound makes a difference - and this year, it meant keeping vital services running, research progressing, and support available when it was most needed.

We couldn't do what we do without our volunteers, from behind-the-scenes help to hands-on events, they gave over 450 days of their time this year.

One standout success this year was our upcycled card project which raised over £30,000. The project has been running for over 40 years. It's powered by a team of 80 volunteers who meet to collect, cut and craft donated greetings cards into new upcycled cards for us to sell for donations. Their creativity and commitment keep this unique fundraiser thriving. We have an incredible network of card stockists, and another team of community volunteers to re-stock cards and collecting tins.

We also marked 60 years of Cobalt with a celebration in August 2024, joined by 80 of our active volunteers and our President, Howard Crooks. It was a wonderful event held to recognise decades of impact and the people and stories behind it.



The Big Sort

Every January, we ask the public to donate their used Christmas cards for our upcycled card project. This year, over 250 volunteers (including several local corporate teams) helped sort thousands of cards over two weeks. It marks the start, each year, of our card-making calendar and we are thankful for all the amazing people who take part.

Open Gardens

Our open garden events at Highnam Court and The Old Rectory, Quenington drew large crowds again this year. Guests enjoyed blooming borders, fragrant roses, peaceful spaces, and a chance to support Cobalt in a relaxed setting. We're grateful to our hosts for continuing to open their gardens to our cause.



Walk for Cobalt

We launched our first-ever Walk for Cobalt in Cheltenham. Part local history, part gentle exercise, this event was a great way to bring our supporters together. 134 people took part and the sun shone. We were supported by Cheltenham Mayor Paul Baker, The Cheltenham Trust, Cheltenham College, The Queens Hotel, The Nook and the Exmouth Arms.



Christmas Fair

In December, we hosted our first Christmas Fair at our Cheltenham Headquarters, Linton House. The event attracted over 300 visitors and featured festive stalls, a brass band and two real reindeer! Thanks Randwick Reindeer for sending Dancer and Blitzen to support the event. It was a lovely way for people to connect with Cobalt and kick off the season with some Christmas spirit.



Food with a Purpose

We were lucky to collaborate with two of Cheltenham's most well-loved restaurants, Prithvi and The Nook, for special fundraising meals. A big thank you to both teams for their generosity and partnership for these events.

Gloucestershire Vintage & Country Extravaganza

We were back at the Gloucestershire Vintage and Country Extravaganza, one of the UK's biggest heritage vehicle events. Our volunteers were on hand welcoming visitors and raising funds. Thank you to the event organisers for hosting us.



The Big Give

In December, we took part in the Big Give Christmas Challenge, The Reed Foundation generously offered to match our donations and supporters helped us raise £42,643. Funds from the campaign this year will support the ongoing work of our two breast cancer research nurses.

Community Support

We are especially grateful to members of the local community and to the individuals who took up our cause and organised their own activities this year. The Stroud Stragglers held a concert, quizzes, collections, ultra walks and many other events to raise money for us. We also thank Ashley and his family for climbing mountains for us; Jenny Bailey and her friends for organising a Clothes Swap and a Coffee Morning; Ryan at HeadKandy hair salon in Gloucester for his annual Cutathon; Cheltenham College staff and students; Hannah Locke for running the London Marathon; Coates Christmas Fair; Chipping Camden School and all the incredible people involved.



A Big Thank You

To every volunteer, supporter, community group, business partner, and donor—thank you. You helped us keep moving forward through a tough year. A special thanks goes to:

- Printwaste
- Wallspace, DC Colour Labs Limited, The Dark Room, WEX, Digital Camera
- Stroud Stragglers
- Support from the legal community for our Make a Will Month – Davis Gregory Solicitors, Dee & Griffin Solicitors, Langley Wellington LLP, Sewell Mullings Logie LLP and Willans LLP
- Pink Ribbon Foundation
- The Gordon Grey Trust
- St James Place Foundation
- The John and Celia Bonham Christie Charitable Trust
- WF Trust
- The Fieldrose Trust
- Prithvi
- The Nook
- The Cheltenham Trust
- Cheltenham College
- The Exmouth
- Chipping Campden School
- All our incredible community fundraisers



GIVING WITH CONFIDENCE

Cobalt is registered with the Fundraising Regulator and complies with the standards laid out in the Code of Fundraising Practice. We agree to ensure our fundraising is legal, open, honest, and respectful. The charity adheres to the 'Fundraising Promise' which is published on the Cobalt website. The charity has also signed up to the Fundraising Preference Service which enables individuals to opt out from receiving fundraising communications from us. Cobalt staff and volunteers carry out their activities in accordance with these guidelines.

The charity is a member of the Chartered Institute of Fundraising and the Institute of Legacy Management and adheres to their best practice guidelines. External agencies are not employed to carry out fundraising on behalf of the charity. There is no door-to-door fundraising. In line with our Data Protection Policy the charity does not sell, and has not given, data to any third parties without express permission. Access to the Cobalt database by staff and volunteers is strictly controlled. Cobalt treats its responsibility towards supporters in vulnerable circumstances with the utmost importance and our fundraisers are provided with guidance and support to help them respond appropriately to any individual to whom this might apply.

No complaints have been received during the year. Any complaints received are managed in accordance with our complaint handling procedures. Supporters are encouraged to provide feedback as this is an important source of information about the impact that the charity's work has on them and other members of the public.

We provide details of how to contact us, including our complaints process, on our website. The fundraising programme is reported on a regular basis to the board of trustees and the ongoing strategy is approved by them, to make sure our fundraising activities are compliant with all relevant rules and regulations, remain ethical and deliver the highest possible standards. We want to ensure that everyone who supports us has the best possible experience and that our donors are confident of the difference they are making.

Most people who donate to us want to know how their money is making a difference. We ask whether they would like us to keep in touch with them and how, so we can update them on our work. We give supporters the option to let us know if they no longer wish to hear from us, and always respect their decision.

FINANCIAL OVERVIEW

Total income for the year was £28.2m (2024 - £25.4m).

During the year the number of scanners deployed totalled 24 through a combination of acquisition and hiring units. (14 CT, 7 MRI, 3 PET/CT scanners). The charity continued to maintain support for oncology patients with PET/CT and MRI, whilst maintaining research capabilities for ongoing studies. Cobalt provided free MRI, CT and PET/CT scans to help reduce oncology waiting times, improve diagnostic pathways and the early diagnosis of dementia.

The cost of providing the charitable activities increased to £28.7m (2024 - £26.9m). This largely reflects the increase in services and in the cost of operating the Lung Cancer Screening Services in the community.

The deficit for the year was £470k (2024 - £1.56m). The charity invested £4m of the surpluses generated from previous years in new imaging equipment. This included a PET/CT relocatable unit, and MRI, CT and support units for the new Dudley CDC.

INCOME AND EXPENDITURE

The total income for 2024/25 was £28.2m (2024 - £25.4m).

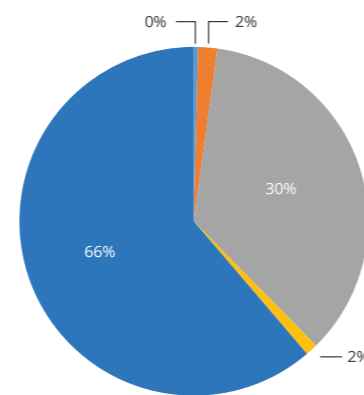
MRI Services £8.3m (2024 - £9.0m)

Patient numbers attending Cobalt Imaging Centre in Cheltenham continued to increase, with income rising by 4%. Mobile income was derived from Cobalt's own scanners. The income includes a relocatable scanner supporting Gloucester CDC, as well as mobile units supporting Dudley CDC. The scanner supporting research and clinical activities at the Institute of Translational Medicine at the Queen Elizabeth Hospital Birmingham continued to operate 7 days a week.

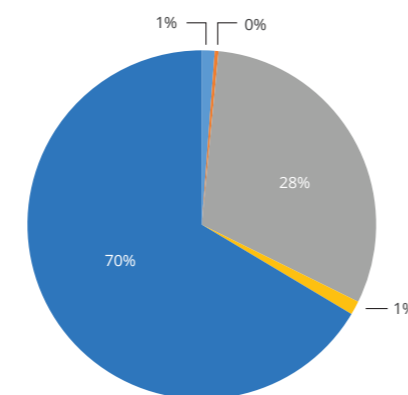
PET/CT and CT Services £18.6m (2024 - £15.5m)

PET/CT and CT income is derived from the following:

- A PET/CT contract with NHS England (NHSE) to stage (evaluate the extent of) cancer and assess for patient's response to treatment.
- The digital scanner in Cheltenham has increased capacity, resulting in the average number of scans a month rising and income increasing by 20%.
- The provision of Lung Cancer Screening Services in community sites across England. Previously most of the activity was supporting checks for large cohorts of patients in an area over a number of days or weeks. This pattern of activity has changed over the last two years, with trusts undertaking more follow-up scans with much shorter days and reduced utilisation of the CT scanners. Whilst income has held up well, the cost of the provision remains high.



BREAKDOWN OF TOTAL INCOME (£28.19m)



BREAKDOWN OF TOTAL EXPENDITURE (£26.92m)



- Two CT scanners were supporting CDC development centres, one at Gloucester Quays CDC and the other at Dudley CDC.
- The provision of PET/CT mobile services at St. George's Hospital, London, with now an increased utilisation of this unit.
- The provision of a PET/CT relocatable service to Coventry and Warwick University Hospital during the year.

Fundraising Income £0.8m (2024 - £0.6m)

- Fundraising Donations and legacies £684k (2024 - £454k)
- The charity benefitted from legacies receivable of £564k and donations and other gifts totalling £120k.
- Fundraising activities £105k (2024 - £99k)
- The general environment for fundraising remains challenging and consequently income for events and other activities remains lower than anticipated.

Other income £0.3m (2024 - £0.1m)

This income is primarily from rent receivable, interest on bank holdings, which have benefitted from the rise in rates, and any gains on fixed asset disposals.

Expenditure

MRI Services £7.9m (2024 - £8.3m)

Clinical staffing represents the highest proportion of the total costs, including bank shifts and agency staffing. A combination of refining services and the successful recruitment of MRI staff continues to significantly reduced the reliance on agency staff. No MRI scanners were hired in the year. One mobile MRI scanner was sold in the year. These funds were reinvested into the new Dudley CDC units.

PET/CT Services £20m (2024 - £17.9m)

PET/CT clinical costs rose in line with the increase in activity.

- CT – the lung screening services made a loss in the previous year, due to the complex nature of providing this service in the community, and the high costs involved in their delivery, especially the required shorter stays for follow up scans. With a new operations centre created within the year, to improve visibility, response rates and controls costs, the loss has been reduced.
- The cost of hiring CT equipment to support the lung

cancer screening services was **£1.1m** (2024 - £1.17m), which includes utilising equipment owned by NHS trusts to support these services.

- Cobalt continues to work with its logistics company to find efficiencies in this service around the areas of expenditure which remain high, especially with regards to generator hires, fuel usage, and the provision of waste and water.

Raising funds £0.3m (2024 - £0.3m)

These costs relate to work carried out by the charity and volunteers to raise philanthropic funds for Cobalt.

Charitable funding, nurses and research £0.3m (2024 - £0.3m)

This includes the funding of Cobalt's Teenagers and Young Adults with Cancer Nurse Specialist and three breast cancer research nurses.

Training and education £0.1m (2024 - £0.1m)

This represents staff costs and the new online training and education platform for staff.

RETAINED FUNDS

Charity funds £31.4m (2024 - £31.9m)

Restricted funds £0k (2024 - £25k)

Designated funds £1.6m (2024 - £2.5m).

The trustees allocated funds to address recognised needs for the charity, which are identified below.

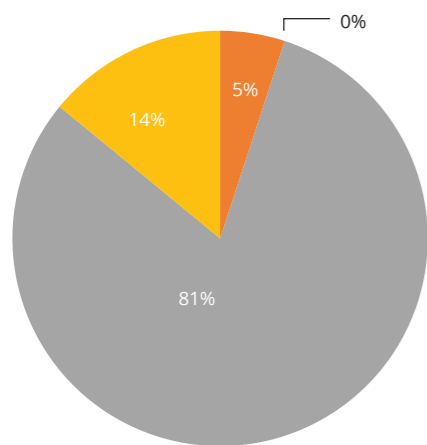
Tangible assets for use £25.3m (2024 - £24.2m)

This fund represents the net capital value of the property and working assets of the charity required for its operation.

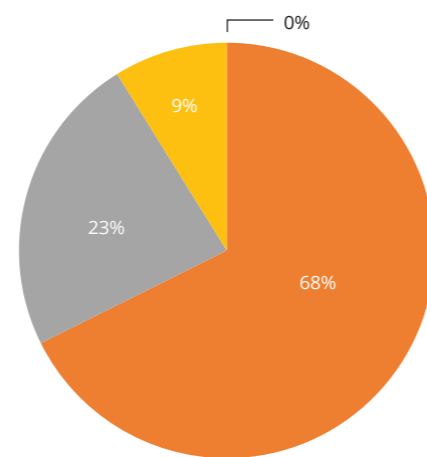
General fund and reserves policy £4.4m (2024 - £5.2m)

Cobalt Health's previous reserves policy had been in place for many years, and remained static despite the Charity's changing needs and growth. A review was undertaken in the year, and a new risk-based reserves policy has been adopted, which incorporates income risk mitigation, deemed to be a more appropriate measure.

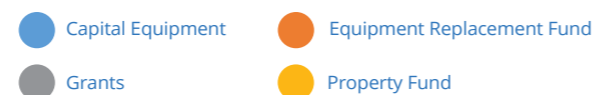
The Charity aims to retain sufficient general reserves to cover potential risks. This reserve is set between a lower limit (A) being an estimated loss of income over a fixed period, discounted for the disposal of available functional assets, and an upper limit (sum of (A) and (B)), where (B) is the equivalent to working capital requirement, based on the budget for the following



CHARITY FUNDS (£31.87M)



DESIGNATED FUNDS (£2.47M)



year. Part of the reason for these reserves is to allow more time to respond to change and to be able to adjust expenditure plans.

At year-end, Cobalt held general reserves of £4.4m at the balance sheet date, falling within the range of between £1.5m and 5.6m (2024 – £5.2m).

Designated funds £1.6m (2024 – £2.5m)

Capital equipment fund £0m (2024 – £0.9m)

This fund is reserved for new equipment projects. The £0.9m brought forward has been used to complete the purchase of a new Support unit to support our Lung Cancer Screening Services operations and a PET/CT relocatable unit.

Equipment replacement fund £1.0m (2024 – £1.2m)

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £1.2m brought forward has been invested in a new MRI relocatable unit, as part of a new Community Diagnostic Centre established in the year. £1.1m has been set aside to upgrade the MRI scanner provided to support services at the ITM in Birmingham. Also included are funds to upgrade the MRI 3.0 Tesla MRI scanner in Cheltenham, with new AI technology.

Grants fund £0.4m (2024 – £0.4m)

Grants are to support oncology and dementia services and research. This includes, but is not limited to, projects with the NHS Trusts, and funding research fellowships. Going forward, the fund will be expended against ongoing research projects, fellowships, and research grant awards that will be advertised from time to time on the charity’s website. This fund is expected to support

these projects over the next two years.

Property fund £0.1m (2024 – £0m)

This fund is used to upgrade facilities at the charity’s properties. Funds carried forward are retained for upgrading the Cobalt Imaging Centre reception area within the next financial year.

Investments

The charity considered it prudent to distribute its cash reserves amongst a number of UK banks. Cash has been held on deposit with differing maturity dates to maintain flexibility.

Financial viability consideration

As part of the strategic planning process, the trustees review and set annual budgets and three-year financial forecasts based on current information and plans.

This review looks at the surpluses and cash generated across the period, and indicative plans for investment in services, to ensure that these are sustainable. In doing so, the trustees have an eye on the future commitment to replace existing scanners in a timely manner, to ensure that the charity’s services reflect its vision and values. The post-pandemic period has seen increases in costs, particularly for Cobalt transport, materials, fuel, and staffing.

Changes in the pattern of the services have also increased costs, with multi-year contracts constraining price increases. The surpluses in the forecast are lower than those seen in previous years and require increased attention to the cost of running the services. Investment in staff retention and recruitment, along with new software systems are expected to help improve the

situation. In the meantime, cash generation is forecast to remain sufficient to meet existing projects and planned equipment replacement.

Based on this assessment and the reserves held, the trustees are confident of the ongoing financial viability of the charity.

GRANT-MAKING POLICIES

The trustees will continue to identify suitable projects which can be supported by the charity. Support will be given to projects which:

- Significantly improve the quality of diagnosis, detection, treatment and support for patients suffering from cancer and dementia; including supporting pathways for advancing research using imaging techniques.
- Support the training and education of medical imaging professionals using advanced MRI, CT

and PET/CT equipment, and the use of artificial intelligence in diagnosis.

RISK MANAGEMENT

The charity has a risk management strategy. This involves:

- an annual review by the board of trustees of the risks to which the charity may be exposed;
- the assessment of clinical risks by each area reviewed by the relevant Committees;
- the establishment of procedures designed to eliminate or minimise such risks; and
- the implementation of such procedures.

Details of key risks are recorded in a risk register and at each committee and board meeting the trustees discuss the key risks facing the charity. The following have been identified as the most significant risks:

Risk	Impact	Mitigation
Loss of major contract for diagnostic imaging	The loss of a contract may have a significant impact on income	The charity is focused on maintaining delivery of high quality services and also diversifying its activities into other areas of clinical imaging and means of providing services – including the recent addition of a Relocatable PET/CT
Delays in developing and implementing the NHS 10 year strategy and uncertainty caused by reorganisation of NHS England and the ICBs	Few new contracts to tender for as trusts wait to understand their funding to meet diagnostic demand	Focusing on securing core contracts, controlling costs, and remaining alert to new opportunities
Major IT outage/cyber attack – the advent of AI enhanced cyber attacks has increased both the potential risk and impact	Potential loss of data, inability to provide services, financial losses, impact on reputation	Staff undertake annual IT Governance training, including cyber risks. Cobalt continues to invest in critical systems, technical support and remote disaster recovery resources
Loss of a clinical scanner through breakdown or damage	Potential loss of income and key contracts, delay in diagnosis for patients	Cobalt invests in comprehensive maintenance and service level agreements to repair or compensate for lost time. Growth enables duplication of scanners and increased diversification
Loss of management capacity. Ensuring there is enough experience in place to run the full range of services and manage the many parallel projects.	Risk of delays in delivery of new projects setting back planned developments.	Recruited new CEO, reviewing management structure in line with future strategy. Bringing in additional resources as required.
Shortage of suitably qualified staff	Increased cost of working with agency staff	Cobalt recruiting staff local to service delivery areas and reducing the extent of use of bank and agency staff across services.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cobalt Health (Registered Charity Number 1090790) is a company limited by guarantee (Company Number 04366596) (also known as 'Cobalt') and has no share capital. In the event of the company being wound up the liability of each member is limited to £1.

The charity is governed by Articles of Association dated 23 May 2017. Details of trustees, officers and advisers are given on page 62.

Appointment of new trustees

- The Articles of Association allow the board to appoint new trustees, subject to confirmation at the next Annual General Meeting of the charity.
- The charity seeks candidates using executive search consultants, adverts and by direct approach.
- Trustees are only appointed after interview.
- New trustees go through a formal induction process to enable them to become an effective member of the board. This includes time in the charity, meetings with the senior management team, structured training, including occasional sessions with the charity's auditor on the responsibilities of trustees and on emerging issues.
- The trustees also have access to a training portal with links to key resources and updates.

Committee Structure and Management

The board of trustees meets five times a year with occasional special meetings being called as required. It decides the general strategy for the work of the charity and approves all major items of expenditure or funding. Day to day management of the charity's work within the general strategy is carried out by the Chief Executive and the charity's senior leadership team.

The following committees report to the board of trustees:

- Finance Committee – meets a minimum of four times a year and is responsible for oversight of the financial strategy and performance of the charity, and its administrative affairs, including risk management.

- Clinical Governance Committee – meets four times a year and is responsible for oversight of the clinical governance and quality assurance for all clinical work, to ensure that safe, effective and patient-focused healthcare is provided.
- People Committee – meets four times a year to review staff pay and conditions, including those of the senior leadership team, making recommendations to the board of trustees. The committee takes into consideration salary benchmarks in the health and charity sectors.
- Research Committee – meets three times each year to consider projects to support and monitor the effectiveness of Cobalt's research activities.
- Nominations Committee – meets as required to support the recruitment and appraisal process for trustees and assessment of board effectiveness. The committee also supports the recruitment of the CEO and key members of the executive management team.

There is a dormant subsidiary, The Cobalt Unit Appeal Fund Limited (company number 09016631), with an issued share capital of £1 held by the charity.

Charity Governance Code

The trustees recognise the benefits to be gained from adopting the Charity Governance Code. The trustees self-audit the governance of the charity against the seven principles in the code on a cyclical basis.

The process has helped focus on areas where some improvements can be made, including looking at how to meet the challenge that many charities face of increasing diversity in the trustee board.

This year a trustee working party worked with the executive to review the charity's approach to risk and its management. The board is also in the process of establishing an AI and technology committee to oversee the development of these tools in the clinic and for finding efficiencies in how the charity undertakes its work.

The trustees and advisers listed on page 62 form part of the Trustee's Report.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Cobalt Health for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charity's SORP;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible

for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITOR

Insofar as each of the trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

AUDITOR

During the year the charity used its previously appointed auditor, Crowe U.K. LLP, who has been appointed in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor. The Trustees' Report, comprising The Strategic Report and other information, was approved by the trustees on 25th September 2025

**and signed on their behalf by
Phil Leonard, Chair**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

Opinion

We have audited the financial statements of Cobalt Health ('the charitable company') for the year ended 31 March 2025 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have

concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing,

as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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

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

Use of our report

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

Tara Westcott Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
St James House
St James Square
Cheltenham
Gloucestershire
GL50 3PR

8th October 2025

COBALT HEALTH

STATEMENT OF FINANCIAL ACTIVITIES

(including an Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds	Restricted Funds	2025 Total Funds	2024 Total Funds
INCOME FROM:		£	£	£	£
Donations and legacies	2	650,924	33,310	684,234	454,038
<i>Charitable activities</i>					
Clinical services	3	26,927,825	-	26,927,825	24,524,912
Fundraising activities	4	78,355	26,700	105,055	99,016
Investment income	5	168,559	-	168,559	161,140
Other income	6	307,232	-	307,232	123,224
TOTAL INCOME		28,132,895	60,010	28,192,905	25,362,330
EXPENDITURE ON:					
Fundraising costs	9	340,672	-	340,672	344,943
Charitable activities	9	28,236,908	84,985	28,321,893	26,580,017
TOTAL EXPENDITURE	9	28,577,580	84,985	28,662,565	26,924,960
NET (EXPENDITURE)		(444,685)	(24,975)	(469,660)	(1,562,630)
TRANSFERS BETWEEN FUNDS		-	-	-	-
NET MOVEMENT IN FUNDS		(444,685)	(24,975)	(469,660)	(1,562,630)
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		31,844,407	24,975	31,869,382	33,432,012
TOTAL FUNDS CARRIED FORWARD	20	31,399,722	-	31,399,722	31,869,382

BALANCE SHEET

AS AT 31 MARCH 2025

Company number 04366596

	Note	2025 £	2024 £
FIXED ASSETS			
Intangible assets	11	135,757	77,276
Tangible fixed assets	12	25,402,630	24,165,483
Investments	13	150,001	150,001
TOTAL FIXED ASSETS		25,688,388	24,392,760
CURRENT ASSETS			
Stock	14	27,138	60,047
Debtors	15	4,363,840	4,717,094
Investments	13	1,812,277	3,204,561
Cash at bank and in hand		3,120,283	3,089,763
TOTAL CURRENT ASSETS		9,323,538	11,071,466
LIABILITIES			
Creditors - amounts falling due within one year	16	(3,612,204)	(3,542,625)
NET CURRENT ASSETS		5,711,334	7,528,841
Creditors - amounts falling due greater than one year	16	-	(52,219)
TOTAL NET ASSETS		31,399,722	31,869,382
FUNDS OF THE CHARITY			
Unrestricted Funds:			
Tangible fixed assets held for Charity's use	17	25,402,630	24,165,483
Designated funds	18	1,582,000	2,456,810
General fund	17	4,415,092	5,222,114
TOTAL UNRESTRICTED FUNDS		31,399,722	31,844,407
Restricted funds	19	-	24,975
TOTAL CHARITY FUNDS	20	31,399,722	31,869,382

Approved by the Trustees on 25th September 2025
and signed by Mr Philip Leonard, Chair

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by operating activities	25	2,388,397	556,119
Cash flows from investing activities			
Interest receivable and rents from investments	5,6	291,660	278,864
Proceeds from the sale of fixed assets		184,131	5,500
Purchase of fixed assets	11,12	(4,075,225)	(1,613,340)
Net cash (used in) investing activities		(3,599,434)	(1,328,976)
Cash flows from financing activities			
Repayments of borrowing - HP		(150,727)	(145,022)
Repayments of borrowing - Bank loan		-	(613,183)
Net cash provided by financing activities		(150,727)	(758,205)
Change in cash and cash equivalents in the year		(1,361,764)	(1,531,062)
Cash and cash equivalents at the beginning of the year		6,294,324	7,825,386
Cash and cash equivalents at the end of the year	26	4,932,560	6,294,324

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 1. ACCOUNTING POLICIES

Cobalt Health was incorporated in England and Wales as a company limited by guarantee (registered no. 04366596) and has no share capital. The liability in respect of the guarantee is limited to an amount not exceeding £1 per member of the company. Cobalt Health is registered as a Charity with the Charity Commission England and Wales (registered no. 1090790).

a) Basis of accounting

The financial statements have been prepared in accordance with 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities SORP and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under historical cost convention. Cobalt Health 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 note.

Under Section 405 of the Companies Act 2006, consolidated accounts have not been prepared as the inclusion of the dormant subsidiary is not material for the purpose of giving a true and fair view. Therefore these financial statements present information on the parent entity as an individual undertaking only.

b) Preparation of the accounts on a going concern basis

At the year end the Charity had £4.9m in the bank and on deposit. The Charity is able to meet its planned capital expenditure for 2025/26 and thereby help underpin future income generation.

The Charity prepares an annual budget and two year projections. These have factored in anticipated increases

in expenditure. Whilst recognising the challenges, the Charity expects to make a surplus over the next two years. On this basis the Trustees are able to adopt a going concern basis for the preparation of these financial statements.

c) Income

Income, including that from clinical services, is recognised in the period to which it relates, once the Charity has entitlement to the resources and once the Trustees have probability that the resources will be received and when the monetary value can be measured with reliability.

Income from fundraising events is shown gross, with the associated expenditure shown in Fundraising costs. Where the Charity benefits from work carried out by volunteers without charge, no value is placed on this work for accounting purposes.

Donations including donated goods are recognised as income when they have been received and any conditions associated with the donation have been met.

Legacy income is recognised when there is a grant of probate; the executors have established that there are sufficient funds to distribute funds from the estate; the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are within the control of the Charity. An adjustment is made to include legacy receipts up to two months of the year end which relate to probate notifications for the financial year or earlier. Interest and investment income, including rental income, is included when receivable and the amount can be measured reliably. Rental income due to the Charity, applicable to operating leases, where substantially all of the benefits and risks of ownership of the asset remain with the Charity is recognised in the Statement of Financial Activities over the lease term.

Government grants receivable are credited to income as these become receivable, except in situations where they related to performance, in which case these are accrued as the charity earns the right through performance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Expenditure on fundraising are those costs incurred in providing services for which the Charity received a direct income and those incurred in fundraising activity.

Expenditure on charitable activities represents the cost of supporting the Charity's objectives and as laid out in its memorandum and articles of association.

Governance costs are those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory compliance.

Support costs include central functions, principally connected with buildings and administration, which are indirectly incurred in support of the generation of funds and of charitable expenditure, and which are allocated to those headings on an appropriate apportionment.

Employees are entitled to join the Charity's money purchase pension scheme. The associated cost is allocated across the Charity's activities and funds depending on the role of the member of staff.

e) Redundancy payments

It is the Trustees' policy to minimise the impact of organisational change. Redundancy payments only occur when absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

f) Intangible assets

The intangible assets of the Charity comprise operational software packages. Once it has been tested and commissioned the software is amortised over the expected useful life of 4 years. Amortisation is charged to 'Charitable activities' in the Statement of Financial Activities.

g) Tangible fixed assets

Individual fixed assets costing £5,000 or more, and others of a smaller individual value but forming part of a capital expenditure programme, are capitalised at purchase cost.

Depreciation is provided on all tangible fixed assets in use, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life. No depreciation is charged on land, and the land element is based on 25% of the total cost of the properties.

Freehold buildings

- 2% of cost, 5-10% for refurbishment

Medical equipment

- 10, 12½ & 20% of cost

Fixtures, fittings and computer equipment

- 13% and 25% of cost

Motor vehicles

- 20% of cost

h) Fixed asset investment

The Charity was bequeathed a 50% share in a freehold property as part of a legacy in 2020. The property is currently generating rental income for the Charity and as such is classified as an investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at 31 March 2025. No depreciation is charged on the property and it is reviewed annually for impairment.

i) Impairment

The carrying amounts of assets are reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. Any loss is written off to the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

j) Stock

Stock is stated at the lower of cost and net realisable value

k) Debtors

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

l) Investments

Investments represents cash held on deposit with differing maturity dates to maintain flexibility and to attempt to earn some income in a low interest environment.

m) Creditors

Creditors and provisions are recognised where the Charity 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.

n) Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

o) Bank loan

Bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

p) Financial instruments

Cobalt Health only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, cash at bank, cash held on deposit, debtors and creditors (see notes 14 and 15). Basic financial instruments are initially recognised at

transaction value and subsequently measured at their settlement value.

q) Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of intangible and tangible assets:

The annual amortisation and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 11 and 12 for the carrying amount of the intangible and tangible assets and notes 1(f) and 1(g) for the useful lives for each class of asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Legacies:

Management judgement is applied over the valuation of legacy income where cash is not yet received and evidence of entitlement exists and Cobalt Health is able to measure reliably. As a result, accrued legacy income is recognised at times, in advance of receiving the cash; see accounting policy 1(c) for further details.

r) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

s) Funds

Restricted funds comprise income funds subject to specific conditions arising from the donor's wishes or the terms of a particular fundraising initiative. Unrestricted funds are the working capital of the Charity, which is expendable at the discretion of the Trustees.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

t) Taxation

As a recognised Charity, the company is exempt from Corporation Tax so far as it relates to its charitable objects. It is not exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates.

u) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

v) Registered and Principal Office

Cobalt Health, Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 2. DONATIONS AND LEGACIES

	2025 £	2024 £
Donations	111,671	99,940
In Memoriam	8,317	8,660
Legacies	<u>564,246</u>	<u>345,438</u>
	<u>684,234</u>	<u>454,038</u>

£33,310 of donations and legacies were restricted (2024 - £74,713).

NOTE 3. CHARITABLE ACTIVITIES

	2025 £	2024 £
<i>Clinical services</i>		
MRI Services	8,330,642	8,990,786
PET/CT and CT Services	<u>18,597,183</u>	<u>15,534,126</u>
	<u>26,927,825</u>	<u>24,524,912</u>

NOTE 4. INCOME FROM FUNDRAISING ACTIVITIES

	2025 £	2024 £
Events	49,544	51,505
Card Sales	28,811	30,561
Grant income	<u>26,700</u>	<u>16,950</u>
	<u>105,055</u>	<u>99,016</u>

£26,700 of income from fundraising activities were restricted (2024 - £16,950).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 5. INVESTMENT INCOME

	2025 £	2024 £
Interest receivable	<u>168,559</u>	<u>161,140</u>

NOTE 6. OTHER INCOME

	2025 £	2024 £
Rent receivable	123,101	117,724
Surplus on disposal of fixed assets	<u>184,131</u>	<u>5,500</u>
	<u>307,232</u>	<u>123,224</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 7. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COSTS OF KEY MANAGEMENT PERSONNEL

	2025 £	2024 £
Wages and salaries	6,753,619	6,490,353
Social security costs	696,307	674,305
Pension contributions	858,744	799,616
Other employee benefits	30,736	24,571
	<u>8,339,406</u>	<u>7,988,845</u>

The number of employees whose emoluments for the year fell within each band from £60,000 upwards was:

	2025	2024
£60,000 - £69,999	21	14
£70,000 - £79,999	10	8
£80,000 - £89,999	5	2
£90,000 - £99,999	2	2
£100,000 - £109,999	-	1
£110,000 - £119,000	1	-
£110,000 - £119,000	-	1
£130,000 - £139,999	1	-
£280,000 - £289,999	-	1

In the year contributions of £nil (2024 - £59,600) were made to (2024 - 1) higher paid employees' personal defined contribution schemes. The total emoluments (including pension costs and employer's national insurance contributions) of the 8 members of the Senior management Team who have day-to-day influence on the activities of the Charity was £795,766 (2024 - 11, £1,201,139). The 8 are the Chief Executive, Finance Director, Fundraising Director, Human Resources Manager, Communications Manager, Quality Manager, Business Administration Manager and Clinical Operations. During the year, termination payments amounted to £17,000 (2024 - £218,960).

The average monthly headcount of employees, analysed by function, was:

	2025	2024
MRI Services	74	75
PET/CT Services	71	66
Fundraising	5	5
Administration and Management	28	24
Buildings	4	4
	<u>182</u>	<u>174</u>

The average full-time equivalent number of staff for the year was 136 (2024 - 127). No Trustees received remuneration during the year (2024 - Nil). Three Trustees were reimbursed travel expenses during the year of £125 (2024 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 8. NET INCOME FOR THE FINANCIAL YEAR

	2025 £	2024 £
Net income is stated after charging/(crediting):		
Auditor's remuneration:		
Audit	17,000	16,090
Tax advisory	-	10,437
Depreciation	2,722,847	2,647,977
Amortisation	56,749	65,495
(Surplus) on disposal of fixed assets	(184,131)	(5,500)
Impairment	-	54,396
Operating lease costs	73,649	11,706
Pension contributions	<u>858,744</u>	<u>799,616</u>

NOTE 9. ANALYSIS OF EXPENDITURE

	Direct Costs £	Support Costs £	Amortisation and Depreciation £	Total 2025 £	Total 2024 £
Raising funds:					
Costs of fundraising and similar activities	<u>186,345</u>	<u>142,504</u>	<u>11,823</u>	<u>340,672</u>	<u>344,943</u>
	<u>186,345</u>	<u>142,504</u>	<u>11,823</u>	<u>340,672</u>	<u>344,943</u>
Charitable activities:					
MRI Services	5,955,973	928,768	1,011,369	7,896,110	8,279,364
PET/CT and CT Services	16,690,001	1,682,687	1,661,027	20,033,715	17,886,785
Charitable Funding	227,449	-	93,058 *	320,507	319,745
Training and Education	<u>56,416</u>	<u>12,826</u>	<u>2,319</u>	<u>71,561</u>	<u>94,123</u>
	<u>22,929,839</u>	<u>2,624,281</u>	<u>2,767,773</u>	<u>28,321,893</u>	<u>26,580,017</u>
TOTAL 2025	<u>23,116,184</u>	<u>2,766,785</u>	<u>2,779,596</u>	<u>28,662,565</u>	<u>26,924,960</u>
TOTAL 2024	<u>21,308,525</u>	<u>2,902,963</u>	<u>2,713,472</u>	<u>26,924,960</u>	

* Includes depreciation charged against Cobalt House.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 10. SUPPORT COSTS

	Admin Costs £	Building Costs £	Governance Costs £	Total 2025 £	Total 2024 £
MRI Services	692,097	230,626	6,045	928,768	972,714
PET/CT and CT Services	1,428,843	241,364	12,480	1,682,687	1,767,696
Fundraising	111,629	29,900	975	142,504	149,414
Training and Education	-	12,826	-	12,826	13,139
TOTAL 2025	2,232,569	514,716	19,500	2,766,785	2,902,963
TOTAL 2024	2,356,208	527,255	19,500	2,902,963	

Support costs have been allocated on the basis of floor space occupied in respect of building costs and proportionate time spent on administrative matters in respect of administration costs. Governance costs include the cost of the audit and the direct costs of supporting the Trustees.

NOTE 11. INTANGIBLE FIXED ASSETS

	Software £
Cost	
At 1 April 2024	259,238
Additions	115,230
Disposals	-
At 31 March 2025	374,468
Amortisation	
At 1 April 2024	181,962
Charge for year	56,749
Disposals	-
At 31 March 2025	238,711
Net Book Value	
At 31 March 2025	135,757
At 31 March 2024	77,276

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 12. FIXED ASSETS

	Freehold Land & Buildings £	Medical Equipment £	IT / Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1 April 2024	11,352,313	27,650,660	552,861	73,356	39,629,190
Additions	25,006	3,822,683	112,305	-	3,959,994
Disposals	-	(1,183,477)	(6,910)	-	(1,190,387)
At 31 March 2025	11,377,319	30,289,866	658,256	73,356	42,398,797
Depreciation and Impairment					
At 1 April 2024	3,164,351	11,843,629	410,520	45,207	15,463,707
Charge for year	186,115	2,465,131	58,885	12,716	2,722,847
Eliminated on Disposals	-	(1,183,477)	(6,910)	-	(1,190,387)
At 31 March 2025	3,350,466	13,125,283	462,495	57,923	16,996,167
Net Book Value					
At 31 March 2025	8,026,853	17,164,583	195,761	15,433	25,402,630
At 31 March 2024	8,187,962	15,807,031	142,341	28,149	24,165,483

The net book value of assets held under hire purchase agreements is £384,025 (2024 - £454,922).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 13. INVESTMENTS

	2025 £	2024 £
Fixed Assets		
Investment in subsidiary	1	1
Investment property	<u>150,000</u>	<u>150,000</u>
Total	<u>150,001</u>	<u>150,001</u>
Current Assets		
Current asset investment - notice deposits	<u>1,812,277</u>	<u>3,204,561</u>

The share capital of Cobalt Unit Appeal Fund Ltd consists of one ordinary share of £1 nominal value and is wholly owned by Cobalt Health. The subsidiary is dormant and did not trade during the year. Cobalt Unit Appeal fund Ltd was incorporated in England and Wales (registered no. 09016631) and registered at Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

The Charity owns a 50% share in a freehold investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at the reporting date.

The Charity has £1.8m invested in a short term deposit with Nationwide.

NOTE 14. STOCK

	2025 £	2024 £
Fuel Stock	<u>27,138</u>	<u>60,047</u>

NOTE 15. DEBTORS

	2025 £	2024 £
Clinical Service fees due	3,439,191	3,846,655
Accrued income	525,786	203,769
Prepayments and other debtors	<u>398,863</u>	<u>666,670</u>
	<u>4,363,840</u>	<u>4,717,094</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 16. CREDITORS: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	1,618,134	2,144,814
Accruals	1,639,382	966,220
Other creditors	14,853	15,227
HP liability	52,219	150,727
Taxation and social security	186,893	173,437
Pension liability	71,359	63,298
Deferred income	<u>29,364</u>	<u>28,902</u>
	<u>3,612,204</u>	<u>3,542,625</u>

The movement in deferred income is set out below:

	Rent and fees received in advance £
<i>At 1 April 2024</i>	28,902
Released in the year	(28,902)
Deferred in the year	<u>29,364</u>
At 31 March 2025	<u>29,364</u>

Rent received in advance is recognised as income in the month to which it

relates. CREDITORS: Amounts falling after one year

	2025 £	2024 £
HP liability	<u>-</u>	<u>52,219</u>

The net book value of assets held under hire purchase agreements is £384,025 (2024 - £454,922).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 17. UNRESTRICTED FUNDS - 2025

	Movement in Funds				Balance at 31 March 2025 £
	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	
General Fund	5,222,114	28,132,895	(27,034,179)	(1,905,738)	4,415,092
Tangible fixed assets held for the Charity's use	24,165,483	-	(1,532,460)	2,769,607	25,402,630
Total	29,387,597	28,132,895	(28,566,639)	863,869	29,817,722

Unrestricted Funds includes a General Fund balance of £4,415,092. Transfers of £863,869 represent fixed asset additions and disposals in the year, as well as transfers to and from the designated funds, see note 18.

UNRESTRICTED FUNDS - 2024

	Movement in Funds				Balance at 31 March 2024 £
	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	
General Fund	5,120,559	25,287,617	(24,448,037)	(738,025)	5,222,114
Tangible fixed assets held for the Charity's use	25,293,206	-	(2,383,456)	1,255,733	24,165,483
Total	30,413,765	25,287,617	(26,831,493)	517,708	29,387,597

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 18. DESIGNATED FUNDS - 2025

	Balance at 1 April 2024 £	Expenditure £	Transfers £	Funding of Fixed Assets £	Balance at 31 March 2025 £
Capital Equipment Fund	884,810	-	-	(884,810)	-
Equipment Replacement Fund	1,200,000	-	1,070,000	(1,200,000)	1,070,000
Grants Fund	372,000	(10,941)	10,941	-	372,000
Property Fund	-	-	140,000	-	140,000
Total	2,456,810	(10,941)	1,220,941	(2,084,810)	1,582,000

At the balance sheet date the purposes of the various sub-funds within Designated Funds are as follows:

Capital Equipment Fund

This fund is reserved for new equipment projects. The £0.9m brought forward has been used to complete the purchase of a new Support unit to support our Lung Health Check operations and a PET/CT relocatable unit.

Equipment Replacement Fund

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £1.1m brought forward has been invested in a new MRI relocatable unit, as part of a new Community Diagnostic Centre established in the year. £1m has been set aside to upgrade the MRI scanner provided to support services at the ITM in Birmingham. Also included are funds to upgrade the MRI 3T MRI scanner in Cheltenham, with new AI technology.

Grants Fund

Grants are to support oncology and dementia services and research. This includes, but is not limited to, projects with the NHS Trusts, and funding research fellowships. £11k of this fund has been spent during the year. Going forward, the fund will be expended against ongoing research projects, fellowships, and research grant awards that will be advertised from time to time on the Charity's website. This fund is expected to support these projects over the next two years.

Property Fund

This fund is used to upgrade the facilities in the Charity's properties and equipment. Going forwards, these funds have been set aside to upgrade the Cheltenham Imaging Centre reception area.

DESIGNATED FUNDS - 2024

	Balance at 1 April 2023 £	Expenditure £	Transfers £	Funding of Fixed Assets £	Balance at 31 March 2024 £
Capital Equipment Fund	1,756,109	-	505,700	(1,376,999)	884,810
Equipment Replacement Fund	750,000	-	450,000	-	1,200,000
Grants Fund	372,000	(43,590)	43,590	-	372,000
Property Fund	140,000	-	-	(140,000)	-
Total	3,018,109	(43,590)	999,290	(1,516,999)	2,456,810

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 19. RESTRICTED FUNDS - 2025

	Balance at 1 April 2024	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2025
	£	£	£	£	£
Breast Cancer Research Nurses Fun	-	52,502	(52,502)	-	-
TYA Nurse Fund	24,534	2,469	(27,003)	-	-
Cancer General Fund	-	1,345	(1,345)	-	-
Dementia Research Fund	-	810	(810)	-	-
Equipment Fund	-	2,691	(2,691)	-	-
Prostate Cancer Fund	-	193	(193)	-	-
Research Fund	441	-	(441)	-	-
TOTAL	24,975	60,010	(84,985)	-	-

Restricted funds held totalled £0k at the balance sheet date. In the year restricted funds were used for specifically allocated initiatives and equipment purchases.

Breast Cancer Research Nurses Fund

To fund breast cancer research nurses.

TYA Nurse Fund

The fund is used to support the work of a local Teenage and Young Adult specialist cancer nurse post. Cobalt has undertaken to fund 50% of this post until 2025 when it will be reviewed.

Cancer General Fund

The fund is used to support the Charity's work providing free scans for oncology patients.

Dementia Research Fund

The fund is used to help fund research into Dementia. Cobalt has been aiding research into the benefit of scanning patients to improve early diagnosis.

Equipment Fund

The fund is used to support the purchase of equipment in the year.

Prostate Cancer Fund

The fund was used to support PET/CT prostate specific scans.

Research Fund

The fund was used to support Cobalt's research activities in the year.

RESTRICTED FUNDS - 2024

	Balance at 1 April 2023	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2025
	£	£	£	£	£
Breast Cancer Research Nurses Fund	-	11,135	(11,135)	-	-
TYA Nurse Fund	138	58,994	(34,598)	-	24,534
Cancer General Fund	-	1,021	(1,021)	-	-
Dementia Research Fund	-	463	(463)	-	-
Equipment Fund	-	2,409	(2,409)	-	-
Prostate Cancer Fund	-	441	-	-	441
Research Fund	-	250	(250)	-	-
TOTAL	138	74,713	(49,876)	-	24,975

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 20. ANALYSIS OF NET ASSETS - 2025

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Total £
Unrestricted Funds				
General Fund	135,757	150,001	4,129,334	4,415,092
Tangible Fixed Assets held for Charity use	-	25,402,630	-	25,402,630
Total Unrestricted Funds	135,757	25,552,631	4,129,334	29,817,722
Designated Funds				
Capital Equipment Fund	-	-	-	-
Grants Fund	-	-	372,000	372,000
Equipment Replacement Fund	-	-	1,070,000	1,070,000
Property Fund	-	-	140,000	140,000
Total Designated Funds	-	-	1,582,000	1,582,000
Restricted Funds	-	-	-	-
Total Funds	135,757	25,552,631	5,711,334	31,399,722

ANALYSIS OF NET ASSETS - 2024

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Creditors due greater than one year £	Total £
Unrestricted Funds					
General Fund	77,276	150,001	5,047,056	(52,219)	5,222,114
Tangible Fixed Assets held for Charity use	-	24,165,483	-	-	24,165,483
Total Unrestricted Funds	77,276	24,315,484	5,047,056	(52,219)	29,387,597
Designated Funds					
Capital Equipment Fund	-	-	884,810	-	884,810
Grants Fund	-	-	372,000	-	372,000
Equipment Replacement Fund	-	-	1,200,000	-	1,200,000
Property Fund	-	-	-	-	-
Total Designated Funds	-	-	2,456,810	-	2,456,810
Restricted Funds	-	-	24,975	-	24,975
Total Funds	77,276	24,315,484	7,528,841	(52,219)	31,869,382

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 21. CAPITAL COMMITMENTS

	2025 £	2024 £
Future capital expenditure not otherwise included in the financial statements at the balance sheet date:		
Expenditure contracted for	<u>1,019,333</u>	<u>922,310</u>
Approved, not contracted for at year end	<u>50,667</u>	<u>122,210</u>
Total	<u>1,070,000</u>	<u>1,044,520</u>

NOTE 22. RELATED PARTY TRANSACTIONS

Members of the Board of Trustees are not entitled to, and did not receive, any remuneration during the year in relation to their services as Trustees.

There have been no transactions with the Charity's wholly-owned subsidiary company The Cobalt Unit Appeal Fund Ltd.

NOTE 23. LIABILITIES UNDER OPERATING LEASES

At 31 March 2025, the Charity had total commitments under non-cancellable operating leases in respect of equipment as follows:

	2025 £	2024 £
Within one year	<u>73,649</u>	11,706
Between one and five years	<u>166,964</u>	<u>27,293</u>
Total	<u>240,613</u>	<u>38,999</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 24. ASSETS RECEIVABLE UNDER OPERATING LEASES

At 31 March 2025, the Charity had assets receivable under non-cancellable operating leases in respect of rental income of Cobalt House as follows:

	2025 £	2024 £
Within one year	<u>120,817</u>	35,853
Between one and five years	<u>545,097</u>	<u>1,800</u>
Total	<u>665,914</u>	<u>37,653</u>

NOTE 25. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2025	2024
Net (expenditure) for the reporting period (as per the statement of financial activities)	(469,660)	(1,562,630)
Adjustments for:		
Depreciation and amortisation charges	2,779,596	2,713,472
Impairment	-	54,396
Dividends, interest and rent from investments	(291,660)	(278,864)
(Surplus)/Deficit on sale of fixed assets	(184,131)	(5,500)
Decrease/(Increase) in stock	32,909	(60,047)
Decrease/(Increase) in debtors	353,254	(299,617)
Increase/(Decrease) in creditors	<u>168,089</u>	<u>(5,091)</u>
Net cash provided by operating activities	<u>2,388,397</u>	<u>556,119</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 26. ANALYSIS OF CHANGES IN NET CASH/DEBT

	2024	Cashflows	Other non- Cash changes	2025
	£	£	£	£
Cash at bank and in hand	3,089,763	30,520	-	3,120,283
Current asset investments: Notice deposits	<u>3,204,561</u>	<u>(1,392,284)</u>	<u>-</u>	<u>1,812,277</u>
Total	<u>6,294,324</u>	<u>(1,361,764)</u>	<u>-</u>	<u>4,932,560</u>
Hire purchase obligations	<u>(202,946)</u>	<u>150,727</u>	<u>-</u>	<u>(52,219)</u>
Total	<u>6,091,378</u>	<u>(1,211,037)</u>	<u>-</u>	<u>4,880,341</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 27. 2024 STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds	Restricted Funds	2024 Total Funds
		£	£	£
INCOME FROM:				
Donations and legacies	2	396,275	57,763	454,038
Charitable activities: Clinical services	3	24,524,912	-	24,524,912
Fundraising activities	4	82,066	16,950	99,016
Investment income	5	161,140	-	161,140
Other income	6	<u>123,224</u>	<u>-</u>	<u>123,224</u>
TOTAL INCOME		<u>25,287,617</u>	<u>74,713</u>	<u>25,362,330</u>
EXPENDITURE ON:				
Fundraising costs	9	344,943	-	344,943
Charitable activities	9	<u>26,530,141</u>	<u>49,876</u>	<u>26,580,017</u>
TOTAL EXPENDITURE	9	<u>26,875,084</u>	<u>49,876</u>	<u>26,924,960</u>
NET INCOME		(1,587,467)	24,837	(1,562,630)
TRANSFERS BETWEEN FUNDS				
		-	-	-
NET MOVEMENT IN FUNDS		<u>(1,587,467)</u>	<u>24,837</u>	<u>(1,562,630)</u>
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD		<u>33,431,874</u>	<u>138</u>	<u>33,432,012</u>
TOTAL FUNDS CARRIED FORWARD	20	<u>31,844,407</u>	<u>24,975</u>	<u>31,869,382</u>

TRUSTEES, EXECUTIVE AND ADVISERS

Trustees and Directors

Philip Leonard (Chairman)
Ruth Goddard
Claire Morris
Dr Janet Ropner
Pamela Sissons
Dr Valerie Udale
Dr Felicity Jenkins
Mr Matt Jones
Prof Gordon Wilcock (resigned 30 June 2025)

Chief Executive Officer Malcolm MacKeith (resigned 9th June 2025)
Chief Executive Officer Jim Brown (appointed 9th June 2025)
Company Secretary Jennifer Piff
Director of Clinical Operations Karen Hackling-Searle
Medical Director Dr. Umesh Udeshi
Director of Clinical Research Prof Iain Lyburn
President Howard Crooks
Registered and Principal Office Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS
Independent Auditor Crowe U.K.LLP, 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR
Bankers National Westminster Bank Plc, 21 Eastgate Street, Gloucester, GL1 2NH
Lloyds Bank Plc, Montpellier Cheltenham Business Centre, PO Box 1000, BX1 1LT
Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW
Solicitors Willans LLP, 34 Imperial Square, Cheltenham, Gloucestershire, GL50 1RH

Cobalt Health was incorporated in England and Wales (registered no. 04366596 and has no share capital).

Cobalt Health is a registered charity with the Charity Commission England and Wales (registered no. 1090790)

GLOSSARY OF TERMS

CT

Computerised Tomography uses X-ray and a computer to generate detailed images of the inside of the body. A CT scanner consists of a X-ray tube that rotates around the body (in less than a second) and a series of detectors which collect the information from the X-rays; a computer then builds an image from the information received.

PET/CT

Positron Emission Tomography/Computerised Tomography, is a combination of two imaging technologies. A PET scan measures important body functions, such as blood flow, oxygen use and sugar (glucose) metabolism, to help doctors evaluate how well organs and tissues are functioning. Cancer cells, for example, use glucose differently to normal cells and for that reason look different on the pictures produced by the scan, this therefore enables doctors to diagnose and monitor cancer. The CT scan provides structural information of the body and by combining PET and CT this creates both a functional and structural image.

MRI

Magnetic Resonance Imaging is a non-invasive medical test that helps doctors diagnose and treat medical conditions. The MRI scanner uses a powerful magnetic field, radio frequency pulses and a computer to produce detailed pictures of organs, soft tissues and virtually all other internal body structures. Detailed MR images allow doctors to better evaluate various parts of the body and determine the presence of certain diseases that may not be assessed adequately with other imaging methods, such as X-ray.

Tesla

Tesla is the unit of measurement for the magnetic field strength of an MRI magnet. In general terms, a more powerful magnet can produce a more detailed image. 1 Tesla is equivalent to 20,000 times the Earth's magnetic field. The majority of hospitals in the UK have a 1.5 Tesla scanner. Cobalt introduced one of the first 3.0 Tesla clinical services in the UK, and now has a mobile 3.0 Tesla scanner, in addition to the permanent one installed in Cobalt Imaging Centre.

CDC

Community Diagnostic Centres deliver additional, digitally connected, diagnostic capacity for the NHS in England, providing all patients with a co-ordinated set of diagnostic tests in the community and in as few visits as possible, enabling an accurate and fast diagnosis on a range of clinical pathways.

CDCs provide a broad range of elective diagnostics away from acute facilities, reducing pressure on hospitals and giving patients quicker and more convenient access to tests. CDCs co-ordinate all the diagnostic tests a patient requires and, wherever possible, provide them under one roof in a single visit.



www.cobalthealth.co.uk

Charity Registration Number: 1090790

Company Number: 04366596

Cobalt Health trading as Cobalt



Cobalt

Medical Charity

Diagnosis • Research • Education

COBALT HEALTH

England & Wales - Charity number 1090790

Accounts

COBALT HEALTH ANNUAL REPORT 2023/24



www.cobalthhealth.co.uk

Charity Registration Number: 1090790
Company Number: 04366596



Cobalt
Medical Charity
Diagnosis • Research • Education

OUR VISION

To pioneer innovation in medical imaging diagnosis by investing in equipment, integrated research and education, to improve outcomes for patients now and in the future.



CONTENTS

Chair of the Board of Trustees statement	4
About us	5
Our values	5
Trustees' strategic report	6
Our people	7
Our impact	8, 9
Patient story – A tale of two halves	10, 11
Our objectives	12
Diagnosis – Aims, achievements and the future	13, 14, 15, 16, 17
Patient story – Living with a brain tumour	18
Research – Aims, achievements and the future	19, 20, 21
An update from our Director of Clinical Research	22



Education - Aims, achievements and the future	23, 24, 25
Fundraising Report	26, 27, 28
Celebrating our 60th Anniversary	29
A reflection on our history by our Medical Director, Dr Umesh Udeshi	30, 31
Giving with Confidence	32
Financial overview	33, 34, 35, 36, 37
Structure, governance and management	38
Statement of trustees' responsibilities	39
Independent auditor's report to the members of Cobalt Health	40, 41, 42
Statement of financial activities	43
Balance sheet	44
Cash flow statement	45
Notes to the financial statements	46-65
Trustees, executive and advisers	66
Glossary of terms	67

CHAIR OF THE BOARD OF TRUSTEES STATEMENT



I was immensely privileged to have been accepted as a Trustee at Cobalt and to have been elected as Chair of the Board a short while later. As the end of my first year at Cobalt approaches I continue to be impressed by what we deliver and how we deliver it.

I have had the good fortune to have had a career working in many parts of the NHS and the Department of Health and the UK independent sector as well as internationally and spent some time looking at comparative systems.

Charities play a role in national healthcare delivery which is distinct and special in the UK and quite unlike anywhere else in the world. In the UK, usually charities play specialist roles in the system, for example the inspiring charity-led hospice provision.

Cobalt supports the NHS in this way, delivering specialist diagnostic scanning to patients, with a specific focus on cancer and dementia, to a high clinical standard. Nimble and flexible with an outstanding ethos of care, Cobalt is recognised as the provider to emulate.

Nowhere is this operational responsiveness better exemplified than in the NHS Targeted Lung Health Check (TLHC) programmes which operate in areas of the country where lung cancer prevalence is highest. These important and high-profile programmes have not been without their challenges as we have learnt to deliver operations much further afield than in previous years.

The TLHC programmes have opened up new areas for research collaboration, such as our involvement with Manchester University NHS Foundation Trust where the results of tests and scans undertaken on our mobile scanning and support units in the field look to forward our understanding of early diagnosis of lung cancer.

I thank our dedicated team of staff and volunteers. In an era of intense competition for high-quality people in the healthcare industry, we are grateful to all staff we employ. Recruiting, training, and retaining the best professionals in the market remains an absolute priority for Cobalt. We are supported by an incredible team of volunteers who assist the charity and help to fundraise, they provide an important link to the community and unquestionably help to define our values and aims.

An important portion of our income is in the form of donations, income from trusts and legacies. The generosity of these benefactors allows us to invest in equipment, people, research and training which would simply not be possible without these funds.

Finally, my thanks to the trustees, all of whom are volunteers. We have an excellent balance of skills on the board including trustees from the disciplines of medicine, law, research, business, digital technology, governance and compliance. I am extremely confident that this impressive group of experts is the right one to provide guidance to our industrious and committed senior management team.

I am grateful to my predecessor Dr Susan Owen, who as a trustee for many years helped steer the organisation through many exciting projects, the uncertainties of Covid-19 and its aftermath.

This year, as we celebrate our 60th Anniversary and we take time to reflect upon our decades of achievements, we will also be reviewing our culture, strengthening the team and building a robust strategy to take the charity forward ensuring that we are ready to respond to the increasing pace of development and identify the opportunities which will bring about the most tangible benefits for patients now and in the future.

Phil Leonard - Chair of the Board of Trustees

ABOUT US

Cobalt Health (Cobalt) is an independent medical charity with a vision to pioneer innovation in medical imaging diagnosis. This year we are celebrating 60 years since Cobalt was established and first started supporting the NHS by raising funds for a cancer treatment centre in Cheltenham. From humble beginnings we have continued to lead successful fundraising campaigns and use our operating surplus over the years for other innovations to assist the NHS to support patients more efficiently and effectively.

Today, Cobalt invests in equipment, integrated research and education, to improve outcomes for patients now and in the future. Each year it provides diagnostic imaging for over 160,000 patients at its imaging centres in Cheltenham and Birmingham, and through a fleet of eighteen MRI*, CT* and PET/CT* mobile and relocatable scanners. The charity is a leading provider of ultra-low dose CT lung cancer screening services in the UK, working in partnership with the NHS.

Cobalt focuses on offering equipment and services

not generally available within the NHS, using the latest technology to deliver superior image quality, improve patient comfort and enable shorter scanning times. The charity strongly believes that all patients should have access to a clear diagnosis and appropriate personalised treatment plan facilitated by the best equipment.

Alongside its diagnostic services, Cobalt also funds and participates in research on a local, national and international basis. The charity is currently supporting many research projects and clinical trials, with the aim of advancing the detection and treatment of cancer, dementia and other long-term conditions. The charity provides training programmes for medical professionals, including GPs, consultants, physiotherapists and chiropractors; and supports undergraduate radiography students with clinical placements.

OUR VALUES



Our ICARE values – Innovative, Caring, Accessible, Respectful and Ethical - are central to everything we do as a charity and an employer, and they lead the way we work.



* See glossary of terms page 67

TRUSTEES' STRATEGIC REPORT

The Cobalt board of trustees present their Strategic Report and the Financial Statements for the year ending 31 March 2024. The charity reports its achievements in 2023/24 against its core activities of diagnosis, research and education.

Public Benefit

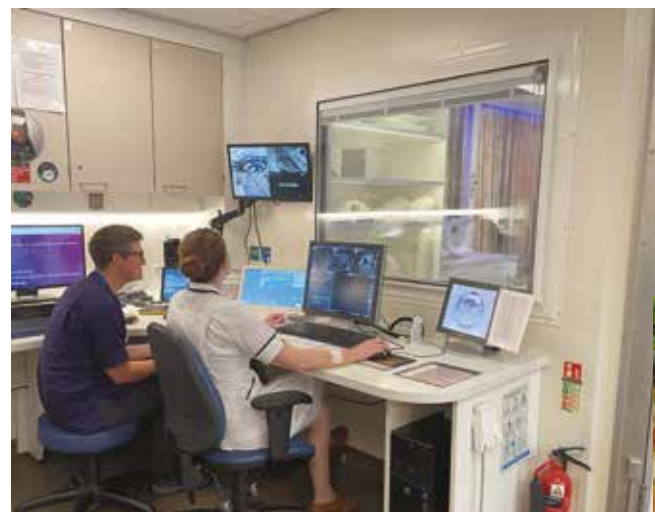
When reviewing the aims and objectives, and planning future activities, the trustees have referred to, and believe they have complied with, the duty in section 17 of the Charities Act 2011. This relates to having due regard to the Charity Commission's published general guidance on public benefit, in particular, to its supplementary public benefit guidance on fee-charging. The trustees have also considered how planned activities will contribute to the aims and objectives they have set.

The trustees believe that this report demonstrates the charity's commitment to providing public benefit through a range of activities, including:

- the advancement of diagnostic practice
- the sharing of knowledge with healthcare practitioners
- the provision of low-cost and free scans to assist in patients' diagnosis and treatment
- helping the NHS and cancer alliances to take cancer screening into the community

Our commitment to quality

Cobalt is committed to exceptional patient care whilst delivering a consistently excellent standard of imaging and reporting. The charity publishes a Quality Account annually, which details its managed processes, systems and key achievements in this area. Cobalt adheres to Care Quality Commission standards and demonstrates the consistent audit and improvement required to meet the Quality Standard for Imaging (QSI), ISO 9001:2015 Quality Management Systems Standard, the ISO14001:2015 Environmental Standard, and in February 2024 was certified against the ISO45001:2018 Occupational Health and Safety Management Systems Standard.



OUR PEOPLE

Patients are at the heart of all we do, however it is our people, our staff, who ensure we deliver that promise. We are committed to the continuous development of a workforce plan to help meet our staffing needs and provide existing staff with opportunities for personal development and progression. This includes the appointment of additional managers to increase support for new contracts and to ensure resilience and scope for succession planning.



The Chief Executive, Peter Sharpe, left the charity on 8th December 2023 after 14 years with Cobalt Health. Malcolm MacKeith, the charity's Finance Director since January 2016, was asked to act as Chief Executive. Malcolm has considerable experience working in the charity sector. His initial role is to work with the Trustees and the management team to shape Cobalt's short- to medium-term strategy with a view of returning the charity to surplus. He is also working closely with our Director of Clinical Operations, Karen Hackling-Searle to bring teams together, increase empowerment and ensure consistency in delivery across the modalities.

Karen Hackling-Searle, our former Head of MRI, who has been working for Cobalt for over 30 years, has taken up a new role, Director of Clinical Operations, with overall responsibility for the operational aspects of all the clinical teams within Cobalt. Karen's dedication to the charity and her impressive breadth of knowledge and experience are unrivalled and we are excited about the next chapter under her clinical leadership.



This year we have appointed a new Head of Fundraising, Louise Cook, an experienced fundraising manager who brings a wealth of successful experience from previous roles in local and national medical charities, in addition to holding an International Advanced Diploma in Fundraising from the Chartered Institute of Fundraising and an MBA from Imperial College. Louise will be recruiting new members to complement the existing team.

OUR IMPACT

Here are just a few examples of how Cobalt is making a difference:

Delivering 2,028 days of lung cancer screening for 9 NHS trusts and cancer alliances

In 2023/24 Cobalt supported 9 targeted lung health check services in areas where deaths from smoking-related disease are most prevalent. Investment in the latest technology enables us to provide safer ultra-low radiation dose CT scans. The percentage of attendees scanned who were identified as having lung cancer ranged from 1.0% to 2.0% depending on the area covered by each programme.



Cobalt funds research nurses

Cobalt funds research nurses who have matched thousands of patients to research trials. For example, our nurses enrolled 1,300 patients in a national breast cancer study into the optimal scanning for diagnosing breast cancer in women with denser breast tissue. The results of this trial will help improve outcomes for patients across the UK. Cobalt's support helped ensure that Gloucestershire was the second highest recruiter nationally, establishing the team as an important contributor to breast cancer research.

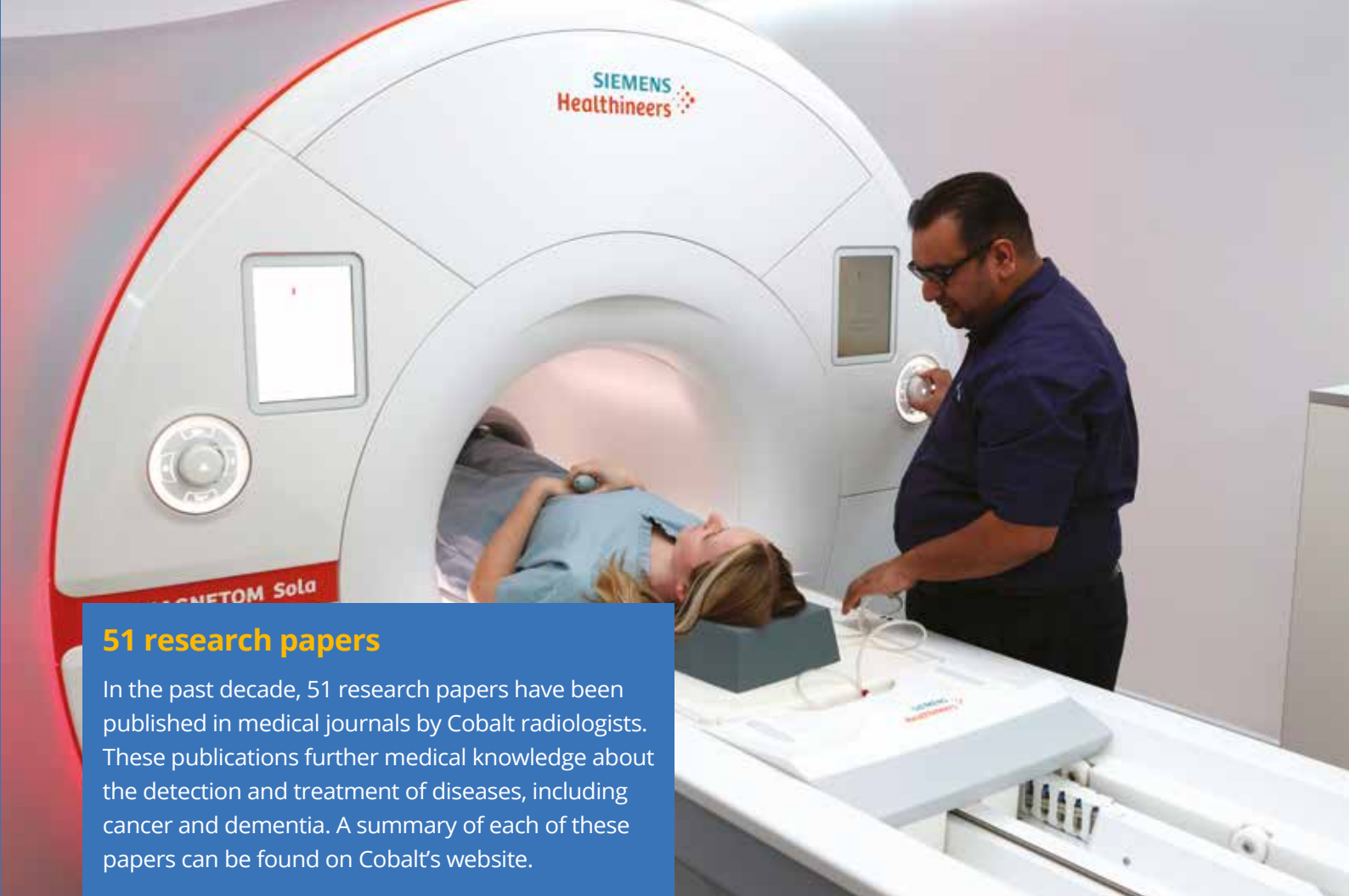
Helping to reduce breast cancer patient deaths

In the past year, 65 very high-risk breast cancer patients were scanned at the ITM Imaging Centre, as part of an ongoing UK-wide programme which prevents around 1,300 deaths per year.

Reducing patient anxiety

Our expertise in working with claustrophobic patients and our investment in the latest patient-comfort features have ensured that 89% of patients who told us that they were claustrophobic ahead of their scans, were able to go through with their examination this year.





51 research papers

In the past decade, 51 research papers have been published in medical journals by Cobalt radiologists. These publications further medical knowledge about the detection and treatment of diseases, including cancer and dementia. A summary of each of these papers can be found on Cobalt's website.

Lower-risk interventions for epilepsy patients

Our ITM (Institute of Translational Medicine) Imaging Centre provides dedicated MRI scans for research at the University Hospitals Birmingham NHS Foundation Trust. We scanned 123 epilepsy patients to support a study using MRI as a non-invasive method to guide surgical intervention, to minimise the risk of post-operative memory deficit.

.....

Identifying lung cancer at an early stage

For example; since the Liverpool programme began 36,000 participants have had a CT scan and 469 (1.3%) have been identified with lung cancer. 80% of the cancers are at stages one and two, with 93% of those patients starting curative treatment.

.....

Shorter waiting times

Over the past year, our average waiting time (from receipt of referral, to scan), was just 3 days for PET/CT, 4 days for MRI and 8 days for CT. Short waiting times help to reduce anxiety, enable patients to receive their diagnosis and treatment plans sooner, and can mean that less invasive treatment is needed – good news both for patient recovery and NHS costs.

.....

PATIENT STORY

A TALE OF TWO

How one supporter's contribution made a difference 44 years later!

Brian's story

On Saturday 13th January 1979, my neighbour, Norman MacPherson, and I did sponsored solo parachute jumps from 2,500 feet at Shobdon Airfield for the Gloucestershire Cobalt Appeal Fund. Norman had never flown before so this was a very interesting introduction! We raised £335 (with inflation, £2,100 today) contributing towards the £100,000 raised through Alan Rosebury's excellent fund-raising endeavours (£600,000 today).

We had responded to the public appeal for support and ended up attending the inauguration of the 3D X-ray Body Scanner by Princess Anne on 18th September 1979.

Little did we realise at the time that about 40 years later we would both have very close relations (my daughter, Suzy, and Norman's daughter-in-law, Sharon) truly benefitting from the use of these wonderful Cheltenham facilities manned by outstanding and caring staff.



Suzy's story

When Dad did his parachute jump for 'the new Cobalt Unit' alongside our neighbour in 1979, I was 15. It was the latest thing, doing parachute jumps for charity, so I remember it caused a lot of excitement. I seem to remember too that there was a lot of fundraising locally which reflects how people here really got behind Cobalt even back then. I also remember the excitement of my parents being invited to the opening by Princess Anne and some random story of her trying to run them over, which turns out to be an exaggeration of course!

Fast forward: in March 2023 I was diagnosed with breast cancer and was referred for three scans with Cobalt - a CT scan in Gloucester, two MRIs in Cheltenham and five mammograms using equipment that Cobalt fundraised for within Thirlestaine Breast Centre. I was dealing with the great unknown and on each occasion the team looking after me was always very patient and very kind which is actually what you really really need, beyond their skill which is a given.



NO HALVES



Fiona Thornton, Dr Jessica Bailey, Suzy Hillier and Ms Charlotte Kallaway outside the Cobalt owned Thirlestaine Breast Centre building in Cheltenham.



Each time it was wonderful to know that my family had played a small part in Cobalt's history.

The nostalgia generated by Cobalt's 60th Anniversary is lovely and a time to celebrate its considerable achievements, but I went to a talk by Professor Iain Lyburn about Cobalt's work and was blown away hearing about all the research and cutting-edge technology of the future that we are just so lucky to benefit from here. And that's the point - you literally never know when you will need it and when you do need it you will be beyond grateful for its existence. I only found the lump in my breast after visiting a friend who was in treatment for breast cancer - she made me promise to check myself when I got home. The shock

was immediate, but I went to the GP straightaway and five weeks later I started the journey of chemotherapy, surgery and radiotherapy.

I am now cancer-free for which all thanks to the fantastic Ms Charlotte Kallaway – Breast Surgeon, Dr Jessica Bailey – Consultant Clinical Oncologist and Clinical Lead for Oncology, Fiona Thornton – Breast Care Nurse and the outstanding teams at our incredible Breast Clinic and Oncology Unit in Cheltenham. So please, please check your breasts right now - if you find lump call your GP immediately and insist on a same day appointment. If it's the worst news you will be in the best hands.

OUR OBJECTIVES

The detection, diagnosis, treatment and prevention of sickness, in particular cancer, in persons living in Gloucestershire, Herefordshire, Worcestershire and the West Midlands, and such other areas of Great Britain and by such means as the trustees may from time to time decide, including the provision and maintenance of equipment and to provide or assist in the provision of education and research into methods of detection, diagnosis, treatment and prevention of sickness, in particular cancer and dementia and publication of any useful results.

The charity's articles include the powers to develop, deliver and promote services that detect, diagnose, treat and prevent sickness in particular cancer and dementia.

When reviewing whether the charity has been successful, the trustees consider:

- Number of patients scanned
- Feedback from patients and referring clinicians about the quality of the service
- Support provided to oncology and dementia services, including research and clinical trials
- Investment in up-to-date equipment and aiding the introduction of new diagnostic imaging innovations
- Effectiveness of the training and education delivered to healthcare professionals
- Number of research projects and clinical trials supported
- Number of internal research studies and papers accepted
- Effectiveness of externally-funded research
- Levels of employee satisfaction
- Financial performance of the charity and its ability to fund future activities





DIAGNOSIS

AIMS FOR 2023/24 WERE:

The charity aims to support NHS services to provide enhanced medical care to people who are sick and injured, using the most up-to-date imaging technology that would not otherwise have been available. The specific aims for 2023/24 included:

- Working with the NHS in Gloucestershire to launch a new Community Diagnostic Centre (CDC) at Gloucester Quays.
- To submit a bid to partner with the NHS in Dudley to support their development of a CDC with the provision of the MRI and CT services.
- Continuing to support Targeted Lung Health Check programmes, with the key objective of identifying lung cancer at an early stage and supporting education and research to aid diagnosis and treatment.
- In 2022 Cobalt celebrated 5 years of collaboration with the University Hospitals Birmingham NHS Foundation Trust and the Institute of Translational Medicine; together supporting a wide range of research through our dedicated MRI facility. In 2023 Cobalt submitted a proposal to upgrade the scanner to provide modern state-of-the-art imaging with the aim of extending the collaboration for another 5 years.
- Work to incorporate the Siemens Healthineers 'Virtual Cockpit' to provide remote access to MRI, CT and PET/CT scanners to facilitate increased support for staff, including a higher level of technical support, training and education, and improved patient safety.
- To explore the development of a modular PET/CT facility (in addition to the mobile PET/CT scanner built in 2022), to increase the scope to use this vital imaging service to benefit oncology patients.
- To ensure resilience and scope for succession planning, further development will take place of the charity's workforce through training and education, and of the charity's infrastructure.
- To research and evaluate the provision of an advanced cardiac imaging service at the Cheltenham Imaging Centre.

DIAGNOSIS

ACHIEVEMENTS IN 2023/24 WERE:

- The Community Diagnostic Centre (CDC), pictured right, at Gloucester Quays was officially opened on 5th February 2024. Cobalt is partnering with the local NHS trust to provide modern MRI and CT scanners operating 12 hours a day 7 days a week for the benefit of the local community. Situated away from the acute hospital, it reduces pressure on that site and allows for increased efficiencies and reducing wait times. This also helps take pressure off the acute hospital site. Since it opened over 11,000 patients have been scanned at the CDC.
- The CDC also supports Gloucestershire's Targeted Lung Health Check service and given the wider experience the charity has in this area elsewhere, it is pleasing to be part of the local initiative.



Professor Mark Pietroni, Deputy CEO, Director for Safety and Medical Director at Gloucestershire Hospitals NHS Foundation Trust, which is leading the CDC programme, said:

“Seeing the units being craned onto the site in the city centre was exciting as it marked an important step in bringing additional diagnostic services together at Quayside House.

The units were swiftly put to good use. We have been working with Cobalt, and together, have been able to significantly increase the number of MRI, and CT scans we can offer.

We have worked really hard locally to reduce the number of people waiting for CT, MRI and non-obstetric ultrasound tests.

Offering appointments 12 hours a day, seven days a week, means that we are making it easier and quicker for patients to get the tests and scans they need, helping them to get faster diagnoses.

This is vital in diagnosing a host of conditions, including cancer, as early as possible, and giving patients the best possible chances of recovering.”

Cobalt's initial bids to provide the Dudley CDC were first accepted and then withdrawn due to challenges to the tender process. This highlights an increase in competition to supply imaging services to the NHS. Whilst this is a positive development, it has led to some delays in the procurement processes. Cobalt has continued to support the trust with both mobile MRI and CT services. Cobalt's team have built a good relationship with their team and the quality of the provision has been recognised. Post year- end Cobalt was awarded the contract on the third round of tenders. The award highlighted the quality of the submission and the attention paid to patient experience, safety and flow.

In 2022, Cobalt invested £2.6m in a new Siemens Biograph Vision digital PET/CT scanner and the redevelopment of the department. This helped reduce scanning times by up to 40%, (reducing patients' exposure to radiation), enabling more patients to be scanned each day. In 2023/24 the PET/CT department exceeded previous records, undertaking 4,160 NHS patient scans and a further 300 research and private/insured scans. Growth in NHS patients requiring investigations into possible cancer or dementia has been more than 10%. Even so, Cobalt has, with the help of its reporting radiologists and strategic partners, managed to maintain a minimal waiting list, helping patients access or continue their treatment plans in a timely manner.



Cobalt was one of the first sites in the UK to provide patients with access to PET/CT scans using PSMA. This nuclear imaging test (which targets a protein on prostate cancer cells) is key to helping with the diagnosis of prostate cancer. Cobalt, with the help of the NHS England specialist commissioners, managed to secure funding for 123 scans for 2023/24. Discussions with referring consultants from the local NHS trusts have highlighted the value of this tracer. It is particularly helpful for investigating younger patients with the potential of having more aggressive cancers. This year demand continued to outpace funding for the PSMA scans and waiting lists have increased.

During the year £140,000 was invested in applying Deep Resolve to two 1.5T MRI scanners, the one in the imaging centre in Cheltenham and, after a request from the local radiologists, the scanner at Gloucester Community Diagnostic Center. This brings both scanners in line with an upgrade NHS England rolled out across all their scanners of the same specification. This AI-driven tool helps improve image quality, whilst also enabling scan times to be reduced. The image enhancement assists radiologists with their reporting, particularly in areas such as prostate imaging. Reduced scan times improve patient comfort and allow more scans to be performed in a day.

Cobalt's first mobile PET/CT scanner commenced operation in 2022 and continues to provide a service two days a week to St Georges Hospital in London. This is a high-quality scanner producing excellent images and is designed to be used for maximum impact by reducing waiting lists for urgent oncology scans. A review of this contract and other opportunities is underway to increase activity.

Cobalt's new relocatable PET/CT scanner was designed and started construction in December 2023. This £1m unit will house the Siemens Biograph mCT scanner from the Cheltenham clinic. The scanner has been fully refurbished and updated to match the specifications of the latest model. It is due to be delivered in July

2024 and will first go into service with Coventry and Warwickshire NHS Trust to provide a service whilst their department is having a new scanner installed.

Cobalt has two mobile MRI units that are now due for replacement under our equipment policy. The trustees recognise that a key objective of the charity is to use the latest technology to support the diagnosis of disease and two proposals have been approved to replace these scanners. Each proposal is based on the outcome of contractual bids.

In 2023/24 Cobalt Health supported nine Targeted Lung Health Check (TLHC) services. The service has two key phases: the initial TLHCs and follow up/ surveillance scans. The Manchester programme has demonstrated that for every day of service, one previously undiagnosed cancer will be identified. The majority of these will be stage 1 or 2 cancers, offering a much improved prognosis for those individuals. Two participants will also need to be monitored and/or have another incidental finding that requires urgent treatment. In 2023/24 Cobalt undertook 2,028 days of lung health services. Early diagnosis of lung cancer results in less intrusive treatment, improved prognosis, with many more years of life, continuing economic activity, and reduces the burden on the NHS.

The charity is proud to have had a significant role in helping to establish lung health checks in the community, where attendance rates are significantly improved. A measure of success is that TLHC programmes are being rolled out across the country. The TLHC programmes that Cobalt supports are in areas of high incidence of smoking and related lung disease, where early diagnosis of lung cancer and the provision of cessation services have the most impact.

The provision of TLHC in the community can be challenging. Changes in the nature of the provision and increasing costs have resulted in the service running at a deficit for 2023/24. The team is focusing on the quality of provision in the existing services, generating efficiencies, and managing the inherent expansion within the areas already served.

Cobalt has been pleased to welcome 12 permanent (including 4 trainees) and 11 bank radiographers in 2023/24. The MRI team is now well staffed, with reduced shifts from bank and agency staff. Whilst the CT team has grown, the expansion of services has resulted in Cobalt still relying on support from a core of bank and agency staff. Recruitment in the TLHC areas is ongoing.

The trial of remote support for our radiographers in the field from the Cheltenham Imaging Centre was not satisfactory due to insufficient capacity for data flow from host sites. This technology is seen as an important tool for the future, as it will enable experienced radiographers to help support and train less-experienced team members in the field. This will provide technical support and will help with identification and appropriate response for unusual findings that might need to be flagged for immediate review or medical intervention.

Cobalt is working with local cardiac consultants to develop a specialist MRI service in Cheltenham. This is expected to start in Autumn 2024, providing an opportunity for our radiographers to develop new skills and will save some patients having to travel to Oxford and Bristol for this service.

Cobalt's PET/CT department was selected as the South West Region Team of the Year 2023 at the Society and College of Radiographers (SCoR) Radiography Awards 2023.



DIAGNOSIS

THE FUTURE

- To focus the Targeted Lung Health Check activity to support those programmes that best meet Cobalt's three key objectives of improved diagnosis, education and research to improve understanding, techniques and shared practice.
- Work continues with the Institute of Translational Medicine at the QE Hospital Birmingham on a project to upgrade the scanner, effectively making it as-new, increasing the diagnostic and research capability and extending its potential operational life by up to ten years. This aims to continue facilitating the use of research concepts to support clinical activity/decision making.
- Cobalt will continue to evaluate tools which establish visual and audio links to remote/mobile scanners so that senior radiographers can support their colleagues by being able to shadow the operation of the scanner, with the intention of providing higher levels of technical support, training and education, and improved patient safety through live interpretation of unexpected findings.
- With PET/CT referrals for oncology and dementia scans continuing to grow at 10% per annum, Cobalt is working with NHS colleagues in Worcestershire to explore the provision of a PET/CT service in the county. This aims to reduce the travel time for many patients, including those travelling from Herefordshire. It will help patients closer to Birmingham access a PET/CT service with shorter wait times.
- With the support of Cobalt's NHS England Specialist Commissioner, we have secured 300 PSMA doses for 2024/25 (123 in 2023/24). The production of the PSMA tracer is not straightforward and can fail. The aim is to work with referrers and our radiologists to ensure that we use our resources to the maximum benefit for patients showing signs of prostate cancer to help with their diagnosis and ongoing treatment.
- There is the potential for Amyloid PET/CT imaging to be used to assess and monitor patients being given new treatments to slow the progression of dementia. Experience in undertaking Amyloid-based research trials has resulted in Cobalt being invited to participate in NHSE-led discussions, and both to monitor and prepare to be part of a national rollout, should NICE approve these treatments.
- To keep monitoring the potential for further cancer screening programmes that will need the support of diagnostic imaging.
- To work with local consultants to start a specialist cardiac MRI service in Cheltenham, with the medium-term target of being recognised by NHS Specialist commissioners so that particularly ill patients will not need to travel to Oxford and Bristol for this service.
- To deliver the Dudley CDC project in a timely manner and to work closely with the local trust team to continue to deliver an excellent facility and service.



PATIENT STORY

Living with a brain tumour

Charles Bishop, 36, shares his journey of living with a brain tumour diagnosis and how Cobalt has played a significant role in his life. This is his story.

“About 11 years ago, I was having a kick around with friends when I suddenly felt overwhelmingly dizzy. I thought nothing of it until two weeks later when it happened again,” Charles recalls.

After seeking medical help, Charles underwent numerous blood tests, ECG heart monitors, and scans. “The hospital discovered a grade 3 oligodendroglioma on the front right side of my brain. I started having multiple absent seizures daily, so I knew something very serious was happening.” Six months later, Charles endured an operation, six rounds of chemotherapy, and radiotherapy.

“I hate hospitals and anything clinical, so places like Sue Ryder, Cobalt, and Maggie’s are a great comfort. Sometimes, if Cobalt isn’t available, I rearrange for a date they can accommodate,”

Charles explains, “When I visited for the very first time, I felt anxious because I was being seen by many different departments and healthcare professionals. Life becomes a whirlwind when starting a journey like this. However, much to my surprise and relief, I arrived at a very welcoming, almost office-type premises. I was put at ease immediately.”

“The staff at Cobalt are incredible; nothing is too much trouble, and you are treated with respect and dignity.”

Charles speaks highly of his young daughter: “She has amazed me with how resilient, brave, and quite frankly awesome she has been, coping with this situation.”

“My prognosis has not been positive since the start, and as a family, we have accepted this. However, I have far exceeded any predictions. I firmly believe this is at least in part due to the kindness and professionalism of Cobalt, the NHS, and Sue Ryder hospice,” Charles concludes.

“She has amazed me with how resilient, brave, and quite frankly awesome she has been, coping with this situation.”

RESEARCH

AIMS FOR 2023/24 WERE:

Research is a key element of Cobalt's vision to improve outcomes for patients now and in the future. Research is proven to improve patient outcomes, benefit the health system overall, and leads to a happier workforce (NIHR, 2023). It provides opportunity for staff engagement and development and helps increase staff recruitment rates and staff retention.

- Further expand the research team through secondment and fellowship opportunities for internal applicants.
- Support dedicated research time for staff, through job planning and recruitment.
- Provide Cobalt's clinical teams with peer mentoring opportunities, and opportunities to undertake training in research methods and good clinical research practice.



- Develop robust systems and processes to enable seamless research support for Cobalt colleagues and external applicants.
- Promote Cobalt's role in research and innovation through publications, and representation at conferences.
- Build relationships with local universities and larger organisations to share resources and expertise.

RESEARCH

ACHIEVEMENTS IN 2023/24 WERE:

- The charity's research team continued to publish papers and present them at conferences. A catalogue of recent work is available on the Research page of the Cobalt website.
- Cobalt continued to employ a research fellow, Dr Ayah Nawwar, a Consultant Nuclear Medical Physician, who works collaboratively with our Director of Clinical Research Prof Iain Lyburn on PET/CT imaging projects. They have co-authored many papers in 2023/24 and helped with the development of new patient pathways, including reducing the oesophageal cancer diagnostic time, accelerating treatment. They continue to work on developing Artificial Intelligence (AI) in PET/CT reporting. This research has led to accepted abstracts and

invitations to present their findings at international conferences.

- This year Cobalt supported 45 trials and performed 453 research scans. The charity is committed to continuing to support clinical trials that involve diagnostic imaging, especially those related to oncology and dementia studies. These are important in the development of innovative treatments and provide the team with experience of different technical challenges. The recently published review of commercial clinical trials in the UK by Lord O'Shaughnessy highlighted the risks of not supporting trials. This will remain a core aspect of Cobalt's ongoing support for research.
- Cobalt's experience in providing PET/CT imaging for



national and international dementia studies has led to the charity being approached to be involved in an NHS England forum on the potential requirement for a national programme of Amyloid scanning related to new treatments. This expertise gained by our research and clinical teams enables Cobalt to be involved in such discussions and be well positioned for the future.

- Cobalt continues to support the funding for research nurses at Thirlestaine Breast Centre for Gloucestershire Hospitals NHS Foundation Trust. They have successfully recruited over 1,300 participants to breast research trials from the county and are performing well against larger research centres. This provides local patients with access to trials not uniformly available across the UK.
- Professor Iain Lyburn, Cobalt's Director of Clinical Research, gave updates at the Symposium Mammographicum conference in Glasgow on behalf of national research teams for two major breast cancer trials.

- Cobalt has been invited to join the Gloucestershire research consortium, Research4Gloucestershire. The forum has been introduced to create links between all the interested parties in health research in the county, universities, the various NHS research teams, private providers and colleges.
- Members of the Cobalt team undertook our first radiographer-led research projects, including one on how technology helps with scanning claustrophobic patients, an area where we have developed great expertise. They were invited to present their findings at the 2024 United Kingdom Imaging and Oncology congress.
- Cobalt was also invited to exhibit at the Translational Research Symposium in Birmingham to showcase its research capabilities at both the Imaging Centres at the Institute of Translational Medicine in Birmingham and Cheltenham.



RESEARCH

THE FUTURE

Cobalt's Research Committee has reviewed and refreshed the research strategy, with a focus on ensuring that all activity will demonstrate a potential impact on patient care and/or service delivery. There will be clear research interests, in line with Cobalt's strategy. We aim to:

- Support further radiographer-led research to improve patient experience.
- Explore the benefits of AI in the operation of scanners and the interpretation of images. This will require dedicated research time for staff through integrated job planning and recruitment, including opportunities for internal secondments and fellowships.
- Continue to develop opportunities for Cobalt staff to undertake training in research methods, good research practice and peer mentoring opportunities, to assist staff in the presentation and promotion of their results.
- Continue to employ a Research Fellow to support internal and external research collaborations. To consider the benefit of employing a second fellow to expand the range of activity.
- Ensure that Cobalt's role in research and innovation is recognised through publications, and representation at conferences.
- Build on relationships with local universities, research centres and hospital trusts to share resources and expertise, and provide opportunities for collaborative research, with access to funding through an external application process.
- Establish a project team to build a research database of existing scans and to consider what data should be included in future, and how best to achieve this in order to maximise the benefit of this information.
- Develop relationships with experts with complementary skills, e.g. Statisticians, IT, Physicists, and Ethics experts, etc who can advise in the design of internal research projects, help train staff, assist in the design of projects and evaluate applications.



AN UPDATE FROM OUR DIRECTOR OF CLINICAL RESEARCH PROFESSOR IAIN LYBURN

The research landscape is becoming increasingly exciting; a large component of our activity involves medical imaging (scanning). Techniques have advanced greatly over the past couple of decades. The significant developments have seen increases in speed and the switch to digital imaging from physical 'hard copy' akin to the changes we have all seen with our own photography with the advent of smart phone cameras.

Major advances have occurred in image resolution (detail) – we are seeing smaller structures/disease earlier. It is also much quicker now to take the images. For example a CT scan of the head previously took 10 minutes; now a whole-body CT scan from the top of the head to the feet may take as little as 40 seconds.

We are also able to see and share images much more efficiently. We used to take spools of film of our holiday snaps to be developed at our local pharmacy and then wait for physical photographs – now with our phone cameras, there is an almost instantaneous result we can send on to friends and family in multiple locations worldwide. A similar phenomenon has occurred in scanning – images can quickly be made available to many people in several places. There is also less likelihood of the original image being damaged or lost.

These marked changes have caused a meteoric rise in scanning activity in healthcare. Through research there is an opportunity to harness this information and use it to improve diagnosis and treatment. Cobalt is playing an increasing role within multiple areas. A couple of recent highlights are:

- Funding breast cancer research nurses based at Thirlestaine Breast Centre has revolutionised Gloucestershire NHS Hospitals impact on breast cancer research. Over the past 2 years the department has recruited over 1,300 patients and has been the highest or second highest contributor to high-profile UK national trials.
- Teams at Cobalt are working with international partners on the impact of artificial intelligence (AI) on reporting scans and extracting information which could influence potential treatment options. This work has resulted in presentations at major medical conferences in Europe and North America.

Thank you for your interest in and support of research. The UK and Cobalt 'punch above their weight' and look forward to continuing to do so. The research team are extremely grateful for the support of Cobalt donors, the fundraising team and the board.



EDUCATION

AIMS FOR 2023/24 WERE:

- Develop a Training and Education Strategy for Cobalt, encompassing both internal and external activities, creating programmes for all staff, and simplifying systems to monitor and maintain training records.
- Create online space to share CPD opportunities and relevant further education courses for all staff, to encourage their development.
- Increase the number of advanced practice and cross-sectional radiographers, through the development of existing team members, and recruitment of new staff.
- Continue to present at national and international conferences, sharing Cobalt expertise and experience of working with the latest technologies and imaging techniques.
- Facilitate an ongoing lecture programme for health professionals.
- Support local universities with course development, providing guest lecturers and placement opportunities.
- Review and expand the apprenticeship programme and broaden into degree apprenticeship, to ensure training and succession planning.
- Develop “super-users” in MRI, CT and PET/ CT.



EDUCATION

ACHIEVEMENTS IN 2023/24 WERE:

- Cobalt welcomed clinical placements for radiography students for the fourth year and we value the perspective, ideas, passion and energy the students bring in return.
- The internal team benefitted from educational events and courses, through the University of Gloucestershire and, the Society of Radiographers, alongside training and mentoring by more experienced members of staff. This has increased employee engagement, particularly with research activities.
- A programme of 'lunch and learn' events was launched for clinical staff.



- A day conference was hosted in February for trustees, employees and programme partners/suppliers involved in the Targeted Lung Health Check programmes, celebrating successes and sharing key findings, featuring keynote speaker, Prof Richard Booton, Programme Director for Manchester Targeted Lung Health Check Programme.

- Cobalt Learn was launched in January 2024. This online learning platform provides a one-stop training site for Cobalt's team. It covers most of the mandatory training requirements for the services. There has been excellent engagement from staff, with a significant improvement in completion rates. Future developments will include more personal development, staff welfare, HR and management courses.
- Cobalt is grateful to our team of consultants who have continued to provide a very well-received education programme for referrers and staff. The online approach has worked well and remains the preferred means of access. There is now an increasing demand for in-person training, as this is seen to create more interaction and a richer learning experience.
- A record five radiographers completed the MRI training programme in 2023/24. Retention of the trainees over the life of the programme has been excellent and they continue to demonstrate their quality.
- Cobalt has been invited to lecture at a number of events during the year, including as guest lecturers at the University of Gloucestershire.

- Two members of the support team completed their apprenticeships, with one becoming Gloucestershire Apprentice of the Year. He has moved on to higher qualifications, while the other is using the experience gained at Cobalt to switch to train to become a paramedic. Two new apprentices are expected to be recruited this year.





EDUCATION

THE FUTURE

Develop a Training and Education Strategy for Cobalt, encompassing both internal and external activities, including creating programmes for all staff and simplifying systems to monitor and maintain training records. Activities will include:

- Creating online space to share CPD opportunities and relevant further education courses for all staff to encourage their development.
- Expanding the training facilitator roles to support CT and PET/CT and the training of staff across modalities.
- Expanding the range of courses on the Cobalt Learn platform to cover personal development including leadership, staff welfare and appraisal skills.
- Supporting the project for remote staff working on scanners in the field to maximise the training opportunities.
- Developing the programme of bite-size lectures and speakers for delivery at national exhibitions.
- Recommencing face-to-face classroom training for health professionals alongside the online activity, assessing the scope to restart Cobalt's previously successful oncology and dementia conferences.
- Actively contributing to the development of future radiographers by supporting local universities with placement opportunities and the provision of guest lecturers.



FUNDRAISING REPORT



Happy volunteers running the pop up cafe at a Cobalt open garden event'

The Fundraising Team achieved their set objectives with a total fundraising income achieved during 2023/24 of £0.6m. This was £100k from individual donations, £82k from fundraising activities, £9k from In Memoriam, £17k from trusts and foundations with special thanks to Wotton-Under-Edge Town Council, Masonic Charitable Foundation, Renishaw Plc, Pink Ribbon Foundation, The Fieldrose Charitable Trust, The Gordon Gray Trust and Zurich Community Trust (UK) Ltd. £345k was from legacies.

Our charitable activities in 2023/24 and ongoing include:

- Funding 635 oncology scans, including specialist breast MRI scans for 'at risk' women in Gloucestershire. These scans provide rapid access to technology which would otherwise be unavailable and enable a faster diagnosis at no cost to the NHS.
- Raising funds to support research and education (primarily in the fields of cancer and dementia), including the provision of a dedicated research

imaging centre and service at the Institute of Translational Medicine in Birmingham, and funding a radiology research fellow at The Royal Brompton Hospital.

- Funding specialist nursing roles for the NHS in Gloucestershire, including Breast Cancer Research Nurses, and a Teenagers and Young Adults with Cancer Nurse Specialist. We are grateful for the many donations we received as part of The Big Give (match funding) campaign to support this work.

Cobalt has provided funding for Megan Willsher, a Teenagers and Young Adults with Cancer Nurse Specialist, since 2011, to support around 35 young patients per year. She makes sure that they have support from the moment they are diagnosed, and cares for them through every step of their treatment, and for up to two years afterwards, aiding their recovery and enabling them to live as full lives as possible.



Megan Willsher'



You only get one chance at being young, those few crucial years will shape the person you become – your relationships and career, your confidence and wellbeing, your ability to pursue your dreams...cancer can throw all of that off track. Suddenly your life has been turned upside down. You are scared and living from one appointment to the next

A young cancer patient.



CELEBRATING OUR VOLUNTEERS

Since April 2023 Cobalt has gained 14 new volunteers, who help with events, card making, collecting tins, collecting cards to upcycle, proofreading and by sitting on Cobalt's Clinical Governance Committee as a lay person. They have joined our team of over 150 enthusiastic, dedicated and loyal volunteers who help the charity with fundraising, public engagement and governance. They are all ambassadors, raising awareness of Cobalt in their communities.



Our wonderful volunteers at their 2023 thank you event



Highnam Court - image credit: John Bishop

Open Gardens 2023

The Old Rectory in Quenington and Highnam Court in Gloucester kindly opened their garden gates for Cobalt and The Rare Plant Fair. This wonderful partnership with The Rare Plant Fair brings many keen gardeners to enjoy the gardens, the plant fair and Cobalt's pop-up café which serves light lunches and delicious homemade cakes. 2023 saw 1,580 visitors attend these wonderful events, raising £10,000 and gaining over 130 new supporters.

Make a Will Month

During April each year, partner solicitors donate their time and expertise to support Cobalt. Through the scheme they write or update wills, in return for a voluntary donation to Cobalt. We are very grateful for the support of teams from Davis Gregory Solicitors, Dee & Griffin Solicitors, Sewell Mullings Logie, Langley Wellington LLP and Willans LLP for their participation in this important programme.

We also thank past supporters, and their loved ones, who left a gift in their will and over a hundred more supporters, who kindly let us know their intention to support Cobalt in this way.

Nailsworth and Woodchester Support Group

This exceptional group have been fundraising for Cobalt for 37 years. We were so grateful to receive a donation from the group of £11,657. The group organise fundraising events, including a group country walk and through supporting the Stroud Vintage Transport and Engine Club summer rally.

Stuart Robins

Stuart completed the London Marathon 2024 in memory of his cousin, Tracey, and raised over £3,300. What a great achievement!

Our new partnership with Commercial Foundation

We are delighted to announce a new partnership with Commercial Foundation, a fantastic organisation which helps local young adults who have previously experienced barriers to work get their lives back on track. They run a 12-week employability programme, helping their volunteers develop skills, build confidence and self-esteem, with real-life, on-the-job work experience.

The Foundation's volunteers run a digital print studio, which we now employ to print the inserts we use to make Cobalt cards. This partnership means that cards not only provide the charity with important funds, great public awareness and create a weekly social activity for over one hundred volunteers, they now improve the lives of local young people!



Capture a Moment Photography Competition

A winning entry from last years calendar



Cobalt's 2023 Capture a Moment photography competition produced another fabulous calendar, with stunning images of landscapes, architecture and even a steam train. We particularly enjoyed the photo of a Highland cow pictured in a buttercup meadow on Minchinhampton Common in Gloucestershire. The competition has created a community of support for Cobalt and our sponsors provide over £1,000 of prizes.

Cobalt cards

Over 35 sites in Gloucestershire and Worcestershire host a Cobalt card box, including shops, hospitals, dental practices, GP surgeries, physiotherapy practices, sports clubs and schools.

The volunteer-led programme engages over 100 volunteers and raised over £32,000 in 2023/24.

Celebrating our



In 1964 Dr Fred Hanna, Howard Crooks and a committee of medics established the Cobalt Unit Appeal Fund, to raise money to build a centre for cancer treatment in Cheltenham. The unit would benefit local patients who were having to travel long distances when they felt most unwell. Two years later the Cobalt Unit was established (now known as the Oncology Centre) at Cheltenham General Hospital.

From humble beginnings in a small room within the Cobalt Unit, they continued to raise funds for other innovative equipment and buildings to assist the local NHS to support patients more efficiently and effectively. Fundraising projects included an appeal for a whole body X-ray scanner and a public cancer and smoking cessation awareness campaign.

In 1989 the charity established the Gloucestershire breast screening service at Linton House, a property purchased from Cheltenham College. Linton House then became the charity headquarters and investment was made into several mobile MRI scanning and mammography screening units. The charity's reach extended into the three counties, Gloucestershire, Herefordshire and Worcestershire. In 2005 building work began on a new Imaging Centre adjacent to Linton House and was completed the following year. Cobalt acquired another building in 2018 which accommodates the local NHS breast screening service.

Today, the Cobalt Imaging Centre houses two high-spec MRI scanners and a PET/CT scanner. The mobile fleet now comprises seven mobile MRI scanners, a mobile PET/CT scanner and nine mobile CT scanners, which travel around the whole of the UK.

We continue to invest fundraised money, and any surplus created by delivering services, in projects which make a tangible difference to patients, through advancements in imaging technology, research trials and supporting education for medical professionals.



Dr. Fred Hanna OBE



Cobalt Imaging Centre, Cheltenham



Thirlestaine Breast Centre



Cobalt's 3.0 Tesla mobile MRI scanner





A reflection on our history

by our Medical Director, Dr Umesh Udeshi

As Medical Director for Cobalt, I work closely with the clinical teams and am involved in the clinical governance of the charity, to ensure we maintain an exceptionally high quality of service provision. I am actively involved in various in-house committees and available to help and support the day-to-day delivery of services.

In the 60th anniversary year of Cobalt, I thought I would write a few personal reflections on my 30 years of involvement with the charity. I remember my first experience was in the early 90s when 'Mobile Number 1' came to Spire South Bank Hospital in Worcester, where I was working as a radiologist. The mobile used to visit every Saturday (as this was the only day the car park had space) and we booked patients from 8 am to 8 pm. Prior to that, Worcester patients had to travel to Somerset or to Birmingham for MRI scans.

Following that successful partnership, and with the charity's investment in more mobile scanners, Cobalt

provided mobile MRI at all three NHS hospitals in Worcester, Hereford and Gloucester for many years, until the hospitals were able to buy their own scanners, some of which continue to this day.

Cobalt raised funds to provide mammography machines in Worcestershire and Herefordshire and of course bought and refurbished the building that houses the Thirlestaine Breast Centre in Cheltenham.

When the Cobalt Imaging Centre in Cheltenham was built, I started to report on MRI scans there too, which I still do. It is a pleasure to work in such a well-equipped, friendly environment where the patient is always the most important consideration. The staff are friendly and professional.

I truly believe that without Cobalt, the local hospitals in the three counties would not have had access to advanced imaging for several more years than they did. Thank you, Cobalt!



GIVING WITH CONFIDENCE

Cobalt is registered with the Fundraising Regulator and complies with the standards laid out in the Code of Fundraising Practice. We agree to ensure our fundraising is legal, open, honest, and respectful. The charity adheres to the 'Fundraising Promise' which is published on the Cobalt website. The charity has also signed up to the Fundraising Preference Service which enables individuals to opt out from receiving fundraising communications from us. Cobalt staff and volunteers carry out their activities in accordance with these guidelines.

The charity is a member of the Chartered Institute of Fundraising and the Institute of Legacy Management and adheres to their best practice guidelines. External agencies are not employed to carry out fundraising on behalf of the charity. There is no door-to-door fundraising. In line with our Data Protection Policy the charity does not sell, and has not given, data to any third parties without express permission. Access to the Cobalt database by staff and volunteers is strictly controlled. Cobalt treats its responsibility towards supporters in vulnerable circumstances with the utmost importance and our fundraisers are provided with guidance and support to help them respond appropriately to any individual they consider this might apply to.

No complaints have been received during the year. Any complaints received are managed in accordance with our complaint handling procedures. Supporters are encouraged to provide feedback as this is an important source of information about the impact that the charity's work has on them and other members of the public.

We provide details of how to contact us, including our complaints process, on our website. The fundraising programme is reported on a regular basis to the board of trustees and the ongoing strategy is approved by them, to make sure our fundraising activities are compliant with all relevant rules and regulations, remain ethical and deliver the highest possible standards. We want to ensure that everyone who supports us has the best possible experience and that our donors are confident of the difference they are making.

Most people who donate to us want to know how their money is making a difference. We ask whether they would like us to keep in touch with them and how, so we can update them on our work. We give supporters the option to let us know if they no longer wish to hear from us, and always respect their decision.

FINANCIAL OVERVIEW

Total income for the year was £25.4m (2023 – £26.8m).

During the year the number of scanners deployed totalled 23 through a combination of acquisition and hiring in units (14 CT, 7 MRI and 2 PET/CT scanners). The charity continued to maintain support for oncology patients with PET/CT and MRI, whilst maintaining research capabilities for ongoing studies. Cobalt provided free MRI, CT and PET/CT scans to help reduce oncology waiting times, improved diagnostic pathways and the early diagnosis of dementia.

The cost of providing the charitable activities increased by £1m to £26.9m (2023 - £25.9m). This

largely reflects the increase in services and in the cost of operating the Targeted Lung Health Check (TLHC) services in the community. During the year the charity incurred some reorganisation costs and associated professional fees.

The deficit for the year was £1.56m (2023 – surplus £0.9m). The charity invested £1.6m of the surpluses generated in previous years in new imaging equipment, buildings and interiors. This included £0.9m on a new Somatom go.All CT scanner to support the TLHC programmes. A further £0.7m of capital expenditure was committed at the year-end to complete the build of a new PET/CT relocatable unit.

INCOME AND EXPENDITURE

The total income for 2023/24 was £25.4m (2023 - £26.8m).

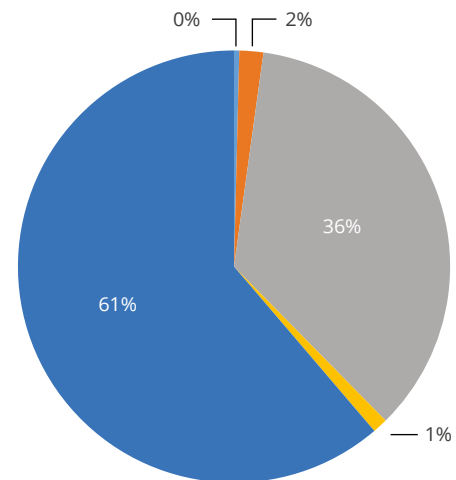
MRI Services £9.0m (2023 - £9.5m)

Patient numbers attending the Cheltenham Imaging Centre continued to increase, with income rising by 13%. Mobile income was derived from Cobalt's own scanners, and whilst mobile income declined by £850k, the net income for the additional services was marginal. The income includes a relocatable scanner supporting the Gloucester CDC and a mobile unit supporting the Dudley CDC. The scanner supporting research and clinical activities at the Institute of Translational Medicine at the Queen Elizabeth Hospital Birmingham continued to operate 7 days a week.

PET/CT and CT Services £15.5m (2023 - £16.1m)

PET/CT and CT income is derived from the following:

- A PET/CT contract with NHS England (NHSE) to stage (evaluate the extent of) cancer and assess for patient's response to treatment.
- The digital scanner in Cheltenham has increased capacity, resulting in the average number of scans a month rising and income increasing by 10%.



BREAKDOWN OF TOTAL INCOME (£25.36m)



- The provision of CT Targeted Lung Health Checks in community sites across England. Previously most of the activity was supporting checks for large cohorts of patients in an area over a number of days or weeks. 2023/24 saw change in the pattern of activity, with trusts undertaking more follow-up scans with much shorter stays and reduced utilisation of the CT scanners. Whilst income has held up reasonably well due to more scanners being deployed, the cost of the provision has increased significantly.
- Two CT scanners were supporting CDC developments centres, one at the Gloucester Quays CDC and the other an interim service in Dudley (the Dudley service was tendered for the continuation of this services and following a successful bid, this was awarded to Cobalt post year-end).
- The provision of PET/CT mobile services at St. George's Hospital, London. The utilisation of the scanner in 2023/24 has been disappointing at circa 40%. This is expected to improve in 2024/25.

Fundraising Income £0.6m (2023 - £1m) of which:

- Fundraising Donations and legacies £454k (2023 - £783k)
 - The charity benefitted from legacies receivable of £345k and donations and other gifts totalling £108k.
- Fundraising activities £99k (2023 - £204k)
 - The general environment for fundraising remains challenging and consequently income for events and other activities remains lower than anticipated.

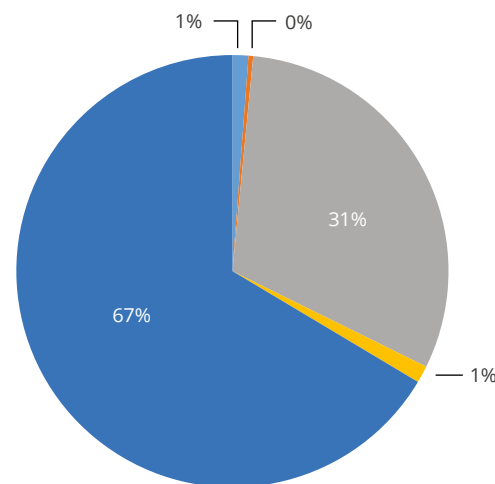
Other income £0.1m (2023 - £0.1m)

This income is primarily from rent receivable, interest on bank holdings, which have benefitted from the rise in rates, and any gains on fixed asset disposals.

Expenditure for 2023/24 totalled £26.9m (2023 - £25.9m).

MRI Services £8.3m (2023 - £9.4m)

Clinical staffing represents the highest proportion of the total costs, including bank shifts and agency staffing. A combination of refining services and the successful recruitment of MRI staff has significantly reduced the reliance on agency staff. No MRI scanners



BREAKDOWN OF TOTAL EXPENDITURE (£26.92m)

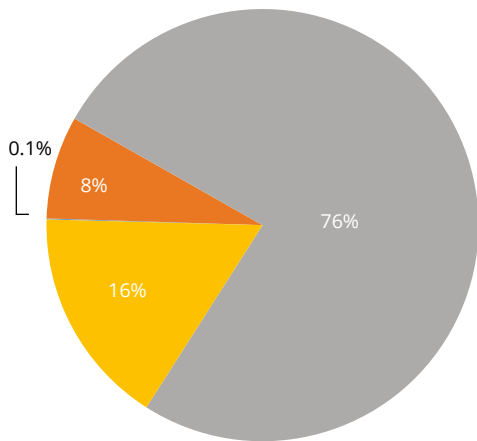


were hired in the year, reducing costs by £770k. Maintenance and servicing costs increased by 11%, reflecting the impact of the ageing fleet.

PET/CT Services £17.9m (2023 - £15.8m)

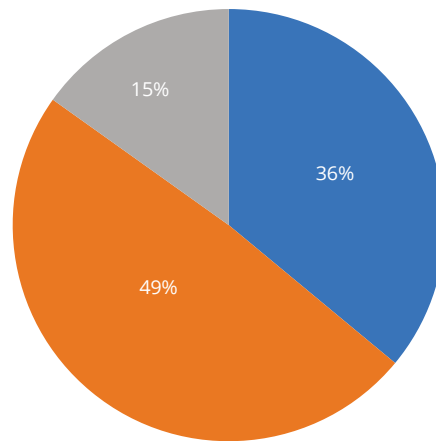
Clinical costs in Cheltenham rose in line with the increase in activity. £600k of the increase in cost related to operating the new relocatable PET/CT scanner. This was initially dependent on external staff. Staff have recently been recruited for PET/CT.

- CT - the change in nature of the TLHC services has meant that the trusts have required shorter stays for follow-up scans, resulting in many more scanner moves and a disproportionate increase in transport and associated costs against the service provision.
- The cost of hiring CT equipment to support the additional services was £1.17m (2023, £1.76m). Cobalt released two scanners that were on long-term hire. Cobalt also utilises equipment owned by NHS trusts to support the TLHC services.
- The rise in fuel prices seen in the last two years, continues to impact on the services, with costs for transport, generator, and water and waste for the mobile services remaining high. Some of the impact will be recovered through increased pricing as contracts renew. Cobalt is working with its logistics



CHARITY FUNDS (£31.87M)

- Restricted Funds
- Designated Funds
- Tangible Assets for use
- General Fund



DESIGNATED FUNDS (£2.47M)

- Capital Equipment
- Equipment Replacement Fund
- Grants

company to find efficiencies and reduce the fuel used to provide the services.

Raising Funds £0.3m (2023 - £0.3m)

Costs relate to the work of the charity and volunteers to raise philanthropic funds for Cobalt.

Charitable Funding, Nurses and Research £0.3m (2023 - £0.3m)

This includes funding the three breast cancer research nurses and Cobalt's Teenagers and Young Adults with Cancer Specialist Nurse. Cobalt supports a research fellow at the Royal Brompton Hospital.

Training and Education £0.1m (2023 - £0m)

This represents staff costs and the new online training and education platform for staff.

RETAINED FUNDS

Charity Funds £31.9m (2023 - £33.4m)

Restricted Funds £25k (2023 - £0k)

Designated Funds £2.5m (2023 - £3m)

The trustees have allocated funds to address recognised needs for the charity, which are identified below.

Tangible assets for use £24.1m (2023 - £25.3m)

The fund represents the net capital value of the property and working assets of the charity required for its operation.

General Fund and Reserves Policy £5.2m (2023 - £5.1m)

To protect Cobalt's activities, the charity's Reserves Policy is to maintain a minimum of 3 months and a maximum of 5 months working capital in reserves. At the year-end Cobalt held reserves sufficient for 2.3 months (2023 - 2.4 months). The reduction is due to the reduced surplus and also reserving funds for investment in new medical equipment. Cash generation remains strong and the level of the reserves is not seen as a significant risk at this time.

The Reserves Policy is regularly reviewed and still deemed appropriate.

Designated Funds £2.5m (2023 - £3.0m)

Capital Equipment £0.9m (2023 - £1.7m)

The funds are held for new equipment projects. £0.2m has been retained to complete the build of a new support unit for the Manchester Targeted Lung Health Check programme, expected to be completed by summer 2024. £0.7m is also reserved to complete the installation of the PET/CT scanner removed from the Cobalt Imaging Centre during the digital upgrade



project, in a new relocatable unit. This is expected to be completed in July 2024.

Equipment Replacement Fund £1.2m (2023 - £0.75m)

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. In 2023 £0.75m was reserved to upgrade the MRI scanner at the QE Hospital Birmingham to enhance the research capability. Although this project is still expected to take place, the timeframe is not known, therefore these funds have been released. £1.2m has been set aside for the replacement of one of the older MRI mobile scanners in the fleet.

Grants Fund £0.4m (2023 - £0.4m)

Grants are to support oncology services and research. The fund will be expended against ongoing research projects, fellowships and research grant awards that will be advertised from time to time on the charity's website. This fund is expected to support these projects over the next two years.

Property Fund £nil (2023 - £0.1m)

This fund is used to upgrade the facilities in the charity's properties.

Investments

The charity considered it prudent to distribute its cash reserves amongst a number of UK banks. Cash has

been held on deposit with differing maturity dates to maintain flexibility.

Financial viability consideration

As part of the strategic planning process, the trustees review and set annual budgets and three-year financial forecasts based on the current information and plans. This review looks at the surpluses and cash generated across the period and the indicative plans for investment in services to ensure that these are sustainable. In doing so the trustees have an eye on the future commitment to replace existing scanners in a timely manner to ensure that the services reflect the charity's vision and values. The post-pandemic period has seen increases in costs, particularly for Cobalt transport, materials, fuel, and staffing.

Changes in the pattern of the services have also increased costs, with multi-year contracts constraining price increases. The surpluses in the forecast are lower than those seen in prior years and require increased attention to the cost of running the services. Investment in staff retention and recruitment, along with new software systems are expected to help improve the situation. In the meantime, cash generation is forecast to remain sufficient to meet existing projects and planned equipment replacement.

Based on this assessment and the reserves held, the trustees are confident of the ongoing financial viability of the charity.

GRANT-MAKING POLICIES

The trustees will continue to identify suitable projects which can be supported by the charity. Support will be given to projects which:

- Significantly improve the quality of diagnosis, detection, treatment and support for patients suffering from cancer and dementia; including supporting pathways for advancing research using imaging techniques.
- Support the training and education of medical imaging professionals using advanced MRI, CT and PET/CT equipment, and the use of artificial intelligence in diagnosis.

RISK MANAGEMENT

The charity has a risk management strategy. This involves:

- An annual review by the board of trustees of the risks to which the charity may be exposed.
- The assessment of clinical risks by each area being reviewed by the relevant Committee.
- The establishment of procedures designed to eliminate or minimise such risks.
- The implementation of such procedures.

Details of key risks are recorded in a risk register and at each board meeting the trustees discuss the key risks facing the charity. The following have been identified as the most significant risks.

Risk	Impact	Mitigation
Loss of major contract for diagnostic imaging through increased competition. There are an increasing number of suppliers looking to provide staffed services	The loss of a contract may have a significant impact on income and recent tendering by NHS trusts has attracted more competition and in some cases restricted opportunities for smaller operators	The charity is diversifying its activities into other areas of clinical imaging and means of providing services – including the expansion of CDCs and mobile PET/CT services
Cyber security failure or denial of service attack. Increasing risk of systems being attacked through use of AI-enhanced hacks	Potential loss of data, inability to operate through denial of service, impact on reputation	Staff undertake annual IT Governance training, including cyber risks. Cobalt continues to invest in critical systems, technical support and remote disaster recovery resources
Loss of a clinical scanner through breakdown or damage. The mobile MRI fleet has 3 scanners approaching the end of their serviceable life for Cobalt	Potential loss of income and key contracts, delay in diagnosis for patients. Risk for charity's reputation of offering the latest technology to support the NHS	Cobalt invests in comprehensive maintenance and service level agreements to repair or compensate for lost time. Identifying new medium-term projects to help fund replacement of older equipment
Impact of inflation and cost drivers on surpluses. 2023/24 saw the continued rise in critical areas particularly with regard to operating remote services	Reduction in surpluses and cash generation has the potential to reduce the capacity to invest in strategic objectives in the medium term	Provision in the budget, cost control, diversification of supply, renegotiating contracts, and reassessing services. Working with suppliers on finding efficiencies and innovation to reduce running costs
Shortage of suitably qualified staff - the market remains challenging with demand for imaging increasing, especially with inherent growth in current contracts, leading to an over-reliance on agency staff	Increased cost of working through the use of agency staff and potential failure to fulfil contracts and grow	Cobalt recruitment website and social media advertising are proving to be good resources for attracting staff. Increased effort has been made to improve onboarding processes and induction

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cobalt Health (Charity Registration Number 1090790) is a company limited by guarantee (Company Number 04366596) (also known as 'Cobalt') and has no share capital. In the event of the company being wound up the liability of each member is limited to £1.

The charity is governed by Articles of Association dated 23 May 2017. Details of trustees, executive and advisers are given on page 66.

Appointment of new trustees

- The Articles of Association allow the board to appoint new trustees, subject to confirmation at the next Annual General Meeting of the charity.
- The charity seeks candidates using executive search consultants, adverts and by direct approach.
- Trustees are only appointed after interview.
- New trustees go through a formal induction process to enable them to become an effective member of the board. This includes time in the charity, meetings with the senior management team, structured training, including occasional sessions with the charity's auditor on the responsibilities of trustees and on emerging issues.
- The trustees also have access to a training portal with links to resources and updates.

Committee Structure and Management

The board of trustees meets five times a year with occasional special meetings being called as required. It decides the general strategy for the work of the charity and approves all major items of expenditure or funding. Day-to-day management of the charity's work within the general strategy is carried out by the Chief Executive and the charity's Senior Management Team.

The following committees are chaired by board members and report to the board of trustees:

- Finance Committee – meets a minimum of three times a year and is responsible for oversight of the financial strategy and performance of the charity, and its administrative affairs, including risk management.

- Clinical Governance Committee – meets four times a year and is responsible for oversight of the clinical governance and quality assurance for all clinical work, to ensure that safe, effective and patient-focused healthcare is provided.
- People Committee – meets four times a year to review staff pay and conditions, including those of the senior management, making recommendations to the board of trustees. The committee takes into consideration salary benchmarks in the health and charity sectors.
- Research Committee – meets three times each year to consider projects to support and monitor the effectiveness of Cobalt's research activities
- Nominations Committee – meets as required to support the recruitment and appraisal process for trustees, and assessment of board effectiveness. The committee also supports the recruitment of the CEO and key members of the executive management team.

There is a dormant subsidiary, The Cobalt Unit Appeal Fund Limited (Company Number 09016631), with an issued share capital of £1 held by the charity.

Charity Governance Code

The trustees recognise the benefits to be gained from adopting the Charity Governance Code. They self-audit the governance of the charity against the seven principles in the code on a cyclical basis.

The process has helped focus on areas where some improvements can be made, including looking at how to meet the challenge that many charities face of increasing diversity in the trustee board. A nominations committee has been established and a specialist agency was employed to help with the recruitment of three new trustees with a range of suitable skills.

The trustees and advisers listed on page 66 form part of the Trustee's Strategic Report.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Cobalt Health for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards). Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charity's SORP
- make judgments and 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible

for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITOR

Insofar as each of the trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

AUDITOR

During the year the charity used its previously appointed auditor, Crowe U.K. LLP, who has been appointed in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor. The Annual Report, comprising The Strategic Report and other information, was approved by the trustees on 19th September 2024 and signed on their behalf by

Philip Leonard, Chair of the Board of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

Opinion

We have audited the financial statements of Cobalt Health ('the charitable company') for the year ended 31 March 2024 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have

concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 39, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing,

as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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

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

Use of our report

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

Tara Westcott Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
St James House
St James Square
Cheltenham
Gloucestershire
GL50 3PR

2nd October 2024

COBALT HEALTH

STATEMENT OF FINANCIAL ACTIVITIES

(including an Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds	Restricted Funds	2024 Total Funds	2023 Total Funds
		£	£	£	£
INCOME FROM:					
Donations and legacies	2	396,275	57,763	454,038	782,614
<i>Charitable activities</i>					
Clinical services	3	24,524,912	-	24,524,912	25,674,613
Fundraising activities	4	82,066	16,950	99,016	204,405
Investment income	5	161,140	-	161,140	67,197
Other income	6	123,224	-	123,224	114,045
TOTAL INCOME		25,287,617	74,713	25,362,330	26,842,874
EXPENDITURE ON:					
Fundraising costs	9	344,943	-	344,943	345,062
Charitable activities	9	26,530,141	49,876	26,580,017	25,584,018
TOTAL EXPENDITURE	9	26,875,084	49,876	26,924,960	25,929,080
NET (EXPENDITURE) INCOME		(1,587,467)	24,837	(1,562,630)	913,794
TRANSFERS BETWEEN FUNDS		-	-	-	-
NET MOVEMENT IN FUNDS		(1,587,467)	24,837	(1,562,630)	913,794
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		33,431,874	138	33,432,012	32,518,218
TOTAL FUNDS CARRIED FORWARD	20	31,844,407	24,975	31,869,382	33,432,012

COBALT HEALTH

BALANCE SHEET

AS AT 31 MARCH 2024

Company number 04366596

	Note	2024 £	2023 £
FIXED ASSETS			
Intangible assets	11	77,276	104,082
Tangible fixed assets	12	24,165,483	25,293,206
Investments	13	150,001	150,001
TOTAL FIXED ASSETS		24,392,760	25,547,289
CURRENT ASSETS			
Stock	14	60,047	-
Debtors	15	4,717,094	4,417,477
Investments	13	3,204,561	3,095,910
Cash at bank and in hand		3,089,763	4,729,476
TOTAL CURRENT ASSETS		11,071,466	12,242,863
LIABILITIES			
Creditors - amounts falling due within one year	16	(3,542,625)	(4,155,194)
NET CURRENT ASSETS		7,528,841	8,087,669
Creditors - amounts falling due greater than one year	16	(52,219)	(202,946)
TOTAL NET ASSETS		31,869,382	33,432,012
FUNDS OF THE CHARITY			
Unrestricted Funds:			
Tangible fixed assets held for Charity's use	17	24,165,483	25,293,206
Designated funds	18	2,456,810	3,018,109
General fund	17	5,222,114	5,120,559
TOTAL UNRESTRICTED FUNDS		31,844,407	33,431,874
Restricted funds	19	24,975	138
TOTAL CHARITY FUNDS	20	31,869,382	33,432,012

Approved by the Trustees on 19th September 2024
and signed by Mr Philip Leonard, Chair

COBALT HEALTH

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	25	<u>556,119</u>	<u>3,852,378</u>
Cash flows from investing activities			
Interest receivable and rents from investments	5,6	278,864	176,469
Purchase of intangible assets		-	-
Proceeds from the sale of fixed assets		5,500	180
Purchase of intangible and tangible fixed assets	11,12	<u>(1,613,340)</u>	<u>(4,975,647)</u>
Net cash (used in) investing activities		<u>(1,328,976)</u>	<u>(4,798,998)</u>
Cash flows from financing activities			
Repayments of borrowing - HP		(145,022)	(139,534)
Repayments of borrowing - Bank loan		<u>(613,183)</u>	<u>(62,633)</u>
Net cash provided by financing activities		<u>(758,205)</u>	<u>(202,167)</u>
Change in cash and cash equivalents in the year		<u>(1,531,062)</u>	<u>(1,148,787)</u>
Cash and cash equivalents at the beginning of the year		7,825,386	8,974,173
Cash and cash equivalents at the end of the year	26	<u>6,294,324</u>	<u>7,825,386</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 1. ACCOUNTING POLICIES

Cobalt Health was incorporated in England and Wales as a company limited by guarantee (registered no. 04366596) and has no share capital. The liability in respect of the guarantee is limited to an amount not exceeding £1 per member of the company. Cobalt Health is registered as a Charity with the Charity Commission England and Wales (registered no. 1090790).

a) Basis of accounting

The financial statements have been prepared in accordance with 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities SOP and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under historical cost convention. Cobalt Health 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 note.

Under Section 405 of the Companies Act 2006, consolidated accounts have not been prepared as the inclusion of the dormant subsidiary is not material for the purpose of giving a true and fair view. Therefore these financial statements present information on the parent entity as an individual undertaking only.

b) Preparation of the accounts on a going concern basis

At the year end the Charity had £6.3m in the bank and on deposit. The Charity is able to meet its planned capital expenditure for 2024/25 and thereby help underpin future income generation.

The Charity prepares an annual budget and three-year projections. These have factored in anticipated increases in expenditure. Whilst recognising the challenges, as described in the Trustees Annual Report, the Charity expects to return to a surplus and generate cash to continue to invest in diagnostic equipment.

On this basis the Trustees are able to adopt a going concern basis for the preparation of these financial statements.

c) Income

Income, including that from clinical services, is recognised in the period to which it relates, once the Charity has entitlement to the resources and once the Trustees have probability that the resources will be received and when the monetary value can be measured with reliability.

Income from fundraising events is shown gross, with the associated expenditure shown in Fundraising costs. Where the Charity benefits from work carried out by volunteers without charge, no value is placed on this work for accounting purposes.

Donations including donated goods are recognised as income when they have been received and any conditions associated with the donation have been met.

Legacy income is recognised when there is a grant of probate; the executors have established that there are sufficient funds to distribute funds from the estate; the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are within the control of the Charity. An adjustment is made to include legacy receipts up to two months of the year end which relate to probate notifications for the financial year or earlier.

Interest and investment income, including rental income, is included when receivable and the amount can be measured reliably. Rental income due to the Charity, applicable to operating leases, where substantially

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

all of the benefits and risks of ownership of the asset remain with the Charity is recognised in the Statement of Financial Activities over the lease term.

Government grants receivable are credited to income as these become receivable, except in situations where they related to performance, in which case these are accrued as the charity earns the right through performance.

d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Expenditure on fundraising are those costs incurred in providing services for which the Charity received a direct income and those incurred in fundraising activity.

Expenditure on charitable activities represents the cost of supporting the Charity's objectives and as laid out in its memorandum and articles of association.

Governance costs are those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory compliance.

Support costs include central functions, principally connected with buildings and administration, which are indirectly incurred in support of the generation of funds and of charitable expenditure, and which are allocated to those headings on an appropriate apportionment.

Employees are entitled to join the Charity's money purchase pension scheme. The associated cost is allocated across the Charity's activities and funds depending on the role of the member of staff.

e) Redundancy and termination payments

It is the Trustees' policy to minimise the impact of organisational change. Redundancy payments only occur when absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

f) Intangible assets

The intangible assets of the Charity comprise operational software packages. Once it has been tested and commissioned the software is amortised over the expected useful life of 4 years. Amortisation is charged to 'Charitable activities' in the Statement of Financial Activities.

g) Tangible fixed assets

Individual fixed assets costing £5,000 or more, and others of a smaller individual value but forming part of a capital expenditure programme, are capitalised at purchase cost.

Depreciation is provided on all tangible fixed assets in use, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life. No depreciation is charged on land, and the land element is based on 25% of the total cost of the properties.

Freehold buildings

- 2% of cost, 5-33% for refurbishment

Medical equipment

- 10, 12½ & 20% of cost

Fixtures, fittings and computer equipment

- 13% and 25% of cost

Motor vehicles

- 20% of cost

h) Fixed asset investment

The Charity was bequeathed a 50% share in a freehold property as part of a legacy in 2020. The property is currently generating rental income for the Charity and as such is classified as an investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at 31 March 2024. No depreciation is charged on the property and it is reviewed annually for impairment.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

i) Impairment

The carrying amounts of assets are reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. Any loss is written off to the Statement of Financial Activities.

j) Stock

Stock is stated at the lower of cost and net realisable value.

k) Debtors

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

l) Investments

Investments represents cash held on deposit with differing maturity dates to maintain flexibility and to attempt to earn some income in a low interest environment.

m) Creditors

Creditors and provisions are recognised where the Charity 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.

n) Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future

periods. The finance element of the rental payment is charged to the Statement of Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

o) Bank loan

Bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

p) Financial instruments

Cobalt Health only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, cash at bank, cash held on deposit, debtors and creditors (see notes 14 and 15). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of intangible and tangible assets:

The annual amortisation and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 11 and 12 for the carrying amount of the intangible and tangible assets and notes 1(f) and 1(g) for the useful lives for each class of asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Legacies:

Management judgement is applied over the valuation of legacy income where cash is not yet received and evidence of entitlement exists and Cobalt Health is able to measure reliably. As a result, accrued legacy income is recognised at times, in advance of receiving the cash; see accounting policy 1(c) for further details.

r) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

s) Funds

Restricted funds comprise income funds subject to specific conditions arising from the donor's wishes or the terms of a particular fundraising initiative. Unrestricted funds are the working capital of the Charity, which is expendable at the discretion of the Trustees.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

t) Taxation

As a recognised Charity, the company is exempt from Corporation Tax so far as it relates to its charitable objects. It is not exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates.

u) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

v) Registered and Principal Office

Cobalt Health, Linton House Clinic, Thirlestaine Road,
Cheltenham, Gloucestershire, GL53 7AS.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 2. DONATIONS AND LEGACIES

	2024 £	2023 £
Donations	99,940	107,035
In Memoriam	8,660	11,571
Legacies	<u>345,438</u>	<u>664,008</u>
	<u>454,038</u>	<u>782,614</u>

£74,713 of donations and legacies were restricted (2023 - £65,725).

NOTE 3. CHARITABLE ACTIVITIES

	2024 £	2023 £
<i>Clinical services</i>		
MRI Services	8,990,786	9,549,984
PET/CT and CT Services	<u>15,534,126</u>	<u>16,124,629</u>
	<u>24,524,912</u>	<u>25,674,613</u>

NOTE 4. INCOME FROM FUNDRAISING ACTIVITIES

	2024 £	2023 £
Events	51,505	60,558
Card Sales	30,561	26,829
Grant income	<u>16,950</u>	<u>117,018</u>
	<u>99,016</u>	<u>204,405</u>

£16,950 of income from fundraising activities were restricted (2023 - £117,018).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 5. INVESTMENT INCOME

	2024 £	2023 £
Interest receivable	<u>161,140</u>	<u>67,197</u>

NOTE 6. OTHER INCOME

	2024 £	2023 £
Rent receivable	117,724	109,272
Surplus on disposal of fixed assets	5,500	-
Delegate Fees, room hire, other income	-	4,773
	<u>123,224</u>	<u>114,045</u>

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 7. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COSTS OF KEY MANAGEMENT PERSONNEL

	2024	2023
	£	£
Wages and salaries	6,490,353	5,631,252
Social security costs	674,305	606,517
Pension contributions	799,616	671,523
Other employee benefits	24,571	23,717
	<u>7,988,845</u>	<u>6,933,009</u>

The number of employees whose emoluments for the year fell within each band from £60,000 upwards was:

	2024	2023
£60,000 - £69,999	14	6
£70,000 - £79,999	8	6
£80,000 - £89,999	2	4
£90,000 - £99,999	2	1
£100,000 - £109,999	1	1
£120,000 - £129,000	1	-
£150,000 - £159,999	-	1
£280,000 - £289,999	1	-
	<u>1</u>	<u>-</u>

In the year contributions of £59,600 (2023 - £43,351) were made to 1 (2023 - 1) higher paid employee's personal defined contribution scheme. The total emoluments (including pension costs and employer's national insurance contributions) of the 11 members of the Senior Management Team who have day-to-day influence on the activities of the Charity was £1,201,139 (2023 - 8, £830,075). The 11 are the Chief Executive, Finance Director, Fundraising Director, Human Resources Manager, Communications Manager, Education, Training and Research Manager, Quality Manager, Business Administration Manager, 2 Clinical Managers and Finance Manager.

During the year, termination payments amounting to £218,960, were paid.

The average monthly headcount of employees, analysed by function, was:

	2024	2023
MRI Services	75	67
PET/CT Services	66	65
Fundraising	5	6
Administration and Management	24	19
Buildings	4	4
	<u>174</u>	<u>161</u>

The average full-time equivalent number of staff for the year was 127 (2023 - 113). No Trustees received remuneration during the year (2023 - Nil).

No Trustees were reimbursed travel expenses during the year (2023 - Nil).

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 8. NET INCOME FOR THE FINANCIAL YEAR

Net income is stated after charging/(crediting):	2024	2023
	£	£
Auditor's remuneration:		
Audit	16,090	15,180
Tax advisory	10,437	10,420
Other services	-	240
Depreciation	2,647,977	2,388,570
Amortisation	65,495	65,495
(Surplus)/Deficit on disposal of fixed assets	(5,500)	24,487
Impairment	54,396	-
Operating lease costs	11,706	9,876
Pension contributions	799,616	671,523

NOTE 9. ANALYSIS OF EXPENDITURE

	Direct Costs £	Support Costs £	Amortisation and Depreciation £	Total 2024 £	Total 2023 £
Raising funds:					
Costs of fundraising and similar activities	182,074	149,414	13,455	344,943	345,062
	182,074	149,414	13,455	344,943	345,062
Charitable activities:					
MRI Services	6,282,792	972,714	1,023,858	8,279,364	9,429,777
PET/CT and CT Services	14,536,125	1,767,696	1,582,964	17,886,785	15,825,929
Charitable Funding	228,816	-	90,929 *	319,745	313,531
Training and Education	78,718	13,139	2,266	94,123	14,781
	21,126,451	2,753,549	2,700,017	26,580,017	25,584,018
TOTAL 2024	21,308,525	2,902,963	2,713,472	26,924,960	25,929,080
TOTAL 2023	21,231,806	2,243,209	2,454,065	25,929,080	

* Includes depreciation charged against Cobalt House.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 10. SUPPORT COSTS

	Admin Costs £	Building Costs £	Governance Costs £	Total 2024 £	Total 2023 £
MRI Services	730,425	236,244	6,045	972,714	758,273
PET/CT and CT Services	1,507,973	247,243	12,480	1,767,696	1,357,742
Fundraising	117,810	30,629	975	149,414	115,845
Training and Education	-	13,139	-	13,139	11,349
TOTAL 2024	2,356,208	527,255	19,500	2,902,963	2,243,209
<i>TOTAL 2023</i>	<i>1,769,583</i>	<i>455,426</i>	<i>18,200</i>	<i>2,243,209</i>	

Support costs have been allocated on the basis of floor space occupied in respect of building costs and proportionate time spent on administrative matters in respect of administration costs. Governance costs include the cost of the audit and the direct costs of supporting the Trustees.

NOTE 11. INTANGIBLE FIXED ASSETS

Cost	£
<i>At 1 April 2023</i>	<i>261,981</i>
Additions	43,507
Disposals	-
Impairment	(46,250)
At 31 March 2024	259,238
Amortisation	
<i>At 1 April 2023</i>	<i>157,899</i>
Charge for year	65,495
Disposals	-
Impairment	(41,432)
At 31 March 2024	181,962
Net Book Value	
At 31 March 2024	77,276
<i>At 31 March 2023</i>	<i>104,082</i>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 12. FIXED ASSETS

	Freehold Land & Buildings £	Medical Equipment £	IT / Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
<i>At 1 April 2023</i>	11,323,012	26,374,412	602,677	73,356	38,373,457
Additions	29,301	1,540,531	-	-	1,569,832
Disposals	-	(89,995)	(49,816)	-	(139,811)
Impairment	-	(174,288)	-	-	(174,288)
At 31 March 2024	11,352,313	27,650,660	552,861	73,356	39,629,190
Depreciation and Impairment					
<i>At 1 April 2023</i>	2,982,493	9,690,176	375,091	32,491	13,080,251
Charge for year	181,858	2,368,158	85,245	12,716	2,647,977
Eliminated on Disposals	-	(89,995)	(49,816)	-	(139,811)
Impairment	-	(124,710)	-	-	(124,710)
At 31 March 2024	3,164,351	11,843,629	410,520	45,207	15,463,707
Net Book Value					
At 31 March 2024	8,187,962	15,807,031	142,341	28,149	24,165,483
<i>At 31 March 2023</i>	<i>8,340,519</i>	<i>16,684,236</i>	<i>227,586</i>	<i>40,865</i>	<i>25,293,206</i>

The net book value of assets held under hire purchase agreements is £454,922 (2023 - £525,819).

A bank loan was taken out in 2020 and was secured by way of a first legal charge over the freehold of Linton Cottage. The aggregate amount secured was £707k. The loan was repaid in April 2023.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 13. INVESTMENTS

	2024 £	2023 £
Fixed Assets		
Investment in subsidiary	1	1
Investment property	<u>150,000</u>	<u>150,000</u>
Total	<u>150,001</u>	<u>150,001</u>
Current Assets		
Current asset investment - notice deposits	<u>3,204,561</u>	<u>3,095,910</u>

The share capital of Cobalt Unit Appeal Fund Ltd consists of one ordinary share of £1 nominal value and is wholly owned by Cobalt Health.

The subsidiary is dormant and did not trade during the year. Cobalt Unit Appeal Fund Ltd was incorporated in England and Wales (registered no. 09016631) and registered at Linton House Clinic, Thirstaine Road, Cheltenham, Gloucestershire, GL53 7AS.

The Charity owns a 50% share in a freehold investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at the reporting date.

The Charity has £3.2m invested in a short term deposit with Nationwide.

NOTE 14. STOCK

	2024 £	2023 £
Fuel Stock	<u>60,047</u>	<u>-</u>

NOTE 15. DEBTORS

	2024 £	2023 £
Clinical Service fees due	3,846,655	3,359,717
Accrued income	203,769	490,148
Prepayments	<u>666,670</u>	<u>567,612</u>
	<u>4,717,094</u>	<u>4,417,477</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 16. CREDITORS: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	2,144,814	2,309,164
Bank Loan	-	613,183
Accruals	966,220	821,413
Other creditors	15,227	16,529
HP liability	150,727	145,023
Taxation and social security	173,437	166,315
Pension liability	63,298	56,757
Deferred income	28,902	26,810
	<u>3,542,625</u>	<u>4,155,194</u>

The movement in deferred income is set out below:

	Rent and fees received in advance £	Total £
<i>At 1 April 2023</i>	26,810	26,810
Released in the year	(115,924)	(115,924)
Deferred in the year	118,016	118,016
At 31 March 2024	<u>28,902</u>	<u>28,902</u>

Rent received in advance is recognised as income in the month to which it relates.

CREDITORS: Amounts falling due greater than one year:

	2024 £	2023 £
HP liability	<u>52,219</u>	<u>202,946</u>

A bank loan was taken out in 2020 and was secured by way of a 1st legal charge over the freehold of Linton Cottage. Interest was charged at 1.75% p.a. over Base Rate. The loan was repaid in April 2023.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 17. UNRESTRICTED FUNDS - 2024

	<i>Balance at 1 April 2023</i>	Movement in Funds			<i>Balance at 31 March 2024</i>
		<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	
	£	£	£	£	£
General Fund	5,120,559	25,287,617	(24,448,037)	(738,025)	5,222,114
Tangible fixed assets held for the Charity's use	25,293,206	-	(2,383,456)	1,255,733	24,165,483
Total	30,413,765	25,287,617	(26,831,493)	517,708	29,387,597

Unrestricted Funds includes a General Fund balance of £5,222,114. This constitutes 2.3 months' working capital requirement. Transfers of £517,708 represent fixed asset additions and disposals in the year, as well as transfers to and from the designated funds, see note 18.

UNRESTRICTED FUNDS - 2023

	<i>Balance at 1 April 2022</i>	Movement in Funds			<i>Balance at 31 March 2023</i>
		<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	
	£	£	£	£	£
General Fund	4,766,137	26,660,131	(25,313,743)	(991,965)	5,120,559
Tangible fixed assets held for the Charity's use	22,730,795	-	(481,411)	3,043,821	25,293,206
Total	27,496,932	26,660,131	(25,795,154)	2,051,856	30,413,765

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 18. DESIGNATED FUNDS - 2024

	<i>Balance at 1 April 2023</i>	Expenditure	Transfers	Funding of Fixed Assets	Balance at 31 March 2024
	£	£	£	£	£
Capital Equipment Fund	1,756,109	-	505,700	(1,376,999)	884,810
Equipment Replacement Fund	750,000	-	450,000	-	1,200,000
Grants Fund	372,000	(43,590)	43,590	-	372,000
Property Fund	140,000	-	-	(140,000)	-
Total	3,018,109	(43,590)	999,290	(1,516,999)	2,456,810

At the balance sheet date the purposes of the various sub-funds within Designated Funds are as follows:

Capital Equipment Fund

This fund is reserved for new equipment projects. The £1.75m brought forward has been used to purchase a new CT scanner and a PET/CT relocatable unit, which is due to be completed in July 2024. The remaining funds retained have been set aside to purchase a new Support unit to support our Targeted Lung Health Check operations.

Equipment Replacement Fund

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £1.2m has been set aside to replace a mobile MRI unit.

Grants Fund

Grants are to support oncology and dementia services and research. This includes, but is not limited to, projects with the NHS Trusts, and funding research fellowships. £44k of this fund has been spent during the year. Going forward, the fund will be expended against ongoing research projects, fellowships, and research grant awards that will be advertised from time to time on the Charity's website. This fund is expected to support these projects over the next two years.

Property Fund

This fund is used to upgrade the facilities in the Charity's properties and equipment. Funds brought forward were to be used for upgrading the Cheltenham Imaging Centre reception area. This project is now expected in 2025/26, therefore these funds have been released in the short term.

DESIGNATED FUNDS - 2023

	<i>Balance at 1 April 2022</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Funding of Fixed Assets</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£
Capital Equipment Fund	3,144,974	-	1,756,109	(3,144,974)	1,756,109
Equipment Replacement Fund	1,228,548	-	750,000	(1,228,548)	750,000
Grants Fund	372,000	(57,930)	57,930	-	372,000
Property Fund	110,264	(35,264)	65,000	-	140,000
Total	4,855,786	(93,194)	2,629,039	(4,373,522)	3,018,109

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 19. RESTRICTED FUNDS - 2024

	<i>Balance at 1 April 2023</i>	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2024
	£	£	£	£	£
Breast Cancer Research Nurses Fund	-	11,135	(11,135)	-	-
TYA Nurse Fund	138	58,994	(34,598)	-	24,534
Cancer General Fund	-	1,021	(1,021)	-	-
Dementia Research Fund	-	463	(463)	-	-
Equipment Fund	-	2,409	(2,409)	-	-
Prostate Cancer Fund	-	441	-	-	441
Research Fund	-	250	(250)	-	-
TOTAL	138	74,713	(49,876)	-	24,975

Restricted funds held totalled £25k at the balance sheet date. In the year restricted funds were used for specifically allocated initiatives and equipment purchases.

Breast Cancer Research Nurses Fund

To fund breast cancer research nurses.

TYA Nurse Fund

The fund is used to support the work of a local Teenagers and Young Adults specialist cancer nurse post. Cobalt has undertaken to fund 50% of this post until 2024 when it will be reviewed.

Cancer General Fund

The fund is used to support the Charity's work providing free scans for oncology patients.

Dementia Research Fund

The fund is used to help fund research into Dementia. Cobalt has been aiding research into the benefit of scanning patients to improve early diagnosis.

Equipment Fund

The fund is used to support the purchase of equipment in the year.

Prostate Cancer Fund

The fund will be used to support PET/CT prostate specific scans.

Research Fund

The fund was used to support Cobalt's research activities in the year.

RESTRICTED FUNDS - 2023

	<i>Balance at 1 April 2022</i>	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2023
	£	£	£	£	£
Breast Cancer Research Nurses Fund	-	1,127	(1,127)	-	-
TYA Nurse Fund	-	31,783	(31,645)	-	138
Cancer General Fund	-	1,034	(1,034)	-	-
Dementia Research Nurses Fund	6,000	583	(6,583)	-	-
Equipment Fund	159,500	147,873	-	(307,373)	-
Research Fund	-	343	(343)	-	-
TOTAL	165,500	182,743	(40,732)	(307,373)	138

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 20. ANALYSIS OF NET ASSETS - 2024

	Intangible Assets	Fixed Assets and investments	Net Current Assets	Creditors due greater than one year	Total 2024
	£	£	£	£	£
Unrestricted Funds					
General Fund	77,276	150,001	5,047,056	(52,219)	5,222,114
Tangible Fixed Assets held for Charity use	-	24,165,483	-	-	24,165,483
Total Unrestricted Funds	77,276	24,315,484	5,047,056	(52,219)	29,387,597
Designated Funds					
Capital Equipment Fund	-	-	884,810	-	884,810
Grants Fund	-	-	372,000	-	372,000
Equipment Replacement Fund	-	-	1,200,000	-	1,200,000
Property Fund	-	-	-	-	-
Total Designated Funds	-	-	2,456,810	-	2,456,810
Restricted Funds	-	-	24,975	-	24,975
Total Funds	77,276	24,315,484	7,528,841	(52,219)	31,869,382

ANALYSIS OF NET ASSETS - 2023

	Intangible Assets	Fixed Assets	Net Current Assets	Creditors due greater than one year	Total 2023
	£	£	£	£	£
Unrestricted Funds					
General Fund	104,082	150,001	5,069,422	(202,946)	5,120,559
Tangible Fixed Assets held for Charity use	-	25,293,206	-	-	25,293,206
Total Unrestricted Funds	104,082	25,443,207	5,069,422	(202,946)	30,413,765
Designated Funds					
Capital Equipment Fund	-	-	1,756,109	-	1,756,109
Grants Fund	-	-	372,000	-	372,000
Equipment Replacement Fund	-	-	750,000	-	750,000
Property Fund	-	-	140,000	-	140,000
Total Designated Funds	-	-	3,018,109	-	3,018,109
Restricted Funds	-	-	138	-	138
Total Funds	104,082	25,443,207	8,087,669	(202,946)	33,432,012

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 21. CAPITAL COMMITMENTS

	2024	2023
	£	£
Future capital expenditure not otherwise included in the financial statements at the balance sheet date:		
Expenditure contracted for	<u>922,310</u>	<u>900,856</u>
Approved, not contracted for at year end	<u>122,210</u>	<u>-</u>
Total	<u>1,044,520</u>	<u>900,856</u>

NOTE 22. RELATED PARTY TRANSACTIONS

Members of the Board of Trustees are not entitled to, and did not receive, any remuneration during the year in relation to their services as Trustees.

There have been no transactions with the Charity's wholly-owned subsidiary company The Cobalt Unit Appeal Fund Ltd.

During the year, Phoenix MRC Limited, of which Susan Owen (retired Trustee) is a Director and shareholder, provided a staff survey to Cobalt for £3,180 (2023 - £2,730).

NOTE 23. LIABILITIES UNDER OPERATING LEASES

At 31 March 2024, the Charity had total commitments under non-cancellable operating leases in respect of equipment as follows:

	2024	2023
	£	£
Within one year	11,706	11,706
Between one and five years	<u>27,293</u>	<u>38,998</u>
Total	<u>38,999</u>	<u>50,704</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 24. ASSETS RECEIVABLE UNDER OPERATING LEASES

At 31 March 2024, the Charity had assets receivable under non-cancellable operating leases in respect of rental income of Cobalt House as follows:

	2024	2023
	£	£
Within one year	35,853	101,956
Between one and five years	<u>1,800</u>	<u>37,653</u>
Total	<u>37,653</u>	<u>139,609</u>

NOTE 25. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2024	2023
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,562,630)	913,794
Adjustments for:		
Depreciation and amortisation charges	2,713,472	2,454,065
Impairment	54,396	-
Dividends, interest and rent from investments	(278,864)	(176,469)
(Surplus)/Deficit on sale of fixed assets	(5,500)	24,487
(Increase) in stock	(60,047)	-
(Increase) in debtors	(299,617)	(432,956)
(Decrease)/Increase in creditors	<u>(5,091)</u>	<u>1,069,457</u>
Net cash provided by operating activities	<u>556,119</u>	<u>3,852,378</u>

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 26. ANALYSIS OF CHANGES IN NET CASH/DEBT

	2023	Cashflows	Other non-	2024
	£	£	£	£
Cash at bank and in hand	4,729,476	(1,639,713)	-	3,089,763
Current asset investments:				
Notice deposits	3,095,910	108,651	-	3,204,561
Total	7,825,386	(1,531,062)	-	6,294,324
Loans falling due within one year	(613,183)	613,183	-	-
Hire purchase obligations	(347,968)	145,022	-	(202,946)
Total	6,864,235	(772,857)	-	6,091,378

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 26. 2023 STATEMENT OF FINANCIAL ACTIVITIES

	<i>Note</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>2023 Total Funds</i>
		<i>£</i>	<i>£</i>	<i>£</i>
INCOME FROM:				
<i>Donations and legacies</i>	2	716,889	65,725	782,614
<i>Charitable activities:</i>				
<i>Clinical services</i>	3	25,674,613	-	25,674,613
<i>Fundraising activities</i>	4	87,387	117,018	204,405
<i>Investment income</i>	5	67,197	-	67,197
<i>Other income</i>	6	114,045	-	114,045
TOTAL INCOME		<u>26,660,131</u>	<u>182,743</u>	<u>26,842,874</u>
EXPENDITURE ON:				
<i>Fundraising costs</i>	9	345,062	-	345,062
<i>Charitable activities</i>	9	25,543,286	40,732	25,584,018
TOTAL EXPENDITURE	9	<u>25,888,348</u>	<u>40,732</u>	<u>25,929,080</u>
NET INCOME		771,783	142,011	913,794
TRANSFERS BETWEEN FUNDS		307,373	(307,373)	-
NET MOVEMENT IN FUNDS		<u>1,079,156</u>	<u>(165,362)</u>	<u>913,794</u>
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD		<u>32,352,718</u>	<u>165,500</u>	<u>32,518,218</u>
TOTAL FUNDS CARRIED FORWARD	19	<u>33,431,874</u>	<u>138</u>	<u>33,432,012</u>

TRUSTEES, EXECUTIVE AND ADVISERS

Trustees and Directors	Philip Leonard (Chair)	(appointed 16th November 2023)
	Dr Susan Owen (Chair)	(resigned 16th November 2023)
	Neil Holbrook (Chair)	(resigned 29th June 2023)
	Ruth Goddard	
	Claire Morris	
	Dr Janet Ropner	
	Pamela Sissons	
	Dr Valerie Udale	
	Dr Felicity Jenkins	(appointed 16th November 2023)
	Mr Matt Jones	(appointed 16th November 2023)
	Prof Gordon Wilcock	(appointed 9th January 2024)
Chief Executive Officer	Malcolm J MacKeith	(appointed 8th December 2023)
Chief Executive Officer	Peter J Sharpe	(resigned 8th December 2023)
Company Secretary	Malcolm J MacKeith	
Medical Director	Dr. Umesh Udeshi	
Director of Clinical Research	Prof Iain Lyburn	
President	Howard Crooks	
Registered and Principal Office	Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS	
Independent Auditor	Crowe U.K LLP, 4th Floor, St James House, St James Square, Cheltenham, GL50 3PR	
Bankers	National Westminster Bank Plc, 21 Eastgate Street, Gloucester, GL1 2NH	
	Lloyds Bank Plc, Montpellier, Cheltenham Business Centre, PO Box 1000, BX1 1LT	
	Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW	
Solicitors	Willans LLP, 34 Imperial Square, Cheltenham, Gloucestershire, GL50 1RH	

Cobalt Health was incorporated in England and Wales (registered no. 04366596) and has no share capital.

Cobalt Health is a registered charity with the Charity Commission England and Wales (registered no. 1090790)

GLOSSARY OF TERMS

CT

Computerised Tomography uses X-ray and a computer to generate detailed images of the inside of the body. A CT scanner consists of a X-ray tube that rotates around the body (in less than a second) and a series of detectors which collect the information from the X-rays; a computer then builds an image from the information received.

PET/CT

Positron Emission Tomography/Computerised Tomography, is a combination of two imaging technologies. A PET scan measures important body functions, such as blood flow, oxygen use and sugar (glucose) metabolism, to help doctors evaluate how well organs and tissues are functioning. Cancer cells, for example, use glucose differently to normal cells and for that reason look different on the pictures produced by the scan, this therefore enables doctors to diagnose and monitor cancer. The CT scan provides structural information of the body and by combining PET and CT this creates both a functional and structural image.

MRI

Magnetic Resonance Imaging is a non-invasive medical test that helps doctors diagnose and treat medical conditions. The MRI scanner uses a powerful magnetic field, radio frequency pulses and a computer to produce detailed pictures of organs, soft tissues and virtually all other internal body structures. Detailed MR images allow doctors to better evaluate various parts of the body and determine the presence of certain diseases that may not be assessed adequately with other imaging methods, such as X-ray.

Tesla

Tesla is the unit of measurement for the magnetic field strength of an MRI magnet. In general terms, a more powerful magnet can produce a more detailed image. 1 Tesla is equivalent to 20,000 times the Earth's magnetic field. The majority of hospitals in the UK have a 1.5 Tesla scanner. Cobalt introduced one of the first 3.0 Tesla clinical services in the UK, and now has a mobile 3.0 Tesla scanner, in addition to the permanent one installed in Cobalt Imaging Centre.



www.cobalhealth.co.uk

Charity Registration Number: 1090790

Company Number: 04366596

Cobalt Health trading as Cobalt



Cobalt

Medical Charity

Diagnosis • Research • Education

COBALT HEALTH

England & Wales - Charity number 1090790

Accounts

COBALT HEALTH ANNUAL REPORT 2022/23



www.cobalthhealth.co.uk

Charity Registration Number: 1090790

Company Number: 04366596



Cobalt

Medical Charity

Diagnosis • Research • Education

OUR VISION

To pioneer innovation in medical imaging diagnosis by investing in equipment, integrated research and education, to improve outcomes for patients now and in the future.



CONTENTS

Chair's statement	4	Structure, governance and management	32
About us	5	Statement of trustees' responsibilities	33
Trustees' strategic report	8	Independent auditors' report to the trustees of Cobalt Health	34 – 36
Our objectives and values	9	Statement of financial activities	37
Diagnosis – aims, achievements, impact and the future	10 – 13	Balance sheet	38
Research – aims, achievements, impact and the future	14 – 15	Cash flow statement	39
Education – aims, achievements, impact and the future	16 – 17	Notes to the financial statements	40 – 59
Fundraising	18 – 21	Trustees, executive and and advisers	60
Looking back , a history of impact	22 – 25	Glossary	61
Financial overview	27 – 31		

CHAIR'S STATEMENT



For another year, Cobalt's level of activity and range of services have both continued to grow. With our dedicated team of radiographers and support staff, we have scanned over 130,000 patients. We have also continued to invest in the very latest imaging technology. The past twelve months have been financially challenging, primarily due to inflationary pressures significantly increasing fuel and operational costs. Despite this, we have been able to achieve a reasonable surplus for the year, ensuring our planned developments and investments into the future growth and development of the Charity can continue.

We have invested £5m in replacing and expanding our range of diagnostic imaging equipment. This included the purchase of a new 1.5 Tesla mobile MRI scanner and a new PET/CT scanner installed at our imaging centre in Cheltenham, one of only a handful of its kind in the UK. The scanner utilises the very latest in digital PET/CT technology, offering shorter scanning times enabling us to perform more scans per day, reducing local waiting times for oncology patients. It has also enabled us to support more research and clinical trials, including those assessing new drugs being developed to treat dementia.

With oncology one of Cobalt's core strategic areas, we continue to support the NHS. This year the Charity has not only funded scans for oncology patients, but also posts for local breast cancer research nurses and Cobalt's Teenagers and Young Adults (TYA) Cancer Nurse Specialist (CNS) We have continued to partner with the NHS to provide ultra-low dose CT scanning and to expand the Lung Health Check (LHC) lung cancer screening programmes. These programmes

are designed to identify lung cancer at an earlier and more treatable stage, improving outcomes for patients.

Cobalt could not exist without the dedication and commitment of our team. The Charity has continued to grow, now employing 161 members of staff, and is further strengthened by over 200 volunteers. We continue to invest in people and have expanded our management team in preparation for planned future growth and development of the Charity.

We are very grateful to the many individuals, organisations and trusts who have kindly supported Cobalt and raised funds for our charitable activities. Their help is invaluable in enabling us to continue performing at this level.

I would like to thank my fellow trustees for their insight, direction and work in support of Cobalt. A particular thank you to Professor Gordon Wilcock and our former Chair, Neil Holbrook, for their contribution; both having this year concluded their tenure on our board. We look forward to welcoming new trustees this autumn.

In 2024, Cobalt will celebrate 60 years of supporting the NHS. We will be running a series of events, recognising decades of significant achievement and looking to the future. We are thankful to everyone who has made this possible.

Susan Owen

Chair of the Board of Trustees

ABOUT US

Cobalt Health (Cobalt) is an independent medical charity with a vision to pioneer innovation in medical imaging diagnosis. Cobalt invests in equipment, integrated research and education, to improve outcomes for patients now and in the future. Each year it provides diagnostic imaging for over 130,000 patients at its imaging centres in Cheltenham and Birmingham, and through a fleet of fourteen MRI*, CT* and PET/CT* mobile scanners. The Charity is the leading provider of ultra-low dose CT lung cancer screening services in the UK, working in partnership with the NHS.

Cobalt focuses on offering equipment and services not generally available within the NHS, using the latest technology to deliver superior image quality, improve patient comfort and enable shorter scanning times. The Charity strongly believes that all patients should have

access to a clear diagnosis and appropriate treatment plan facilitated by the best equipment, helping doctors to make a clear diagnosis and appropriate personalised treatment plan.

Alongside its diagnostic services, Cobalt also funds and participates in research on a national and international basis. The Charity is currently supporting many research projects and clinical trials, with the aim of advancing the detection and treatment of cancer, dementia and other long-term conditions. The Charity provides training programmes for medical professionals, including GPs, consultants, physiotherapists and chiropractors; and supports undergraduate radiography students with clinical placements.

Following a period of significant growth, we are taking time to consolidate and ensure we have a strong infrastructure so we are fit for the future.

In 2022 we welcomed our new Head of HR, Rachel Burke.

Rachel said "It is thanks to our dedicated team of staff and volunteers that we have been able to grow and expand our impact both locally and nationally. We are especially proud that we continue to recruit highly skilled radiographers to join our team.

The continued retention and recruitment of good staff who share our values is key to our success. It is important to celebrate and recognise achievements such as service milestones, qualifications and positive

feedback received from service users/stakeholders. Together we will be celebrating Cobalt's 60th Anniversary in 2024 and the contribution made by every staff member to this significant milestone.

We listen carefully to feedback from employees and act on it. We will shortly be launching Cobalt's ICARE Fund, money which will enable staff to propose ideas to improve patient experience based on our values."



Our ICARE values – Innovative, Caring, Accessible, Respectful and Ethical - are central to everything we do as a charity and an employer, and they lead the way we work.



OUR VALUES



130,000 PATIENTS SCANNED
A 13% INCREASE COMPARED TO 2021/22



50,000 LUNG HEALTH CHECK
ULTRA-LOW DOSE CT SCANS

88% OF CLAUSTROPHOBIC PATIENTS SCANNED
SUCCESSFULLY BY OUR SPECIALIST
RADIOGRAPHERS LAST YEAR*



59 RESEARCH
PROJECTS AND
TRIALS SUPPORTED

278 ★★★★★

GOOGLE REVIEWS 4.8 OUT OF 5 STARS AND
49 FACEBOOK REVIEWS 5 OUT OF 5 STARS

FEWER THAN 0.01% OF PATIENTS MADE
A COMPLAINT

12

CT
SCANNERS

10

MRI
SCANNERS

2

PET/CT
SCANNERS

8

MOBILE IMAGING
PATIENT SUPPORT
UNITS

99.6%

99.6% OF PATIENTS** AND 95% OF STAFF** SAID
THEY WOULD RECOMMEND COBALT TO FRIENDS
AND FAMILY WHO NEEDED A SCAN*

* MRI requests to the Imaging Centre in Cheltenham

** Patient experience questionnaires 2021/22 from the Imaging Centre in Cheltenham

*** Annual Staff survey 2022 - 115 employee return rate 69%

TRUSTEES' STRATEGIC REPORT

The Cobalt board of trustees present their Strategic Report and the Financial Statements for the year ending 31 March 2023. The Charity reports its achievements in 2022/23 against its core activities of diagnosis, research and education.

Public Benefit

When reviewing the aims and objectives, and planning future activities, the trustees have referred to and believe they have complied with the duty in section 17 of the Charities Act 2011. This relates to having due regard to The Charity Commission's published general guidance on public benefit. In particular, to its supplementary public benefit guidance on fee-charging. The trustees have also considered how planned activities will contribute to the aims and objectives they have set.

The trustees believe that this report demonstrates the Charity's commitment to providing public benefit through a range of activities, including the advancement of diagnostic practice, the sharing of knowledge with healthcare practitioners, and the provision of low cost and free scans to assist in patients' diagnosis and treatment.

Our commitment to quality

Cobalt is committed to exceptional patient care whilst delivering a consistently excellent standard of imaging and reporting. The Charity publishes a Quality Account on an annual basis, which details its managed processes, systems and key achievements in this area. Cobalt fulfils Care Quality Commission standards, and demonstrates the consistent audit and improvement required to meet the Quality Standard for Imaging, ISO 9001:2015 and ISO14001:2015 requirements.

We are currently working towards accreditation and certification against the ISO45001 Health and Safety Standard, with external assessment scheduled to take place during August 2023 and January 2024.



OUR OBJECTIVES

The detection, diagnosis, treatment and prevention of sickness, in particular cancer, in persons living in Gloucestershire, Herefordshire, Worcestershire and the West Midlands, and such other areas of Great Britain and by such means as the trustees may from time to time decide, including the provision and maintenance of equipment and to provide or assist in the provision of education and research into methods of detection, diagnosis, treatment and prevention of sickness, in particular cancer and dementia and publication of any useful results.

The Charity's articles include the powers to develop, deliver and promote services that detect, diagnose, treat and prevent sickness in particular cancer and dementia.

When reviewing whether the Charity has been successful, the trustees consider:

- Number of patients scanned;

- Feedback from patients and referring clinicians about the quality of the service;
- Support provided to oncology and dementia services, including research and clinical trials;
- Investment in up-to-date equipment and aiding the introduction of new diagnostic imaging innovations;
- Effectiveness of the training and education delivered to healthcare professionals;
- Number of research projects and clinical trials supported;
- Number of internal research studies and papers accepted;
- Impact of externally funded research;
- Levels of employee satisfaction;
- Financial performance of the Charity and its ability to fund future activities;





DIAGNOSIS

DIAGNOSIS - AIMS FOR 2022/23

The Charity aims to support NHS services to provide enhanced medical care to people who are sick or injured, using the most up-to-date imaging technology that otherwise would not have been available. Cobalt's diagnostic aims for 2022/23 included:

- Upgrading the PET/CT scanner in Cheltenham to the latest in digital technology, with the aim of reducing scan times and radiation doses, thereby improving patient experience and increasing the number of patients that can be scanned with virtually no wait.
- Utilising the new digital scanner to expand the Charity's supporting role in research and clinical trials.
- Launching Cobalt's first mobile PET/CT scanner, to support the NHS across England as the demand for PET/CT continues to grow.
- Ensuring a safe and secure environment for staff to continue providing patients with a high quality and caring diagnostic service.
- Monitoring the global development of scanning technology, to ensure that the Charity identifies opportunities to be an early adopter for the benefit of future patients.
- Maximising opportunities to support the NHS in meeting the increasing need for diagnostic imaging in the UK, including monitoring the development of Community Diagnostic Centres; to support the delivery of accessible services where they are required and where they provide a wider benefit.
- Recruiting additional staff to meet the growing demand for Cobalt's services. This will be achieved by investing in training and education support, and working with academic institutions, such as the University of Gloucestershire, to train new clinical staff.

DIAGNOSIS

ACHIEVEMENTS AND IMPACT IN 2022/23

PET/CT

- Cobalt invested £2.6m in a new Siemens Biograph Vision digital PET/CT scanner including additional patient facilities. The new scanner was launched in October 2022 and provides high resolution images, a reduction of up to 40% in scan times, and reduced radiation exposure for patients. This has resulted in an average wait of only two days from PET/CT request to scan. To support the increased number of patients and to further enhance patient experience, the PET/CT department has also been extended. This investment has significantly improved the cancer pathway for many patients.



PET/CT scanner launch left-right: Peter Sharpe (CEO), Prof Iain Lyburn (Director of Clinical Research), Roisin Dobbin-Stacey (Head of PET/CT and CT), Sylvia Richards (The Clive Richards Foundation), Neil Holbrook (Chair of the Board of Trustees).

- The increased facility and efficiency of the new PET/CT scanner allows more capacity and capability for research activities. See the Research section for further information.
- Investment was also made in advanced equipment for the delivery of isotope infusions into patients, prior to their PET/CT scans. The new state-of-the-art mobile dispensers improve patient comfort and provide a safer environment for staff.
- Cobalt's first mobile PET/CT operation commenced in 2022, currently supporting oncology patients at St George's Hospital in London.

Educational Events

Cobalt supported presentations and demonstrations at several educational events and conferences throughout the year. This included demonstrations relating to lung cancer screening, featuring the latest mobile CT scanner, at the European Congress of Radiology and the UK Imaging and Oncology Congress. As the largest provider of ultra-low dose CT to support NHS England's Lung Health Check programme, the Charity has worked with its NHS and commercial partners, to assist in the development of lung cancer screening in the UK and across Europe.

Growing our people

Cobalt is pleased to have welcomed 9 employed and 23 bank radiographers in 2022/23, plus a further 14 permanent and 8 casual non-clinical members of staff. These new starters have quickly integrated to become valuable and effective members of the team.

DIAGNOSIS

ACHIEVEMENTS AND IMPACT IN 2022/23

MRI

In January 2023, the Charity added its first Siemens mobile 1.5 Tesla* MRI scanner to the fleet. It is expected that there will be further upgrades to the MRI mobile fleet over the next couple of years, as technology advances and in line with Cobalt's equipment replacement policy.



Cobalt's new Siemens mobile 1.5 Tesla MRI scanner.



Cobalt's new X-ray suite was completed in March 2023, featuring a premium system incorporating the latest technology and advanced features, such as enabling the planning of joint replacements based on the individual patient's anatomy. The system produces higher-quality images, without any increase in radiation dose

L-R Vikki Clegg - MRI Assistant Practitioner, Karen Hackling-Searle, Head of MRI and X-ray, Jane Robinson - District General Manager, Health Systems, Philips UKI and Jonathan Humphris, MRI Operations Manager

Resilience

Over the last two years the Charity has focused on ensuring service resilience by investing in buildings and equipment. Improvements to core IT infrastructure ensures that patient systems are robust, data is secure and that potential disaster recovery timescales are shortened. Developments included increased use of cloud systems, to provide greater flexibility and data security.

Community Based Imaging

Cobalt has been working with the NHS in Gloucestershire and Dudley to support the development of Community Diagnostic Centres (CDCs). These new centres will provide imaging and other services, including MRI and CT scanning within a community. The new centres will also facilitate the training of radiography students.



DIAGNOSIS

THE FUTURE

- Working with the NHS in Gloucestershire to launch a new Community Diagnostic Centre being developed at Gloucester Quays in September 2023. Cobalt has submitted a bid to partner with the NHS in Dudley.
- Continuing to support Targeted Lung Health Check programmes, with the key objective of identifying lung cancer at an early stage and supporting education and research to aid diagnosis and treatment. We would like to thank the Clive Richards Foundation for their generous support, which has enabled Cobalt to support many of these programmes.
- Last year Cobalt celebrated 5 years of collaboration with the University Hospitals Birmingham NHS Foundation Trust and the Institute of Translational Medicine; together supporting a wide range of research through our dedicated MRI facility.
- The Charity is planning to upgrade the MRI scanner at the ITM Imaging Centre in 2023/24, to further expand research capabilities through state-of-the-art imaging.
- Cobalt will continue to invest in the latest technology, to improve the diagnostic capabilities of equipment and patients' experiences. This will include the introduction of the Siemens Healthineers 'Virtual Cockpit'. This system enables remote access to

MRI, CT and PET/CT scanners, facilitating increased support for staff, including a higher level of technical support, training and education, and improved patient safety.



- Following investment in a mobile PET/CT service in 2022, Cobalt will explore the development of a modular PET/CT facility, to enable more NHS hospitals to benefit from this vital imaging service for oncology patients.
- To ensure resilience and scope for succession planning, further development will take place, of the Charity's workforce through training and education, and of the Charity's infrastructure.
- Cobalt is also researching and evaluating possible provision of an advanced cardiac imaging service.

RESEARCH

AIMS FOR 2022/23

Research is a key element of Cobalt's vision to improve outcomes for patients now and in the future.

- Recruiting additional staff to enable Cobalt's clinical teams to have more time to develop internal research programmes.
- Continuing to develop research capability and infrastructure, including appointing a Head of Education, Training and Research.
- Supporting the lung cancer programme at the Royal Brompton Hospital, London by funding a Lung Intervention Research Fellow. The new fellowship aims to further the development of their lung tumour biopsy service.



Cobalt's Research Team: Top L-R Jamie McAllister, Iain Lyburn, Julie Searle Bottom L-R Zoe Wray, Aine McGoven and Ayah Nawwar

- Promoting the Charity's research activities by publishing findings and presenting at conferences, with the aim of encouraging bids from like-minded teams looking at research with a significant scanning element.
- Continuing to support international research into artificial intelligence (AI) to improve the diagnostic accuracy of PET/CT in oncology imaging.

- In September 2022, Dr Rahman, Cobalt's first Lung Intervention Research Fellow at the Royal Brompton Hospital in London, commenced his research supporting the development of the lung tumour biopsy service. He made a good start to the year, publishing research papers, but has since taken up a new external role. Recruitment for a new Research Fellow is underway, through which Cobalt will continue to support the Royal Brompton Lung Cancer Programme.

- The Research team continues to publish papers and present them at conferences. A catalogue of recent work is available on the Research page of the Cobalt website.
- Work continues developing artificial intelligence (AI) in PET/CT reporting. This research has led to accepted abstracts and an invitation to an international conference to present the findings.

- Cobalt provides imaging support to research trials across MRI, PET/CT and CT at the imaging centres both in Cheltenham and at the Institute of Translational Medicine (ITM) on the Queen Elizabeth Hospital campus in Birmingham. The Cheltenham team performed 606 research scans in 2022/23, an increase on last year's 465.
- Investment in the latest PET/CT technology has enabled the Charity to support an increasing range of clinical trials relating to the development of new drugs to treat early onset dementia.



Queen Elizabeth Hospital Birmingham

RESEARCH

ACHIEVEMENTS AND IMPACT IN 2022/23

- The infrastructure of the research team is developing. The Head of Education, Training and Research took up post in the last quarter and a new Director of Clinical Research has been appointed, Professor Iain Lyburn. Together with a Research Fellow in PET/CT, the team will continue to grow, developing radiographer and radiologist research in Cobalt through peer support.
- Cobalt's first Student Radiographer Research Internship was successfully completed in 2022/23. The Research department invited second year radiography students from the University of Gloucestershire to apply to join the research team for the rest of the academic year. The intern, Nicola Wasley, had the opportunity to be involved in a large study undertaking data collection, which has resulted

in inclusion on a published paper. The intern enjoyed their time, gaining research experience and learning from the team. Nicola is delighted to be joining the Cobalt MRI Training Programme in 2023.

An intern for the next academic year, Zaide Nicholas, will assume post in early 2023/24.



Zaide Nicholas, Student Radiographer Intern

RESEARCH

THE FUTURE

- Further expansion of the research team through secondment and fellowship opportunities for internal applicants.
- Supporting dedicated research time for staff, through job planning and recruitment.
- Providing Cobalt's clinical teams with peer mentoring opportunities, and opportunities to undertake training in research methods and good clinical research practice.
- Developing robust systems and processes to enable seamless research support for Cobalt colleagues and external applicants.
- Continuing to promote Cobalt's role in research and innovation through publications, and representation at conferences.
- Building on relationships with local universities and larger organisations to share resources and expertise.





EDUCATION

AIMS FOR 2022/23

- Providing a comprehensive internal training strategy focused on Continuing Professional Development (CPD).
- Continuing to support clinical placements, for undergraduate students studying at the University of Gloucestershire and other academic institutions.
- Expanding on the success of the online education event programme for medical professionals; and re-evaluating the benefit and timing of future classroom courses, including conferences.
- Presenting at national and international conferences, to share experiences of working with the latest technology and innovative services.
- Developing the role of radiographer “super-users” to support training across all imaging modalities.
- Reviewing and expanding the apprenticeship programme.

EDUCATION

ACHIEVEMENTS AND IMPACT IN 2022/23:

- Cobalt entered its third year of clinical placements for radiography students, with the first cohort qualifying at the end of the academic year. Cobalt has for the first time recruited a student from this cohort into the MRI training programme.
- The online education programme for healthcare professionals continued to be popular. Online delivery has enabled the courses to reach greater numbers. There has been limited interest from delegates in returning to ‘in person’ classroom learning.
- The apprentices employed through the government's National Apprenticeship Service continue to flourish, now entering their final stages of training, with completion expected this year.
- During the year, two more radiographers will complete the Cobalt MRI training programme. A further five trainees will start the programme in 2023/24.

- The Head of Education, Training and Research, Aine McGovern took up the post in the final quarter. With administrative support she is managing student placements and staff training, and promoting opportunities for CPD and further education.



Aine McGovern

- Cobalt were invited to lecture at a number of events, including:

- Head of PET/CT and CT, Roisin Dobbin-Stacey, presented at several conferences and educational events including the European Congress of Radiology, Lung Health Check educational programmes in Manchester, and the Siemens' CT User Group Meeting.
- Head of MRI, Karen Hackling-Searle, contributed to an expert panel on patient communication for the British Institute of Radiology.
- Cobalt's Director of Clinical Research, Professor Iain Lyburn presented at a number of national meetings including the Cambridge Conference on Breast Cancer Imaging, and a local research event hosted by Research4Gloucestershire.

EDUCATION

THE FUTURE

- Developing a Training and Education Strategy for Cobalt, encompassing both internal and external activities, creating programmes for all staff, and simplifying systems to monitor and maintain training records.
- Creating online space to share CPD opportunities and relevant further education courses for all staff, to encourage their development.
- Increasing the number of advanced practice and cross-sectional radiographers, through the development of existing team members, and recruitment of new staff.
- Continuing to present at national and international conferences, sharing Cobalt expertise and experience of working with the latest technologies and imaging techniques.
- Facilitating an ongoing lecture programme for health professionals.



- Supporting local universities with course development, providing guest lecturers and placement opportunities.
- Reviewing and expanding the apprenticeship programme and broadening into degree apprenticeship, to ensure training and succession planning.
- Developing “super-users” in MRI, CT and PET/CT, and advanced practice radiographers, based on the principles outlined by the Health and Care Professionals Council.



FUNDRAISING REPORT



Happy volunteers taking a break from selling tea and cake.

2022/23 was a challenging year for many of our supporters, as the cost-of-living crisis continued to have an impact. We are extremely grateful for all of the support we received throughout the year. The Fundraising Team achieved their set objectives with a total fundraising income achieved during 2022/2023 of £1.0m. This was £107,000 from individual donations, £87,000 from fundraising activities, £117,000 from trusts and foundations, and £664,000 was from legacies.

Cobalt undertakes fundraising to support the objectives and strategic aims of the Charity. Funds raised help us to provide the latest technology, enabling patients in their time of need to receive the earliest and most accurate diagnosis possible.

Our major fundraising appeal successfully raised £303,000 to support the purchase of the new PET/CT scanner for the imaging centre in Cheltenham. Due to the success of this appeal, we were also able to purchase a PET/CT isotope infusion device

at a cost of £57,000, to improve patient comfort and provide a safer environment for staff. The new scanner was officially launched on Friday 2 December by Sylvia Richards, Trustee of The Clive Richards Foundation. The Clive Richards Foundation is a long-term supporter of Cobalt. Clive Richards CBE KSG DL (1937 – 2021) was a former Patron of Cobalt, a keen supporter of our work, and a remarkable philanthropist along with his wife, Sylvia.

We are deeply thankful for the numerous public donations we received throughout this appeal, and would like to recognise the following trusts and foundations for their kind support: The Clive Richards Foundation, E F Bulmer Trust, Garfield Weston Foundation, Gordon Gray Trust, PF Charitable Trust, Philip Smith's Charitable Trust, Summerfield Charitable Trust, The Caron Keating Foundation, The Fieldrose Charitable Trust, The Hobson Charity, The Hospital Saturday Fund, The R V J Cadbury Trust, The Saintbury Trust, W F Trust and Zurich Community Trust.

Our charitable activities in 2022/23 and ongoing include:

- Funding 900 scans for oncology patients in Gloucestershire, including specialist MRI breast scans for 'at risk' women. These scans provide rapid access to the latest technology and hence a faster diagnosis at no cost to the NHS.
- Providing specialist PET/CT scans, free of charge, to support the early diagnosis of dementia – enabling patients to access an appropriate treatment pathway sooner.

- Raising funds to support research and education (primarily in the fields of cancer and dementia), including at the dedicated research imaging centre at the Institute of Translational Medicine in Birmingham, and funding a radiology research fellow at The Royal Brompton Hospital.
- Funding specialist nursing roles for the NHS in Gloucestershire, including Breast Cancer Research Nurses, and a Teenagers and Young Adults with Cancer Nurse Specialist. We are grateful to the following trusts for their support of these roles: The W.E.D Charitable Trust, The Brian Shaw Memorial Trust, The Basil Samuel Charitable Trust, The Gordon Gray Trust, Susanna Peake Charitable Trust and Dent Brocklehurst Family.

CELEBRATION OF VOLUNTEERS

We would like to recognise and thank our extraordinary volunteers who have collectively supported our work for over 30 years. They are at the heart of what we do. Together, volunteers donate over 10,000 hours of their time each year in a wide variety of roles.

Colin Ralph has volunteered for Cobalt for 28 years and currently helps with coin counting from cash donations. Colin said "I help gather in all of the coin collection tins and sort the contents through a specialist coin counting machine. It's a great big contraption that does the job for us and sorts the coins into different denominations. Volunteering is a great means of filling your time. If you are retired you might think, well what am I going to do? I did have my garden, but I didn't feel I could fill my time gardening 12 months of the year! You've got to go out and do something, especially if you are on your own".



“ I am keen to support Cobalt as it is a unique, innovative medical charity involved in the diagnosis of cancer and dementia, to which I have sadly lost relatives. The work of Cobalt is constantly evolving through research, outreach projects, training, and the acquisition of 'state of the art' equipment. Cobalt is here for people locally but reaches those further afield through its work. Overall, in my opinion it is a very worthwhile cause, and we are extremely fortunate to have it, but for its continuation and development it needs our support. **”**

Lynne, Cobalt Supporter

“ I was 38 and a new mummy when I was diagnosed with stage 3 cancer. Now, 5 years since diagnosis, and 4 years clear, I am considered one of the lucky ones. Clinical trials are so important as they increase our understanding about breast cancer in many ways.

Dawn Gregson, Senior CT Radiographer at Cobalt.

Make a Will Month

Throughout April each year, local solicitors donate their time and expertise to write or update straightforward wills in return for a donation to Cobalt. We are very grateful for the support of staff from David Gregory Solicitors, Dee & Griffin Solicitors, Sewell Mullings Logie LLP and Willans LLP for this popular scheme.

We would like to thank past supporters who left a gift in their will, and their loved ones, as well as over a hundred more supporters, who have kindly let us know their intention to support Cobalt in this way.

Nailsworth and Woodchester Support Group

This group has been fundraising for Cobalt for 36 years and made a significant donation of £9,238 at a special evening held at the Royal Oak in Woodchester. Donations were raised from a fundraising walk, donations of small change and events organised by the community and Stroud Vintage Transport and Engine Club. To date, the group have raised a staggering £141,000.



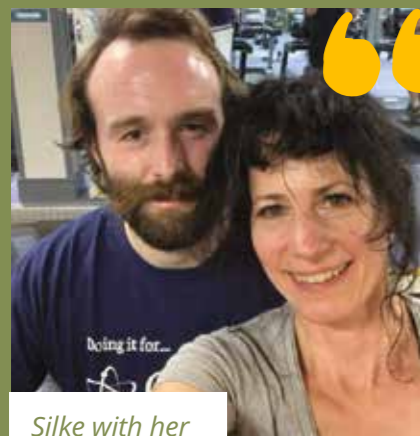
Richard Hardwick and John Perkins, of Nailsworth and Woodchester Support Group present Cobalt with their cheque.

New Charity Partnerships

Staff from Gloucestershire businesses Pure Offices Ltd, Peter Ball & Co, and Shearer Associates have committed to a series of fundraising events in support of Cobalt, as part of their commitment to the local community. For example, Peter Ball & Co are kindly donating £2.50 for every valuation they carry out as well as undertaking a range of fundraising events. Julian Carter of Peter Ball & Co said "We chose Cobalt

as a charity partner as it is very apparent the positive impact that Cobalt have on the local community and beyond."

Local businesses and organisations have generously donated over 40 fantastic lots to bid for the Cobalt Christmas auction, and have raised over £2,000 for the charity. We are very grateful for the support of the local business community.



Silke with her husband Jake.

Breast Cancer Research Trials

I am fortunate to be part of a group of patients, who have access to annual scans due to a family history of cancer. Because of my scans, I feel that everything is being done to keep me safe. I have no doubt, that both, their scans and their research are an absolute lifeline to the community, helping patients, who have already been diagnosed as well as aiding in preventive care by providing imaging to the highest standard.

Silke, Cobalt Patient and Supporter.

Cobalt's Capture a Moment photography competition

350 entries were received for Cobalt's annual photography competition. Entrants were asked to enter their best photo with a £2 donation. The winning entries were showcased in a calendar and in an exhibition, with the money raised helping to fund Cobalt's Teenagers and Young Adults with Cancer Nurse Specialist. Thanks to the following for their support of the competition: Light & Land, Wex Video, Royal Photographic Society, David Broadbent Photography, The Darkroom Cheltenham, Alan Ranger Photography, Digital Camera magazine, University of Gloucestershire, WallSpace, DSCL and USS audio visual.

One of the winning entries used in the 2023 Cobalt Calendar.



TYA Nurse, Megan Willsher, with one of her patients.

Teenagers and Young Adults with Cancer Nurse Specialist

Since I was diagnosed, Meg has been with my family and me every step of the way. She's given extra support by coming along to doctors' appointments and helping me and my parents to understand everything that is going to happen. She is always there to message if I have any questions or need help arranging meetings or getting in touch with health professionals. I'm very grateful for all the help me and my family receive from her.

Maddie, patient, talking about Megan Willsher, Cobalt's Teenagers and Young Adults with Cancer Nurse Specialist.

Our open garden events and community coffee mornings would not be possible without the help of volunteers. During 2022/23 we held two open garden events (each attracting over 600 guests), in conjunction with the Rare Plant Fair at The Old Rectory in Quenington, and at Highnam Court. We also held a pop-up café at Colesbourne Park during snowdrop weekend, and twelve community coffee mornings. Over £18,000 was raised through these activities. Our thanks to David and Lucy Abel Smith, Roger Head DL and Sir Henry Elwes for generously providing their gardens, and all those who held coffee mornings in aid of Cobalt.



The Big Sort and Cobalt Card Programme

Donated cards, upcycled by our volunteers, helped to raise £25,000 for the Charity in 2022/23. Printwaste, who specialise in shredding and recycling, are a key partner in this fundraising project and help to remove any waste including trimmings.



LOOKING BACK, 60 YEARS OF INNOVATION

Cobalt celebrates its 60th Anniversary in 2024. Here we look back on some key milestones through the decades:

1960's

1964

The 'Cobalt Unit Appeal Fund' was established by Dr Fred Hanna who was responsible for Radiotherapy in the County. He remained President of the Charity until 2009.



Dr. Fred Hanna OBE

1970's

1966

The Cobalt Unit (now the Cheltenham Oncology Centre) at Cheltenham General Hospital was established.

1975

A two-storey extension was built with funding from Cobalt – housing additional treatment facilities, operating theatre and radioisotope accommodation.

1978

An appeal raised funds for an X-ray body scanner at the Oncology Centre, and buildings to house it. Opened by HRH Princess Anne.

1980's

1982

Cobalt provided funding for a whole-body X-ray scanner for the diagnosis of cancer and other diseases at the Oncology Centre.

1982

Cobalt established a new headquarters in Cheltenham, Linton House.

1986

Cobalt funded a Cancer Prevention and Early Detection campaign in Gloucestershire, Herefordshire and Worcestershire, operating from Linton House.

1990's

1989

The Gloucestershire breast screening service for women aged 50-64 was launched at Linton House.

The service was provided by the NHS, but supported by Cobalt through accommodation and equipment, including a mobile mammography unit.

1994

A mobile MRI service was launched for patients in Gloucestershire and Herefordshire at a cost of £1.5m.

1995

A second mobile MRI scanner extended services to patients in Worcestershire.

2000's

1996

Cobalt launched Europe's first high-field mobile MRI scanner.

1999

An advanced treatment machine is purchased for the Oncology Centre, following a fundraising campaign by Cobalt.

2000

A second mobile mammography unit was purchased to support the NHS breast cancer screening service.

2003

Cobalt raised funds to support six clinical research projects, including a Research Registrar Physician for the development of bowel cancer screening.

2005

Building work began on a new imaging centre, Linton House Clinic in Cheltenham, funded by the Charity at a cost of £7m for construction and equipment.



LOOKING BACK, 60 YEARS OF INNOVATION

2000's

2010

2020

2006

A new state-of-the-art PET/CT scanner was installed to support NHS oncology patients in Gloucestershire, Worcestershire and Herefordshire.

2007

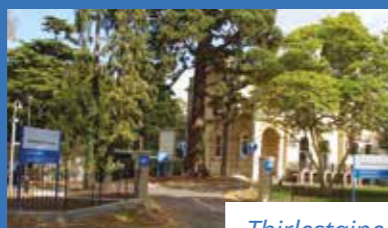
A £5.2m project was launched to provide a new breast cancer clinic for the NHS. £1m was raised by public appeal.

2007

A new mobile digital mammography unit was provided for the NHS breast cancer service.

2009

The Thirlestaine Breast Centre was handed over to the NHS, following Cobalt's £1m appeal.



Thirlestaine Breast Centre

2010

Dr Fred Hanna, Cobalt's founder, sadly passed away.

2010

Mr. Howard Crooks was appointed President of Cobalt.



Howard Crooks

2010

Cobalt took delivery of Europe's first 3.0 Tesla mobile MRI scanner, to support NHS patients across England.



2011

Cobalt launched an appeal to support the purchase of a £1m high-definition CT cardiac scanner for Cheltenham General Hospital.

2012

Digital mammography equipment was provided for Hereford County Hospital.

2014

Cobalt celebrated 50 years of supporting the community.

2015

Following a successful public appeal, a new PET/CT scanner was installed at Cobalt Imaging Centre in Cheltenham, to increase capacity for supporting oncology and dementia patients, and research studies.

2017

Cobalt launched a research imaging centre for the Institute of Translational Medicine at the Queen Elizabeth Hospital in Birmingham, working in partnership with the NHS.

2018

A public appeal supported the purchase of state-of-the-art 3.0 Tesla MRI scanner for Cobalt Imaging Centre in Cheltenham.

2018

Cobalt became the first clinical site in the world to install a Cone Beam CT (CBCT) system.

2019

The first commissioned CT lung cancer screening service was launched, in partnership with the NHS in Manchester.



2020

Cobalt supported NHS England during the COVID-19 pandemic, deploying mobile CT scanners to hospitals across England including the NHS Nightingale field hospitals.

2022

Cobalt becomes the leading provider in NHS England's Targeted Lung Health Check programme, with seven services operating in areas with the highest rates of lung cancer.

2022

£2.6m was invested in a new Siemens Biograph Vision digital PET/CT scanner and the expansion of Cobalt's PET/CT department, to support more NHS patients and research.

2022

Cobalt's first mobile PET/CT service was launched, with a fully integrated PET/CT department, to support NHS hospitals across England.



GIVING WITH CONFIDENCE

Cobalt is a member of the Fundraising Regulator and complies with the standards laid out in the Code of Fundraising Practice. We agree to ensure our fundraising is legal, open, honest, and respectful. The Charity adheres to the 'Fundraising Promise' which is published on the Cobalt website. The Charity has also signed up to the Fundraising Preference Service which enables individuals to opt out from receiving fundraising communications from us. Cobalt staff and volunteers carry out their activities in accordance with these guidelines.

The Charity is also a member of the Institute of Fundraising and the Institute of Legacy Management and adheres to their best practice guidelines. External agencies are not employed to carry out fundraising on behalf of the Charity. There is no door-to-door fundraising. In line with our Data Protection Policy the Charity does not sell and has not given data to any third parties without express permission. Access to the Cobalt database by staff and volunteers is strictly controlled. Cobalt treats its responsibility towards supporters in vulnerable circumstances with the utmost importance and our fundraisers are provided with guidance and support to help them respond appropriately to any individual they consider this might apply to.

No complaints have been received during the year. Any complaints received are managed in accordance with our complaint handling procedures. Supporters are encouraged to provide feedback as this is an important source of information about the impact that the Charity's work has on them and other members of the public.

We provide details of how to contact us, including our complaints process, on our website. The fundraising programme is reported on a regular basis to the board of trustees and the ongoing strategy approved by them, to make sure our fundraising activities are compliant with all relevant rules and regulations, remain ethical and deliver the highest possible standards. We want to ensure that everyone who supports us has the best possible experience and that our donors are confident of the difference they are making.

Most people who donate to us want to know how their money is making a difference. We ask whether they would like us to keep in touch with them and how, so we can update them on our work. We give supporters the option to let us know if they no longer wish to hear from us, and always respect their decision.

FINANCIAL OVERVIEW

Total income for the year 2022/23 was £26.8m (2021/22 – £22.9m).

During the year, the number of scanners deployed increased to 25 (15 CT, 8 MRI and 2 PET/CT scanners), through a combination of acquisition and hiring in units. The Charity continued to maintain support for oncology patients with PET/CT and MRI, alongside research capabilities for ongoing studies. Cobalt provided free MRI, CT and PET/CT scans to help reduce oncology waiting times, improved diagnostic pathways and the early diagnosis of dementia.

The cost of carrying out the charitable activities increased by £6m to £25.9m (2021/22 – £19.9m). This largely reflects the increase in services provided and also some of the inflationary factors that were beginning to impact the operation from late 2021. There was a sharp increase in the cost of operating

the mobile fleet in particular, the cost of agency staff rose, and so did transport and fuel costs. Whilst much of this was anticipated in the planning, costs were on the higher end of this envelope, and the trustees also took the decision to support staff facing inflationary pressures by making a one-off discretionary payment in December 2022 totalling £116k.

The surplus for the year was £0.9m (2021/22 – £2.9m). The Charity invested £5m of the surpluses generated in previous years into new imaging equipment, buildings and plant. This included £2.6m on a new digital PET/CT scanner and associated works at Cobalt Imaging Centre, and £1.1m on a new 1.5 Tesla MRI mobile scanner. A further £1m of capital expenditure was committed at the year-end for an additional CT scanner to support the Lung Health Check screening programmes.

INCOME AND EXPENDITURE

The total income for 2022/23 was £26.8m (2021/22 – £22.9m).

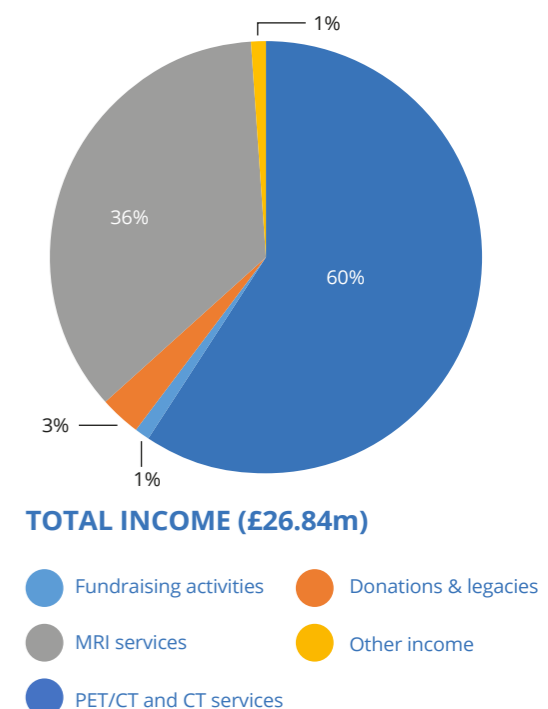
MRI services £9.5m (2021/22 – £8.4m)

MRI services continued to improve on the previous year, with income rebuilding in the imaging centre in Cheltenham, and mobile services operating at 90% capacity, despite the refurbishment of one scanner for several weeks. Cobalt continued to support two NHS Trusts as they develop Community Diagnostic Centres. The Institute of Translational Medicine Imaging Centre at the Queen Elizabeth Hospital in Birmingham met expectations, supporting clinical services and an increasing demand for research work.

PET/CT and CT services £16.1m (2021/22 – £13.6m)

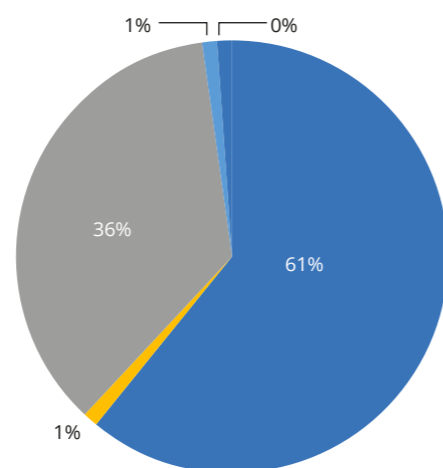
PET/CT and CT income is derived from three primary sources;

- A contract with NHS England (NHSE), which includes the staging (evaluating the extent) of cancer and assessing of response to treatment. The replacement of the PET/CT scanner at Cobalt Imaging Centre in Cheltenham with a new



digital scanner, has increased capacity, resulting in the average number of scans per month rising significantly.

- The provision of CT Lung Health Checks across England. Cobalt has supported several new Lung Health Check programmes this year whilst continuing to support NHS Trusts with their CT capacity.
- The provision of a PET/CT mobile service, supporting St George's Hospital in London.



TOTAL EXPENDITURE £25.91m



The cost of hiring CT equipment to support the additional services was £1.76m. The rise in fuel prices, as well as other inflationary trends, led to significant cost increases including in transport, generator, and water and waste for the mobile services. It is anticipated that a significant portion of this increase in cost will be recovered, through increased pricing as contracts renew, and the use of fuel escalators in later contracts.

Raising funds £0.35m (2021/22 – £0.3m)

These costs relate to work carried out by the Charity and volunteers to raise philanthropic funds for Cobalt.

Charitable funding, nurses and research £0.3m (2021/22 – £0.4m)

This includes the funding of Cobalt's Teenagers and Young Adults with Cancer Nurse Specialist, three breast cancer research nurses and a few months of the Royal Brompton research fellowship.

Training and education £0m (2021/22 - £0m)

No income was generated through training and education in 2022/23 as the focus has been on the provision of free online courses for medical professionals. The aim for the newly appointed Head of Education, Training and Research is to increase the number of courses provided. This may generate income in the future.

Fundraising income £1.0m (2021/22 – £0.8m) of which:

- Fundraising from donations and legacies £783k (2021/22 – £464k)
 - The Charity benefitted from legacies receivable of £664k and donations and other gifts totalling £119k.
- Fundraising activities £204k (2021/22 – £359k)
 - The general environment for fundraising remains challenging and consequently income from events and other activities remains lower than anticipated.

Other income £0.1m (2021/22 – £0.1m)

This income is primarily from rent receivable, interest on bank holdings, which have benefitted from the rise in rates, and any gains on fixed asset disposals.

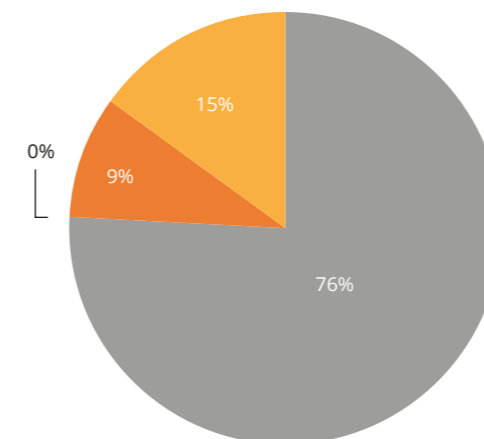
Expenditure for 2022/23 totalled £25.9m (2021/22 – £19.9m).

MRI services £9.4m (2021/22 – £8.0m)

Clinical staffing represents the highest proportion of the total costs, including bank staff shifts and agency staffing. Recruitment and training have been effective in 2022/23 and the reliance on agency staff is reducing. Other cost increases related to hire of scanners, maintenance and mobile MRI transport. Work is being done to minimise the number of mobile moves to help control costs.

PET/CT and CT services £15.8m (2021/22 – £11.2m)

As with the MRI service, although staffing numbers have increased, the expansion of mobile services means that agency and bank staffing costs did increase this year.



CHARITY FUNDS £33.45M (2021/22 – £32.5M)



RETAINED FUNDS

Charity funds £33.5m (2021/22 – £32.5m)

Restricted funds £0k (2021/22 – £166k)

Designated funds £3m (2021/22 – £4.9m).

The trustees allocated funds to address recognised needs for the Charity, which are identified below.

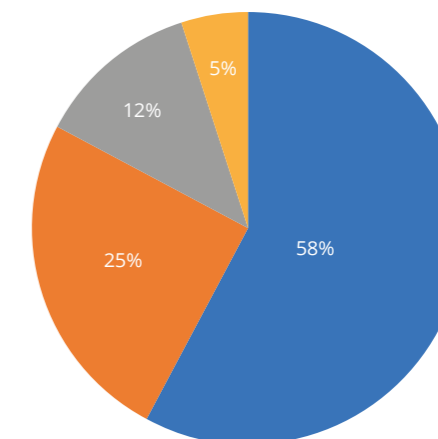
Tangible assets for use £25.3m (2021/22 – £22.7m)

This fund represents the net capital value of the property and working assets required for the Charity's operation.

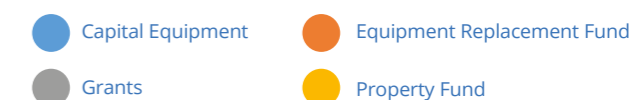
General fund and reserves policy £5.1m (2021/22 – £4.8m)

To protect Cobalt's activities, the Charity's reserves policy is to maintain reserves equivalent to a minimum of 3 months and a maximum of 5 months of working capital. At year-end, Cobalt held reserves sufficient for 2.3 months (2021/22 – 2.7 months). Although this level falls just below the policy, this reduction was due to the reduced surplus, and due to reserving funds for investment in new medical equipment. Cash generation remains strong, and the level of the reserve is not seen as a significant risk at this time. Cobalt aims to increase its reserves in line with the policy.

The Reserves Policy is regularly reviewed and is still deemed appropriate.



DESIGNATED FUNDS £3.02M (2021/22 – £4.9M)



Designated funds £3m (2021/22 – £4.9m)

Capital equipment fund £1.7m (2021/22 – £3.1m)

These funds are held for new equipment projects. £1.0m has been retained to purchase a new mobile CT scanner, which is expected to be acquired by September 2023. £0.75m is also reserved to install the PET/CT scanner, removed from Cobalt Imaging Centre during the digital upgrade project, into a new relocatable unit. This installation is expected to be completed in early 2024.

Equipment replacement fund £0.75m (2021/22 – £1.2m)

These funds are reserved for replacing and refreshing the installed imaging equipment in line with the Equipment Replacement Plan. £0.75m has been reserved to upgrade the MRI scanner at the Queen Elizabeth Hospital in Birmingham, to enhance the research capability.

Grants fund £0.4m (2021/22 – £0.4m)

Grants are to support oncology services and research. This fund will be expended against ongoing research projects, fellowships and research grant awards,



which will be advertised from time to time on the Charity's website. The grants fund is expected to support these projects over the next two years.

Property fund £0.1m (2021/22 – £0.1m)

This fund is used to upgrade facilities at the Charity's properties. Funds carried forward are retained for upgrading the Cobalt Imaging Centre reception area within the next financial year.

Investments

The Charity considered it prudent to distribute its cash reserves amongst a number of UK banks. Cash has been held on deposit with differing maturity dates to maintain flexibility.

Financial viability consideration

As part of the strategic planning process, the trustees review and set annual budgets and three-year financial forecasts based on current information and plans. This review looks at the surpluses and cash

generated across the period, and indicative plans for investment in services, to ensure that these are sustainable. In doing so, the trustees maintain the commitment to replace existing scanners in a timely manner, to ensure that the Charity's services reflect its vision and values.

The post-pandemic period has seen cost increases for Cobalt, particularly in transport, materials, fuel, and staffing. With diagnostic and scanning service contracts often being multi-year, the ability to recover rising costs is constrained by the timing of contract renewals. This has resulted in lower forecast surpluses than those seen in recent years. Cash generation is forecast to remain strong, sufficient to meet the cost of existing projects and planned replacement of equipment.

Based on this assessment and the reserves held, the trustees are confident of the ongoing financial viability of the Charity.

GRANT MAKING POLICIES

The trustees will continue to identify suitable projects for the Charity to support, which:

- Significantly improve the quality of diagnosis, detection, treatment and support for patients suffering from cancer or dementia; including through pathways for advancing research using imaging techniques.
- Support the training and education of medical imaging professionals using advanced MRI, CT and PET/CT equipment, and the use of artificial intelligence in diagnosis.

RISK MANAGEMENT

The Charity's risk management strategy involves:

- An annual review by the board of trustees of risks the Charity may be exposed to;
- Clinical risks being assessed by each area, and then reviewed by the relevant Committees;
- The establishment of procedures designed to eliminate or minimise such risks; and
- The implementation of such procedures.

The following have been identified as key risks, details of which are recorded in a risk register. Whilst the key risks largely remain consistent, inflationary pressures have also been included which could potentially impact the Charity's short to medium term resources.

Risk	Impact	Mitigation
Loss of major contract for diagnostic imaging.	Potentially significant loss of income.	The Charity is diversifying its activities into other services and areas of clinical imaging – including the recent addition of mobile PET/CT.
Cyber security failure or denial-of-service attack.	Potential loss of data, inability to operate, impact on reputation.	Staff undertake annual IT Governance training, including cyber risks. Cobalt continues to invest in critical systems, technical support and remote disaster recovery resources.
Loss of a clinical scanner through breakdown or damage.	Potential loss of income and key contracts, delay in diagnosis for patients.	Cobalt invests in comprehensive maintenance and service level agreements to repair or compensate for lost time. Growth enables duplication of scanners and increased diversification.
Impact of inflation and cost drivers on surpluses. (2022/23 saw rises in critical areas particularly with regards transport and running of remote services.)	Potential reduction in available funds to invest in strategic objectives in the medium term.	Provision in the budget, cost control, diversification of supply, renegotiating contracts, and reassessing services. Working with suppliers to find efficiencies and innovation to reduce running costs.
Shortage of suitably qualified staff. (The recruitment market remains challenging with demand for imaging increasing.)	Increased cost of working, and failure to fulfil contracts and grow.	Cobalt has launched a recruitment website and offers more training and flexible work opportunities to attract staff. Recruitment support has been increased. Benefits will be reviewed in 2023/24.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cobalt Health (registered charity number 1090790) is a company limited by guarantee (company number 04366596) (also known as 'Cobalt') and has no share capital. In the event of the company being wound up, the liability of each member is limited to £1.

The Charity is governed by Articles of Association dated 23 May 2017. Details of trustees, officers and advisers are given on page 60 of these Financial Statements.

Cobalt has a dormant subsidiary, The Cobalt Unit Appeal Fund Limited (company number 09016631), with an issued share capital of £1 held by the Charity.

Appointment of new trustees

- The Articles of Association allow the board to appoint new trustees, subject to confirmation at the next Annual General Meeting of the Charity.
- The Charity seeks candidates using executive search consultants, advertisement and by direct approach.
- Trustees are only appointed after interview.
- New trustees go through a formal induction process, to enable them to become an effective member of the board. This includes spending time in the Charity, meetings with the senior management team, and structured training, including occasional sessions with the Charity's auditor on the responsibilities of trustees. From 2022, the trustees also have access to a training portal, with links to key resources and current updates.

Committee Structure and Management

The board of trustees meets five times per year, with occasional special meetings being called as required. The board decides the general strategy for the work of the Charity and approves all major items of expenditure or funding. The following committees report to the board of trustees:

- Finance Committee meets a minimum of four times per year.
- Responsible for oversight of the financial strategy and performance of the Charity, and its

administrative affairs, including risk management.

- Clinical Governance Committee – meets four times per year.
- Responsible for oversight of the clinical governance and quality assurance for all clinical work, ensuring that safe, effective and patient-focused healthcare is provided.
- People Committee – meets four times per year.
- Reviews staff pay and conditions, including those of the senior management, making recommendations to the board of trustees. Takes into consideration salary benchmarks in the health and charity sectors.
- Research Committee – meets three times per year.
- Considers projects to support and monitor the effectiveness of Cobalt's research activities.
- Nominations Committee – meets as required.
- Supports the recruitment and appraisal process for trustees and the assessment of board effectiveness. The committee also supports the recruitment of the CEO and key members of the executive management team.

Day-to-day management of the Charity's work, in accordance with the general strategy set out by the board, is carried out by the Chief Executive, Mr Peter J Sharpe, and the Charity's Senior Management Team.

Charity Governance Code

The trustees recognise the benefits to be gained from adopting the Charity Governance Code. The trustees self-audit the governance of the Charity against the seven principles in the code on a cyclical basis.

This process has helped to establish a focus on areas where some improvements can be made, including meeting the challenge, that many charities face, of increasing diversity on the board of trustees. A nominations committee has been established, and the board is recruiting new trustees for 2023/24 with the help of a specialist agency to expand the pool of potential candidates.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Cobalt Health for the purposes of company law) are responsible for preparing the Annual Report, including the financial statements, in accordance with applicable law and UK Generally Accepted Accounting Practice (UK accounting standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity's SORP;
- make judgments and 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the charitable

company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITOR

Insofar as each of the trustees of the Charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee, in order to make himself/herself aware of any relevant audit information, and to establish that the Charity's auditor is aware of that information.

AUDITOR

During the year the Charity used its previously appointed auditor, Crowe U.K. LLP, who has been appointed in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The Annual Report, comprising strategic report and other information, was approved by the trustees on 14th September 2023.

and signed on their behalf by

Dr. Susan Owen, Chair of the Board of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

Opinion

We have audited the financial statements of Cobalt Heath (‘the charitable company’) for the year ended 31 March 2023 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have

concluded that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees’ report, which

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

includes the directors’ report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors’ report included within the trustees’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors’ report included within the trustees’ report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees’ responsibilities statement set out on page 33, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing,

as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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

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

Use of our report

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

Tara Westcott
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
St James House
St James Square
Cheltenham
Gloucestershire
GL50 3PR

6th October 2023

COBALT HEALTH

STATEMENT OF FINANCIAL ACTIVITIES

(including an Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds	Restricted Funds	2023 Total Funds	2022 Total Funds
		£	£	£	£
INCOME FROM:					
Donations and legacies	2	716,889	65,725	782,614	464,724
<i>Charitable activities</i>					
Clinical services	3	25,674,613	-	25,674,613	21,934,585
Fundraising activities	4	87,387	117,018	204,405	359,156
Investment income	5	67,197	-	67,197	13,512
Other income	6	114,045	-	114,045	112,201
TOTAL INCOME		26,660,131	182,743	26,842,874	22,884,178
EXPENDITURE ON:					
Fundraising costs	9	345,062	-	345,062	292,304
Charitable activities	9	25,543,286	40,732	25,584,018	19,660,113
TOTAL EXPENDITURE	9	25,888,348	40,732	25,929,080	19,952,417
NET INCOME		771,783	142,011	913,794	2,931,761
TRANSFERS BETWEEN FUNDS		307,373	(307,373)	-	-
NET MOVEMENT IN FUNDS		1,079,156	(165,362)	913,794	2,931,761
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		32,352,718	165,500	32,518,218	29,586,457
TOTAL FUNDS CARRIED FORWARD	19	33,431,874	138	33,432,012	32,518,218

BALANCE SHEET

AS AT 31 MARCH 2023

Company number 04366596

	Note	2023 £	2022 £
FIXED ASSETS			
Intangible assets	11	104,082	169,577
Tangible fixed assets	12	25,293,206	22,730,795
Investments	13	150,001	150,001
TOTAL FIXED ASSETS		25,547,289	23,050,373
CURRENT ASSETS			
Debtors	14	4,417,477	3,984,521
Investments	13	3,095,910	3,045,102
Cash at bank and in hand		4,729,476	5,929,071
TOTAL CURRENT ASSETS		12,242,863	12,958,694
LIABILITIES			
Creditors - amounts falling due within one year	15	(4,155,194)	(2,547,228)
NET CURRENT ASSETS		8,087,669	10,411,466
Creditors - amounts falling due greater than one year	15	(202,946)	(943,621)
TOTAL NET ASSETS		33,432,012	32,518,218
FUNDS OF THE CHARITY			
Unrestricted Funds:			
Tangible fixed assets held for Charity's use	16	25,293,206	22,730,795
Designated funds	17	3,018,109	4,855,786
General fund	16	5,120,559	4,766,137
TOTAL UNRESTRICTED FUNDS		33,431,874	32,352,718
Restricted funds	18	138	165,500
TOTAL CHARITY FUNDS	19	33,432,012	32,518,218

Approved by the Trustees on 14th September 2023
and signed by

Dr. Susan Owen, Chair

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	24	3,852,378	5,082,737
Cash flows from investing activities			
Interest receivable and rents from investments	5,6	176,469	116,779
Purchase of intangible assets		-	(47,235)
Proceeds from the sale of fixed assets		180	1,480
Purchase of fixed assets	12	(4,975,647)	(5,192,481)
Net cash (used in) investing activities		(4,798,998)	(5,121,457)
Cash flows from financing activities			
Repayments of borrowing - HP		(139,534)	(134,253)
Repayments of borrowing - Bank loan		(62,633)	(31,511)
Net cash provided by financing activities		(202,167)	(165,764)
Change in cash and cash equivalents in the year		(1,148,787)	(204,484)
Cash and cash equivalents at the beginning of the year		8,974,173	9,178,657
Cash and cash equivalents at the end of the year	25	7,825,386	8,974,173

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 1. ACCOUNTING POLICIES

Cobalt Health was incorporated in England and Wales as a company limited by guarantee (registered no. 04366596) and has no share capital. The liability in respect of the guarantee is limited to an amount not exceeding £1 per member of the company.

Cobalt Health is registered as a Charity with the Charity Commission England and Wales (registered no. 1090790).

a) Basis of accounting

The financial statements have been prepared in accordance with 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities SORP and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under historical cost convention. Cobalt Health 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 note.

Under Section 405 of the Companies Act 2006, consolidated accounts have not been prepared as the inclusion of the dormant subsidiary is not material for the purpose of giving a true and fair view. Therefore these financial statements present information on the parent entity as an individual undertaking only.

b) Preparation of the accounts on a going concern basis

At the year end the Charity had £7.8m in the bank and on deposit. The Charity is able to meet its planned capital expenditure for 2023/24 and thereby help underpin future income generation.

The Charity prepares an annual budget and three year projections. These have factored in anticipated increases in expenditure. Whilst recognising the challenges, the Charity expects to make a surplus over the next three years.

On this basis the Trustees are able to adopt a going concern basis for the preparation of these financial statements.

c) Income

Income, including that from clinical services, is recognised in the period to which it relates, once the Charity has entitlement to the resources and once the Trustees have probability that the resources will be received and when the monetary value can be measured with reliability.

Income from fundraising events is shown gross, with the associated expenditure shown in Fundraising costs. Where the Charity benefits from work carried out by volunteers without charge, no value is placed on this work for accounting purposes.

Donations including donated goods are recognised as income when they have been received and any conditions associated with the donation have been met.

Legacy income is recognised when there is a grant of probate; the executors have established that there are sufficient funds to distribute funds from the estate; the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are within the control of the Charity. An adjustment is made to include legacy receipts up to two months of the year end which relate to probate notifications for the financial year or earlier.

Interest and investment income, including rental income, is included when receivable and the amount can be measured reliably. Rental income due to the Charity, applicable to operating leases, where substantially all of the benefits and risks of ownership

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

of the asset remain with the Charity is recognised in the Statement of Financial Activities over the lease term.

Government grants receivable are credited to income as these become receivable, except in situations where they related to performance, in which case these are accrued as the charity earns the right through performance.

d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Expenditure on fundraising are those costs incurred in providing services for which the Charity received a direct income and those incurred in fundraising activity.

Expenditure on charitable activities represents the cost of supporting the Charity's objectives and as laid out in its memorandum and articles of association. Governance costs are those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory compliance.

Support costs include central functions, principally connected with buildings and administration, which are indirectly incurred in support of the generation of funds and of charitable expenditure, and which are allocated to those headings on an appropriate apportionment.

Employees are entitled to join the Charity's money purchase pension scheme. The associated cost is allocated across the Charity's activities and funds depending on the role of the member of staff.

e) Redundancy payments

It is the Trustees' policy to minimise the impact of

organisational change. Redundancy payments only occur when absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

f) Intangible assets

The intangible assets of the Charity comprise operational software packages. Once it has been tested and commissioned the software is amortised over the expected useful life of 4 years. Amortisation is charged to 'Charitable activities' in the Statement of Financial Activities.

g) Tangible fixed assets

Individual fixed assets costing £5,000 or more, and others of a smaller individual value but forming part of a capital expenditure programme, are capitalised at purchase cost.

Depreciation is provided on all tangible fixed assets in use, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life. No depreciation is charged on land, and the land element is based on 25% of the total cost of the properties.

Freehold buildings - 2% of cost, 5-10% for refurbishment

Medical equipment - 10, 12½ & 20% of cost

Fixtures, fittings and computer equipment - 13% and 25% of cost

Motor vehicles - 20% of cost

h) Fixed asset investment

The Charity was bequeathed a 50% share in a freehold property as part of a legacy in 2020. The property is currently generating rental income for the Charity and as such is classified as an investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

value at 31 March 2023. No depreciation is charged on the property and it is reviewed annually for impairment.

i) Impairment

The carrying amounts of assets are reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. Any loss is written off to the Statement of Financial Activities.

j) Debtors

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

k) Investments

Investments represents cash held on deposit with differing maturity dates to maintain flexibility and to attempt to earn some income in a low interest environment.

l) Creditors

Creditors and provisions are recognised where the Charity 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.

m) Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives.

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements

are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

n) Bank loan

Bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

o) Financial instruments

Cobalt Health only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, cash at bank, cash held on deposit, debtors and creditors (see notes 14 and 15). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of intangible and tangible assets:

The annual amortisation and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 11 and 12 for the carrying amount of the intangible and tangible assets and notes 1(f) and 1(g) for the useful lives for each class of asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Legacies:

Management judgement is applied over the valuation of legacy income where cash is not yet received and evidence of entitlement exists and Cobalt Health is able to measure reliably. As a result, accrued legacy income is recognised at times, in advance of receiving the cash; see accounting policy 1(c) for further details.

q) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

r) Funds

Restricted funds comprise income funds subject to specific conditions arising from the donor's wishes or the terms of a particular fundraising initiative.

Unrestricted funds are the working capital of the Charity, which is expendable at the discretion of the Trustees.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

s) Taxation

As a recognised Charity, the company is exempt from Corporation Tax so far as it relates to its charitable objects. It is not exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates.

t) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

u) Registered and Principal Office

Cobalt Health, Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 2. DONATIONS AND LEGACIES

	2023 £	2022 £
Donations	107,035	157,266
In Memoriam	11,571	9,890
Legacies	<u>664,008</u>	<u>297,568</u>
	<u>782,614</u>	<u>464,724</u>

£65,725 of donations and legacies were restricted (2022 - £133,477).

NOTE 3. CHARITABLE ACTIVITIES

	2023 £	2022 £
<i>Clinical services</i>		
MRI Services	9,549,984	8,382,099
PET/CT and CT Services	<u>16,124,629</u>	<u>13,552,486</u>
	<u>25,674,613</u>	<u>21,934,585</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 4. INCOME FROM FUNDRAISING ACTIVITIES

	2023 £	2022 £
Events	60,558	36,185
Card Sales	26,829	19,261
Grant income	<u>117,018</u>	<u>303,710</u>
	<u>204,405</u>	<u>359,156</u>

£117,018 of income from fundraising activities were restricted (2022 - £303,710).

NOTE 5. INVESTMENT INCOME

	2023 £	2022 £
Interest receivable	<u>67,197</u>	<u>13,512</u>

NOTE 6. OTHER INCOME

	2023 £	2022 £
Rent receivable	109,272	103,267
Gain on disposal of fixed assets	-	1,480
Delegate Fees, room hire, other income	<u>4,773</u>	<u>7,454</u>
	<u>114,045</u>	<u>112,201</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 7. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COSTS OF KEY MANAGEMENT PERSONNEL

	2023	2022
	£	£
Wages and salaries	5,631,252	4,261,294
Social security costs	606,517	430,728
Pension contributions	671,523	553,631
Other employee benefits	23,717	18,436
	<u>6,933,009</u>	<u>5,264,089</u>

The number of employees whose emoluments for the year fell within each band from £60,000 upwards was:

	2023	2022
£60,000 - £69,999	6	5
£70,000 - £79,999	6	-
£80,000 - £89,999	4	5
£90,000 - £99,999	1	-
£100,000 - £109,999	1	-
£150,000 - £159,999	1	1

In the year contributions of £43,351 (2022 - £38,248) were made to 1 (2022 - 1) higher paid employees' personal defined contribution schemes.

The total emoluments (including pension costs and employer's national insurance contributions) of the 9 members of the Senior management Team who have day-to-day influence on the activities of the Charity was £830,075 (2022 - 8, £757,938). The 9 are the Chief Executive, Finance Director, Fundraising Director, Human Resources Manager, Communications Manager, Education, Training and Research Manager, Quality Manager and 2 Clinical Managers.

During the year, redundancy payments amounting to £nil, were paid to members of staff (2022 - £35,875).

The average monthly headcount of employees, analysed by function, was:

	2023	2022
MRI Services	67	57
PET/CT Services	65	46
Fundraising	6	5
Administration and Management	19	19
Buildings	4	4
	<u>161</u>	<u>131</u>

The average full-time equivalent number of staff for the year was 113 (2022 - 102). No Trustees received remuneration during the year (2022 - Nil). No Trustees were reimbursed travel expenses during the year (2022 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 8. NET INCOME FOR THE FINANCIAL YEAR

	2023	2022
	£	£
Net income is stated after charging/(crediting):		
Auditor's remuneration:		
Audit	15,180	13,800
Tax advisory	12,504	1,138
Other services	240	-
Depreciation	2,388,570	1,974,083
Amortisation	65,495	67,149
Deficit/(Surplus) on disposal of fixed assets	24,487	(1,480)
Impairment	-	250,733
Operating lease costs	9,876	11,544
Pension contributions	<u>671,523</u>	<u>553,631</u>

NOTE 9. ANALYSIS OF EXPENDITURE

	Direct Costs £	Support Costs £	Amortisation and Depreciation £	Total 2023 £	Total 2022 £
Raising funds:					
Costs of fundraising and similar activities	<u>214,298</u>	<u>115,845</u>	<u>14,919</u>	<u>345,062</u>	<u>292,304</u>
	<u>214,298</u>	<u>115,845</u>	<u>14,919</u>	<u>345,062</u>	<u>292,304</u>
Charitable activities:					
MRI Services	7,685,326	758,273	986,178	9,429,777	8,043,691
PET/CT and CT Services	13,106,957	1,357,742	1,361,230	15,825,929	11,231,850
Charitable Funding	224,023	-	89,508	313,531	371,657
Training and Education	1,202	11,349	2,230	14,781	12,915
	<u>21,017,508</u>	<u>2,127,364</u>	<u>2,439,146</u>	<u>25,584,018</u>	<u>19,660,113</u>
TOTAL 2023	<u>21,231,806</u>	<u>2,243,209</u>	<u>2,454,065</u>	<u>25,929,080</u>	<u>19,952,417</u>
TOTAL 2022	<u>16,065,459</u>	<u>1,845,726</u>	<u>2,041,232</u>	<u>19,952,417</u>	

* Includes depreciation charged against Cobalt House.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 10. SUPPORT COSTS

	Admin Costs £	Building Costs £	Governance Costs £	Total 2023 £	Total 2022 £
MRI Services	548,571	204,060	5,642	758,273	622,674
PET-CT and CT Services	1,132,533	213,561	11,648	1,357,742	1,118,691
Fundraising	88,479	26,456	910	115,845	95,246
Training and Education	-	11,349	-	11,349	9,115
TOTAL 2023	1,769,583	455,426	18,200	2,243,209	1,845,726
<i>TOTAL 2022</i>	<i>1,465,861</i>	<i>365,765</i>	<i>14,100</i>	<i>1,845,726</i>	

Support costs have been allocated on the basis of floor space occupied in respect of building costs and proportionate time spent on administrative matters in respect of administration costs. Governance costs include the cost of the audit and the direct costs of supporting the Trustees.

NOTE 11. INTANGIBLE FIXED ASSETS

	Software £
Cost	
<i>At 1 April 2022</i>	277,497
Additions	-
Disposals	(15,516)
At 31 March 2023	261,981
Amortisation	
<i>At 1 April 2022</i>	107,920
Charge for year	65,495
Disposals	(15,516)
At 31 March 2023	157,899
Net Book Value	
At 31 March 2023	104,082
<i>At 31 March 2022</i>	<i>169,577</i>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 12. FIXED ASSETS

	Freehold Land & Buildings £	Medical Equipment £	IT / Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
<i>At 1 April 2022</i>	11,381,743	23,295,014	602,677	50,201	35,329,635
Additions	36,089	4,916,403	-	23,155	4,975,647
Disposals	(94,820)	(1,837,005)	-	-	(1,931,825)
At 31 March 2023	11,323,012	26,374,412	602,677	73,356	38,373,457
Depreciation and Impairment					
<i>At 1 April 2022</i>	2,898,297	9,421,848	257,063	21,632	12,598,840
Charge for year	179,016	2,080,667	118,028	10,859	2,388,570
Eliminated on Disposals	(94,820)	(1,812,339)	-	-	(1,907,159)
At 31 March 2023	2,982,493	9,690,176	375,091	32,491	13,080,251
Net Book Value					
At 31 March 2023	8,340,519	16,684,236	227,586	40,865	25,293,206
<i>At 31 March 2022</i>	<i>8,483,446</i>	<i>13,873,166</i>	<i>345,614</i>	<i>28,569</i>	<i>22,730,795</i>

The net book value of assets held under hire purchase agreements is £525,819 (2022 - £596,716).

A bank loan was taken out in 2020 year and is secured by way of a first legal charge over the freehold of Linton Cottage. The aggregate amount secured is £707k. The loan was repaid in April 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 13. INVESTMENTS

	2023 £	2022 £
Fixed Assets		
Investment in subsidiary	1	1
Investment property	<u>150,000</u>	<u>150,000</u>
Total	<u>150,001</u>	<u>150,001</u>
Current Assets		
Current asset investment - notice deposits	<u>3,095,910</u>	<u>3,045,102</u>

The share capital of Cobalt Unit Appeal Fund Ltd consists of one ordinary share of £1 nominal value and is wholly owned by Cobalt Health. The subsidiary is dormant and did not trade during the year. Cobalt Unit Appeal fund Ltd was incorporated in England and Wales (registered no. 09016631) and registered at Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

The Charity owns a 50% share in a freehold investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at the reporting date.

The Charity has invested £3m in a short term deposit with Nationwide.

NOTE 14. DEBTORS

	2023 £	2022 £
Clinical Service fees due	3,359,717	3,417,832
Accrued income	490,148	254,052
Prepayments	<u>567,612</u>	<u>312,637</u>
	<u>4,417,477</u>	<u>3,984,521</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 15. CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,309,164	1,198,722
Bank Loan	613,183	80,163
Accruals	821,413	720,291
Other creditors	16,529	18,067
HP liability	145,023	139,534
Taxation and social security	166,315	133,070
Pension liability	56,757	51,885
Deferred income	<u>26,810</u>	<u>205,496</u>
	<u>4,155,194</u>	<u>2,547,228</u>

The movement in deferred income is set out below:

	Rent and fees received in advance £	Total £
<i>At 1 April 2022</i>	205,496	205,496
Released in the year	(205,496)	(205,496)
Deferred in the year	<u>26,810</u>	<u>26,810</u>
At 31 March 2023	<u>26,810</u>	<u>26,810</u>

Rent and fees received in advance is recognised as income in the month to which it relates.

CREDITORS: Amounts falling after one year:

	2023 £	2022 £
Bank Loan 2-5 years	-	320,652
Bank Loan > 5 years	-	275,001
HP liability	<u>202,946</u>	<u>347,968</u>
	<u>202,946</u>	<u>943,621</u>

A bank loan was taken out in the previous year and is secured by way of a 1st legal charge over the freehold of Linton Cottage. Interest is charged at 1.75% p.a. over Base Rate. The loan was repaid in April 2023 and is shown due within one year above.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 16. UNRESTRICTED FUNDS - 2023

	Movement in Funds				
	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
General Fund	4,766,137	26,660,131	(25,313,744)	(991,965)	5,120,559
Tangible fixed assets held for the Charity's use	22,730,795	-	(481,410)	3,043,821	25,293,206
Total	27,496,932	26,660,131	(25,795,154)	2,051,856	30,413,765

Unrestricted Funds includes a General Fund balance of £5,120,559. This constitutes 2.4 months' working capital requirement. Transfers of £2,051,856 represent fixed asset additions and disposals in the year, as well as transfers to and from the designated funds, see note 17.

UNRESTRICTED FUNDS - 2022

	Movement in Funds				
	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
General Fund	4,381,967	22,446,991	(19,398,451)	(2,664,370)	4,766,137
Tangible fixed assets held for the Charity's use	19,763,130	-	(398,937)	3,366,602	22,730,795
Total	24,145,097	22,446,991	(19,797,388)	702,232	27,496,932

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 17. DESIGNATED FUNDS - 2023

	Balance at 1 April 2022 £	Expenditure £	Transfers £	Funding of Fixed Assets £	Balance at 31 March 2023 £
Capital Equipment Fund	3,144,974	-	1,756,109	(3,144,974)	1,756,109
Equipment Replacement Fund	1,228,548	-	750,000	(1,228,548)	750,000
Grants Fund	372,000	(57,930)	57,930	-	372,000
Property Fund	110,264	(35,264)	65,000	-	140,000
Total	4,855,786	(93,194)	2,629,039	(4,373,522)	3,018,109

At the balance sheet date the purposes of the various sub-funds within Designated Funds are as follows:

Capital Equipment Fund

This fund is reserved for new equipment projects. The £3.1m brought forward has been used to purchase a new PET/CT scanner and additional take up rooms in Cheltenham, and a CT mobile unit. The £1.75m carried forward has been retained to purchase a new CT scanner and a PET/CT relocatable unit. The CT scanner is expected to be in place by September 2023, and the PET/CT relocatable during 2024.

Equipment Replacement Fund

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £750k has been set aside to upgrade the ITM Imaging Centre in Birmingham.

Grants Fund

Grants are to support oncology and dementia services and research. This includes, but is not limited to, projects with the NHS Trusts, and funding research fellowships. £58k of this fund has been spent during the year. Going forward, the fund will be expended against ongoing research projects, fellowships, and research grant awards that will be advertised from time to time on the Charity's website. This fund is expected to support these projects over the next two years.

Property Fund

This fund is used to upgrade the facilities in the Charity's properties and equipment. Funds were expended in the year on bathroom refurbishments. Funds carried forward are retained for upgrading the Cheltenham Imaging Centre reception area within the next financial year.

DESIGNATED FUNDS - 2022

	Balance at 1 April 2021 £	Expenditure £	Transfers £	Funding of Fixed Assets £	Balance at 31 March 2022 £
Capital Equipment Fund	3,622,530	-	3,144,974	(3,622,530)	3,144,974
Equipment Replacement Fund	1,100,000	-	128,548	-	1,228,548
Grants Fund	470,000	(116,154)	-	18,154	372,000
Property Fund	220,000	-	50,264	(160,000)	110,264
Total	5,412,530	(116,154)	3,323,786	(3,764,376)	4,855,786

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 18. RESTRICTED FUNDS - 2023

	Balance at 1 April 2022	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2023
	£	£	£	£	£
Breast Cancer Research Nurses Fund	-	1,127	(1,127)	-	-
TYA Nurse Fund	-	31,783	(31,645)	-	138
Cancer General Fund	-	1,034	(1,034)	-	-
Dementia Research Fund	6,000	583	(6,583)	-	-
Equipment Fund	159,500	147,873	-	(307,373)	-
Research Fund	-	343	(343)	-	-
TOTAL	165,500	182,743	(40,732)	(307,373)	138

Restricted funds held totalled £138 at the balance sheet date. In the year restricted funds were used for specifically allocated initiatives and equipment purchases.

Breast Cancer Research Nurses Fund

To fund breast cancer research nurses.

TYA Nurse Fund

The fund is used to support the work of a local Teenage and Young Adult specialist cancer nurse post. Cobalt has undertaken to fund 50% of this post until 2024 when it will be reviewed.

Cancer General Fund

The fund is used to support the Charity's work providing free scans for oncology patients.

Dementia Research Fund

The fund is used to help fund research into Dementia. Cobalt has been aiding research into the benefit of scanning patients to improve early diagnosis.

Equipment Fund

The fund was used to support the purchase of a new PET/CT scanner. In addition 50% of card sales (£13.4k) has also been aiributed to this project in the year.

Research Fund

The fund was used to support Cobalt's research activities in the year.

RESTRICTED FUNDS - 2022

	Balance at 1 April 2021	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2022
	£	£	£	£	£
Breast Cancer Research Nurses Fund	-	22,155	(22,155)	-	-
TYA Nurse Fund	-	13,503	(13,503)	-	-
Cancer General Fund	-	1,278	(1,278)	-	-
Dementia Research Nurses Fund	-	7,549	(1,549)	-	6,000
Equipment Fund	28,830	392,312	-	(261,642)	159,500
Research Fund	-	390	(390)	-	-
TOTAL	28,830	437,187	(38,875)	(261,642)	165,500

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 19. ANALYSIS OF NET ASSETS - 2023

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Creditors due greater than one year £	Total £
Unrestricted Funds					
General Fund	104,082	150,001	5,069,422	(202,946)	5,120,559
Tangible Fixed Assets held for Charity use	-	25,293,206	-	-	25,293,206
Total Unrestricted Funds	104,082	25,443,207	5,069,422	(202,946)	30,413,765
Designated Funds					
Capital Equipment Fund	-	-	1,756,109	-	1,756,109
Grants Fund	-	-	372,000	-	372,000
Equipment Replacement Fund	-	-	750,000	-	750,000
Property Fund	-	-	140,000	-	140,000
Total Designated Funds	-	-	3,018,109	-	3,018,109
Restricted Funds	-	-	138	-	138
Total Funds	104,082	25,443,207	8,087,669	(202,946)	33,432,012

ANALYSIS OF NET ASSETS - 2022

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Creditors due greater than one year £	Total £
Unrestricted Funds					
General Fund	169,577	150,001	5,390,180	(943,621)	4,766,137
Tangible Fixed Assets held for Charity use	-	22,730,795	-	-	22,730,795
Total Unrestricted Funds	169,577	22,880,796	5,390,180	(943,621)	27,496,932
Designated Funds					
Capital Equipment Fund	-	-	3,144,974	-	3,144,974
Grants Fund	-	-	372,000	-	372,000
Equipment Replacement Fund	-	-	1,228,548	-	1,228,548
Property Fund	-	-	110,264	-	110,264
Total Designated Funds	-	-	4,855,786	-	4,855,786
Restricted Funds	-	-	165,500	-	165,500
Total Funds	169,577	22,880,796	10,411,466	(943,621)	32,518,218

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 20. CAPITAL COMMITMENTS

	2023 £	2022 £
Future capital expenditure not otherwise included in the financial statements at the balance sheet date:		
Expenditure contracted for	<u>900,856</u>	<u>2,455,016</u>

NOTE 21. RELATED PARTY TRANSACTIONS

Members of the Board of Trustees are not entitled to, and did not receive, any remuneration during the year in relation to their services as Trustees.

There have been no transactions with the Charity's wholly-owned subsidiary company The Cobalt Unit Appeal Fund Ltd.

During the year, Phoenix MRC Limited, of which Susan Owen (Trustee) is a Director and shareholder, provided a staff survey to Cobalt for £2,730 (2022 - *Nil*).

NOTE 22. LIABILITIES UNDER OPERATING LEASES

At 31 March 2023, the Charity had total commitments under non-cancellable operating leases in respect of equipment as follows:

	2023 £	2022 £
Within one year	11,706	9,876
Between one and five years	<u>38,998</u>	<u>-</u>
Total	<u>50,704</u>	<u>9,876</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 23. ASSETS RECEIVABLE UNDER OPERATING LEASES

At 31 March 2023, the Charity had assets receivable under non-cancellable operating leases in respect of rental income of Cobalt House as follows:

	2023 £	2022 £
Within one year	101,956	99,992
Between one and five years	<u>37,653</u>	<u>139,609</u>
Total	<u>139,609</u>	<u>239,601</u>

NOTE 24. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2023	2022
Net income for the reporting period (as per the statement of financial activities)	913,794	2,931,761
Adjustments for:		
Depreciation and amortisation charges	2,454,065	2,041,232
Impairment	-	250,733
Dividends, interest and rent from investments	(176,469)	(116,779)
Deficit/(Surplus) on sale of fixed assets	24,487	(1,480)
Increase in debtors	(432,956)	(194,396)
Increase in creditors	<u>1,069,457</u>	<u>171,666</u>
Net cash provided by operating activities	<u>3,852,378</u>	<u>5,082,737</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 25. ANALYSIS OF CHANGES IN NET CASH/DEBT

	2022	Cashflows	Other non-cash changes	2023
	£	£	£	£
Cash at bank and in hand	5,929,071	(1,199,595)	-	4,729,476
Current asset investments:				
Notice deposits	3,045,102	50,808	-	3,095,910
Total	8,974,173	(1,148,787)	-	7,825,386
Loans falling due within one year	(80,163)	80,163	(613,183)	(613,183)
Loans falling due after more than one year	(595,653)	(17,530)	613,183	-
Hire purchase obligations	(487,502)	139,534	-	(347,968)
Total	7,810,855	(946,620)	-	(6,864,235)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 26. 2022 STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds	Restricted Funds	2022 Total Funds
		£	£	£
INCOME FROM:				
Donations and legacies	2	331,247	133,477	464,724
Charitable activities:				
Clinical services	3	21,934,585	-	21,934,585
Fundraising activities	4	55,446	303,710	359,156
Investment income	5	13,512	-	13,512
Other income	6	112,201	-	112,201
TOTAL INCOME		22,446,991	437,187	22,884,178
EXPENDITURE ON:				
Fundraising costs	9	292,304	-	292,304
Charitable activities	9	19,621,238	38,875	19,660,113
TOTAL EXPENDITURE	9	19,913,542	38,875	19,952,417
NET INCOME		2,533,449	398,312	2,931,761
TRANSFERS BETWEEN FUNDS		261,642	(261,642)	-
NET MOVEMENT IN FUNDS		2,795,091	136,670	2,931,761
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD		29,557,627	28,830	29,586,457
TOTAL FUNDS CARRIED FORWARD	19	32,352,718	165,500	32,518,218

TRUSTEES, EXECUTIVE AND ADVISERS

Trustees and Directors

Dr Susan Owen (Chair from 30th June 2023)
Neil Holbrook (Chair to 29th June 2023 - resigned)
Ruth Goddard
Claire Morris (appointed 23rd June 2022)
Dr Janet Ropner
Pamela Sissons (appointed 23rd June 2022)
Dr Valerie Udale
Prof Gordon Wilcock (resigned 30th January 2023)

Chief Executive Officer

Peter J Sharpe

Company Secretary

Malcolm J MacKeith

Medical Director

Dr Umesh Udeshi

Director of Clinical Research

Prof Iain Lyburn

President

Howard Crooks

Registered and Principal Office

Linton House Clinic,
Thirlestaine Road,
Cheltenham,
Gloucestershire, GL53 7AS

Independent Auditor

Crowe U.K. LLP,
4th Floor,
St James House,
St James' Square,
Cheltenham, GL50 3PR

Bankers

National Westminster Bank Plc,
21 Eastgate Street,
Gloucester, GL1 2NH

Lloyds Bank Plc,
Montpellier Cheltenham
Business Centre,
PO Box 1000, BX1 1LT

Nationwide Building Society,
Kings Park Road,
Moulton Park,
Northampton, NN3 6NW

Solicitors

Willans LLP,
34 Imperial Square,
Cheltenham,
Gloucestershire, GL50 1RH

Cobalt Health was incorporated in England and Wales (registered no. 04366596) and has no share capital.

Cobalt Health is a registered charity with the Charity Commission England and Wales (registered no. 1090790)

GLOSSARY OF TERMS

CT

Computerised Tomography uses X-ray and a computer to generate detailed images of the inside of the body. A CT scanner consists of a X-ray tube that rotates around the body (in less than a second) and a series of detectors which collect the information from the X-rays; a computer then builds an image from the information received.

PET/CT

Positron Emission Tomography/Computerised Tomography, is a combination of two imaging technologies. A PET scan measures important body functions, such as blood flow, oxygen use and sugar (glucose) metabolism, to help doctors evaluate how well organs and tissues are functioning. Cancer cells, for example, use glucose differently to normal cells and for that reason look different on the pictures produced by the scan, this therefore enables doctors to diagnose and monitor cancer. The CT scan provides structural information of the body and by combining PET and CT this creates both a functional and structural image.

MRI

Magnetic Resonance Imaging is a non-invasive medical test that helps doctors diagnose and treat medical conditions. The MRI scanner uses a powerful magnetic field, radio frequency pulses and a computer to produce detailed pictures of organs, soft tissues and virtually all other internal body structures. Detailed MR images allow doctors to better evaluate various parts of the body and determine the presence of certain diseases that may not be assessed adequately with other imaging methods, such as X-ray.

Tesla

Tesla is the unit of measurement for the magnetic field strength of an MRI magnet. In general terms, a more powerful magnet can produce a more detailed image. 1 Tesla is equivalent to 20,000 times the Earth's magnetic field. The majority of hospitals in the UK have a 1.5 Tesla scanner. Cobalt introduced one of the first 3.0 Tesla clinical service in the UK, and now has a mobile 3.0 Tesla scanner, in addition to the permanent one installed in Cobalt Imaging Centre.



www.cobalhealth.co.uk

Charity Registration Number: 1090790

Company Number: 04366596

Cobalt Health trading as Cobalt



Cobalt

Medical Charity

Diagnosis • Research • Education

COBALT HEALTH

England & Wales - Charity number 1090790

Accounts

COBALT HEALTH ANNUAL REPORT 2021/22



www.cobalthhealth.co.uk

Charity Registration Number: 1090790
Company Number: 04366596



Cobalt

Medical Charity

Diagnosis • Research • Education



CONTENTS

Chair's statement	4
About us, our vision and values	5
Trustees' strategic report	6
Our objectives and values	7
Coronavirus impact and response	8
Diagnosis – achievements, impact and the future	9
Research – achievements and impact	15
The Institute of Translational Medicine Imaging Centre update	16
Research - the future	17
Education - achievements, impact and the future	18
Fundraising report	20
Financial overview	23
Grant making policies, risk management	26
Structure, governance and management	27
Statement of trustees' responsibilities	28
Independent auditors' report to the members of Cobalt Health	29
Statement of financial activities	32
Balance sheet	33
Cash flow statement	34
Notes to the financial statements	35
Trustees and advisers	54
Glossary	55

Front cover image: Prime Minister Rishi Sunak visits a Cobalt mobile CT and integrated patient support unit, supporting the NHS with their lung health check programme, 28th October 2022.

CHAIR'S STATEMENT



The trustees are pleased to report on another strong year for Cobalt, one that saw the transition from supporting our colleagues in the NHS during the COVID-19 pandemic to restarting key services, including working with a number of leading NHS trusts to provide critical diagnostic and screening services. We are especially proud of our sector-leading involvement in the provision of lung health checks. Our work is directly improving the lives and life expectancy of people in communities in the UK where these services are most required.

The increased activity, delivered through the commitment of the whole team, has resulted in similarly heightened surpluses over the last 2 years providing the Charity with strong reserves that make Cobalt's finances robust and secure.

Whilst the expectation is that 2022/23 will be a more normal year in terms of income and surplus, and the future will be more challenging, our reserves allow Cobalt to continue to invest in state-of-the-art diagnostic equipment, maintaining our aim to be early adopters in the UK. In 2021/22, Cobalt invested £5m in new medical equipment, with another £3.6m committed at the year end, including the exciting introduction of Cobalt's first mobile PET/CT* scanner.

Our reserves will allow us to deliver on our ambitions to increase our research funding and grow our education offer, including funding our second Cobalt research fellow in a new partnership with the Royal Brompton Hospital.

Cobalt has grown its staff complement in line with the increase in the demand for its services over the last two years. We will continue to invest in our people to ensure we can continue to provide a high-quality service to more patients. This heightened resilience gives us a firm basis from which to go forward and develop further.

As always, the trustees are very grateful to all our staff, supporters and volunteers for their commitment to Cobalt and our ongoing objectives. It has been particularly heartening to see our fundraising events restart and the volunteers back working with us.

I would like to add my personal thanks to my fellow trustees for their continued support and advice. Their commitment to Cobalt's vision has enabled the Charity to continue to grow and develop, increasing the impact Cobalt is having on patient outcomes.

Neil Holbrook

Chair of the board of trustees

ABOUT US

Cobalt Health (Cobalt) is a medical charity, established in 1964 to help people affected by cancer, dementia and other conditions. Each year we provide diagnostic imaging for over 115,000 patients at imaging centres in Cheltenham and Birmingham, and through a fleet of mobile MRI, PET/CT and CT scanners* supporting NHS hospitals and other medical facilities across the UK.

We focus on offering equipment and services not always available within the NHS to support patients across the UK. Our imaging centres house the latest technology designed to improve patient comfort, enable shorter scanning times, and deliver superior image quality. Using ultra-low dose mobile CT, we are the leading provider of lung cancer screening services in the UK, working in partnership with the NHS.

We endeavour to deliver improvements in clinical diagnoses and treatments, mainly relating to cancer and dementia. This is achieved by investing in cutting-edge technology and supporting and participating in local, national and international research working with leading experts in the field. We also work closely with the Queen Elizabeth Hospital in Birmingham to deliver specialist research imaging for the Institute of Translational Medicine and the University of Birmingham.

By delivering a diverse training and education programme for medical professionals, we enhance their professional development and support opportunities to share research findings and best practice.

OUR VISION

To pioneer innovation in medical imaging diagnosis by investing in equipment, integrated research and education, to improve outcomes for patients now and in the future.

OUR VALUES



* See glossary of terms page 55

TRUSTEES' STRATEGIC REPORT

The Cobalt board of trustees present their Strategic Report and the Financial Statements for the year ended 31 March 2022. The Charity reports its achievements for 2021/22 against its core activities in diagnosis, research and education.

Public Benefit

When reviewing the aims and objectives and planning future activities, the trustees have referred to and believe they have complied with the duty of section 17 of the Charities Act 2011. This relates to having due regard to the Charity Commission's published general guidance on public benefit. In particular, to its supplementary public benefit guidance on fee-charging. The trustees have also considered how planned activities will contribute to the aims and objectives they have set.

The trustees believe that this report demonstrates the Charity's commitment to providing public benefit through a range of activities, including the advancement of diagnostic practice, the sharing of knowledge with healthcare practitioners and the provision of low cost and free scans for patients to assist in their diagnosis and treatment.

The trustees are also pleased to report the Charity continued to work with NHS England to respond to the challenges of the Covid-19 pandemic by supporting hospitals with urgent diagnostic scans through to September 2021.

Our commitment to quality

Cobalt is committed to exceptional patient care whilst delivering a consistently excellent standard of imaging and reporting. We publish a Quality Account on an annual basis, which details the processes and systems we manage and highlights our achievements in this area; achieving both the standards set by the Care Quality Commission and demonstrating the consistent audit and improvement required to meet the standards of the Quality Standard for Imaging, ISO 9001:2015 and ISO14001:2015. During the year, the Charity worked towards and achieved the ISO14001 standard.



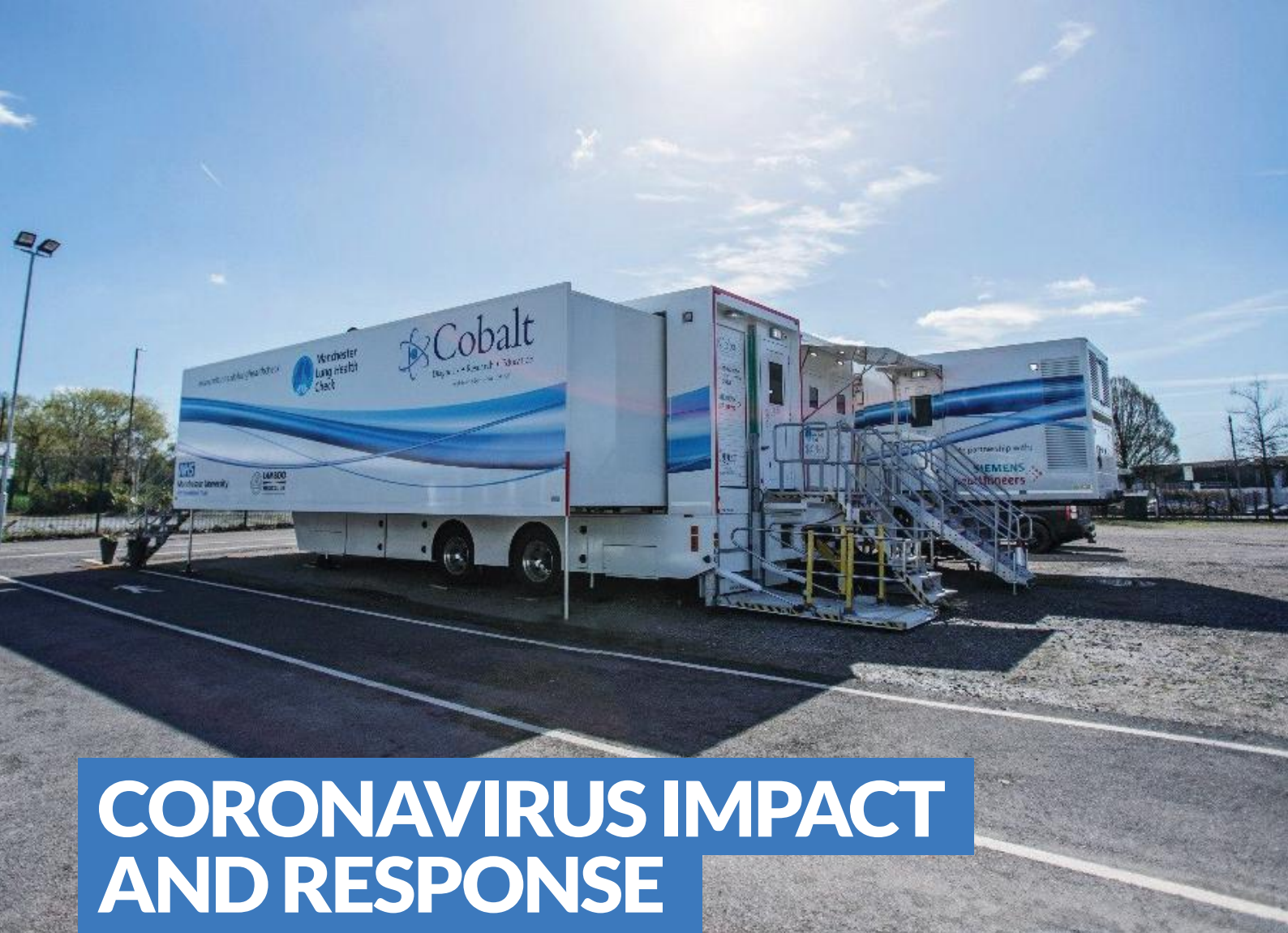


OUR OBJECTIVES

The detection, diagnosis, treatment and prevention of sickness, in particular cancer, in persons living in Gloucestershire, Herefordshire, Worcestershire and the West Midlands, and such other areas of Great Britain and by such means as the trustees may from time to time decide, including the provision and maintenance of equipment and to provide or assist in the provision of education and research into methods of detection, diagnosis, treatment and prevention of sickness, in particular cancer and dementia and publication of any useful results.

When reviewing whether the Charity has been successful the trustees consider:

- The number of patients having a diagnostic scan;
- The feedback from patients and referring clinicians as to the quality of the service;
- The support provided to oncology and dementia services, including research and clinical trials;
- The ability to invest in up-to-date equipment and help introduce new diagnostic imaging innovations;
- The effectiveness of the training and education delivered to healthcare professionals;
- The number of research projects and clinical trials supported;
- The number of internal research studies and papers accepted;
- The effectiveness of externally funded research;
- The level of staff satisfaction;
- The financial performance of the Charity and its ability to fund future activities;
- The contribution the Charity made to support the NHS during the Covid-19 pandemic.



CORONAVIRUS IMPACT AND RESPONSE

All activities and areas of the Charity were risk assessed with appropriate procedures and infrastructure maintained in accordance with the changing guidance for healthcare settings, thus ensuring a safe and secure environment for staff to provide patients with continuing high quality, caring, diagnostic services during the pandemic.

Cobalt continued to work in partnership with NHS England and a large number of NHS trusts in the response to Covid-19 to help maintain key diagnostic services for patients. These services were available for up to 24 hours per day, seven days per week right across England wherever required.

Throughout 2021/22, Cobalt continued to invest in new CT scanners to extend the support provided to the NHS, this also enabled the Charity to maintain a good income stream during the pandemic. The work undertaken to support the NHS through the crisis has resulted in the Charity being in a stronger position to invest and continue to support the NHS in key initiatives, including CT lung cancer screening (lung health checks) and extending its PET/CT services for diagnosing and staging cancer and dementia.

Whilst at the current time all sectors are seeing increases in costs, the financial forecasts, cashflow analysis and reserves provide the trustees with sufficient confidence in Cobalt's finances to be able to support the operations for the next 12 months.

“Friendly staff. Great Covid precautions.”

Ashley Donlan.



DIAGNOSIS

AIMS FOR 2021/22 WERE:

The Charity aims to support NHS services to provide enhanced medical care to people who are sick and injured, using the most up-to-date imaging technology that may not otherwise have been available. The specific aims for 2021/22 included:

- To ensure a safe and secure environment for staff to provide patients with continuing high quality, caring diagnostic services during the pandemic.
- To monitor the global development of diagnostic imaging technology to ensure that the Charity identifies opportunities to be early adopters for the benefit of future patients.
- To maximise opportunities to support the NHS with the increasing need for diagnostic imaging in the UK, including supporting the development of Community Diagnostic Centres; delivering accessible services where they are most required.
- To continue to support NHS England's Covid-19 response by providing imaging services where waiting lists have increased; including helping to reduce the waiting time for urgent oncology scans.
- To expand the provision of PET/CT services to meet the increased demand in the three counties (Gloucestershire, Herefordshire and Worcestershire) by investing in the very latest digital PET/CT technology.
- To develop a mobile PET/CT service, to support oncology services across England.
- To work with local medical professionals with the aim of improving patient pathways, enabling faster access to diagnostic imaging and earlier treatment.
- To support lung health checks and the expansion of the national programme, working in partnership with the NHS. Helping to make a difference to people's health in areas of the country with the highest rates of lung cancer.

DIAGNOSIS

ACHIEVEMENTS IN 2021/22 WERE:

Cobalt maintained services throughout the pandemic and particularly worked with those most at risk, placing a priority on support for oncology patients and ongoing clinical research trials. Care was taken to heed the latest advice on maintaining a safe working environment for staff and patients.

Cobalt worked closely with NHS England during the pandemic, to provide a rapid mobile CT service to many NHS trusts across the country. Operating seven mobile CT scanners and the ability to deliver a flexible workforce, enabled the Charity to extend services for up to 24 hours per day. This enabled 1,500 patients each week to be safely scanned outside hospitals, many of whom required urgent oncology related imaging.

Cobalt supported two international imaging congresses in 2022, the United Kingdom Imaging and Oncology Congress and the European Congress of Radiology in Vienna. This included displaying the latest mobile CT scanner, in order to promote the use of ultra-low dose CT to support the lung cancer screening programmes in the UK and Europe.

Cobalt continued to develop and promote its specialist patient friendly service for anxious /claustrophobic patients, combining the expertise of our staff with enhanced scanner patient comfort features; to enable almost 90% of these patients to receive a meaningful diagnosis and consequently better ongoing treatment. In 2021 Cobalt became the first imaging centre in the UK to introduce the new Siemens Innovision system, an MRI in bore entertainment system designed to significantly reduce patient anxiety.



"I am very claustrophobic and explained this to the staff who were extremely kind and helpful and able to get me through my scan. Exceptional people."

Peter Howell

We are very grateful for the support we receive from charitable trusts and foundations. The Clive Richards Foundation, in memory of our late Patron, Clive Richards CBE KSG DL generously support our lung health check cancer screening programmes.

Worked with local consultants in Gloucestershire with the aim of reducing the cancer pathway for patients, the Charity integrated the PET/CT scan with a diagnostic CT scan during one visit. This study is currently being written up; early results demonstrate this reduced the diagnostic cancer pathway by up to 2 weeks, reducing patient wait times and anxiety and enabling faster treatment.

“I was very impressed with the way in which my scan was handled and the friendliness and competence of the staff. I don't think it could have gone smoother.”

Brian Watts

Cobalt has become recognised for developing the use of new prostate cancer isotopes (F18 PSMA) for PET/CT, improving the diagnosis of recurrent prostate cancer. Patients are referred from a wide area to access these scans.

In March 2022, Cobalt launched the Charity's first mobile PET/CT service, using the latest Siemens PET/CT technology. This mobile facility is unique in providing a complete and fully integrated PET/CT department to support NHS hospitals across England.

In 12 months, the Charity delivered over 3,500 PET/CT scans for NHS oncology patients from Gloucestershire, Herefordshire, Worcestershire and Swindon. Cobalt is also one of the largest centres in the UK to support the early diagnosis of dementia for the NHS, using PET/CT scanning.

Cobalt is working with the NHS to develop Community Diagnostic Centres (CDCs), in line with NHS England's recommendations and funding initiatives. This includes developing the Charity's first CDC in Gloucestershire.

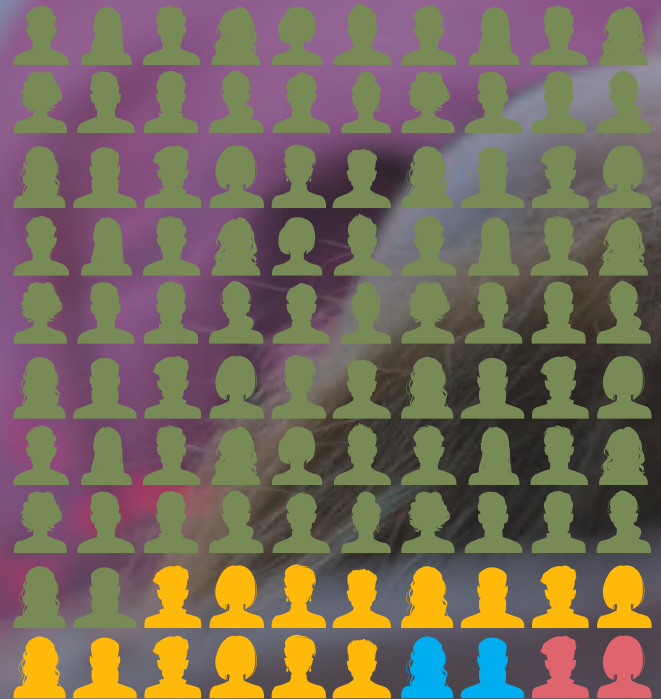
DIAGNOSIS

ACHIEVEMENTS IN 2021/22 WERE:

Cobalt is the leading provider of NHS England's Targeted Lung Health Check Programme. In 2021/22 the service continued to expand in areas of the country with the highest occurrence of lung cancer. During the Covid-19 pandemic, all lung health check services were paused along with other NHS screening services. All seven of the services that Cobalt supported started up again in 2021. The Charity will be launching a new service in Liverpool with Liverpool Heart and Chest Hospital NHS Foundation Trust in September 2022 and in Leeds with the Leeds Teaching Hospitals NHS Trust and Yorkshire Cancer Research in January 2023.

The experience to date is lung cancer screening will detect cancer in 2 in 100 current or former smokers who are referred for a CT scan. These cancers are identified early, allowing more opportunity for successful intervention and treatment. A further 14 individuals present with lung nodules and are subsequently monitored through further CT scans. A number will manifest as having early-stage cancer at a more successfully treatable stage. The benefit of these services is very significant, as it saves those individuals from more drastic intervention and improves their prognosis significantly. It saves the NHS the considerable cost and time of treating late-stage cancer patients. There are considerable benefits for the wider society, as those individuals can contribute economically to their communities for longer.

For every 100 people who have a baseline lung screening scan



82 Are likely to have a negative scan

14 Are likely to have a small lung nodule or other minor finding that will need another scan in 3 months. Almost all will not have lung cancer.

2 Are likely to be asked to attend hospital for further tests but will not be found to have lung cancer

2 Are likely to be diagnosed with lung cancer

Source: Balata H, Ruparel M, O'Dowd E, Ledson M, Field JK, Duffy SW, Quaife SL, Sharman A, Janes S, Baldwin D, Booton R, Crosbie PAJ. Analysis of the baseline performance of five UK lung cancer screening programmes. *Lung Cancer*. 2021 Nov;161:136-140. doi: 10.1016/j.lungcan.2021.09.012. Epub 2021 Sep 20. PMID: 34583222.





To successfully launch Cobalt's first mobile PET/CT scanner to help support the NHS across England as the demand for PET/CT continues to grow.

DIAGNOSIS THE FUTURE

- To ensure a safe and secure environment for staff to provide patients with continuing high quality, caring diagnostic services.
 - To monitor the global development of scanning technology to ensure that the Charity identifies opportunities to be early adopters for the benefit of future patients.
 - To maximise opportunities to support the NHS with the increasing need for diagnostic imaging in the UK, including monitoring the development of CDCs; to support delivering accessible services where they are required and provide a wider benefit in line with Cobalt's objectives.
 - To upgrade the PET/CT scanner in Cheltenham to the latest in digital technology with the aim of reducing scan times and radiation doses, thereby improving patient experience and increasing the number of patients that can be scanned each week.
- The new digital scanner will also facilitate the Charity expanding its role in supporting research and clinical trials.
 - To successfully launch Cobalt's first mobile PET/CT scanner to help support the NHS across England as the demand for PET/CT continues to grow.
 - To recruit additional staff to meet the growing demand for Cobalt's services. This will be achieved by investing in training and education support, and working with academic institutions such as the University of Gloucestershire to train new clinical staff.



RESEARCH

AIMS FOR 2021/22 WERE:

Cobalt aims to fund and participate in pioneering research into the detection of cancer and other long-term conditions such as dementia, with an emphasis on using diagnostic imaging.

A recent focus has been to increase internal research within the Charity as well as continuing to support external research projects which are in line with the Charity's core objectives.

ACHIEVEMENTS AND IMPACT IN 2021/22

- Maintaining services to patients participating in time-sensitive research trials. The percentage of research activity of all scans was increasing post pandemic. At the Cobalt Imaging Centre in Cheltenham, research scans represent over 6% of the total scans for PET/CT and MRI. At the Institute of Translational Medicine Imaging Centre in Birmingham, around 25% of total scans are now research studies.
- Cobalt has been funding a Radiology Research Fellow for 4 years. Dr Ayah Nawaar continues to support Cobalt working with Cobalt's Medical Director Professor Iain Lyburn, with a focus on local, national and international research using PET/CT. This has resulted in the publication of a number of academic papers in 2021/22. Many of which aimed to improve the interpretation of PET/CT images where Covid-19 may or may not be a factor.
- Cobalt is part of an international team developing the use of artificial intelligence in PET/CT to improve diagnostic accuracy. The results to date are promising and the team are presenting their work at international conferences.
- The Charity is currently supporting over forty research projects and clinical trials providing imaging in CT, MRI and PET/CT. The main focus remains the diagnosis and treatment of cancer and dementia. Other projects are supported, including research into the impact of long Covid.

Cobalt continued to support the funding of four NHS research nurses through 2021/22. This funding enabled the two local trusts to recruit patients into clinical trials when many trusts had to reduce activity due to the impact of Covid-19 on their resources.

The trustees are pleased to report that Gloucestershire Health and Care Trust has been able to use the seed funding from Cobalt to build their research-based income streams and make a significant move towards funding this activity themselves in the future.

We are grateful to charitable trusts, local businesses and individuals who donate to support the valuable work undertaken by these research nurses.



THE INSTITUTE OF TRANSLATIONAL MEDICINE (ITM) IMAGING CENTRE

FIVE YEARS ON

The ITM Imaging Centre at Queen Elizabeth Hospital (QEH), Birmingham celebrated its fifth birthday in April 2022. The QEH and University of Birmingham, host a wide range of clinical research projects as many researchers need access to imaging, to help develop more effective targeted treatments with a personalised approach to healthcare.

Access to high quality MRI scanners to support this research was a problem, as the existing scanners were in use full-time to support clinical patients. With the support of the Clive Richards Foundation, Cobalt installed the very latest ultra-high field MRI scanner in a building adjacent to the ITM. This new facility was ring-fenced to support research.

During the Covid-19 pandemic, research slowed down and the imaging centre was repurposed as a safe 'Green Site' (Covid-19 secure site) outside of the QEH. The centre provided urgent support for oncology and vulnerable patients.

Research did not take long to recover at the imaging centre in the form of urgent studies into the long-term implications of Covid-19. One such study aims to understand the impact of long Covid on various organs within the body.

In the last 12 months the imaging centre has supported clinical trials looking at sarcopenia (a progressive skeletal muscle disorder), cardiac disease, stroke, brain tumours and liver disease. The unique technical capabilities and highly skilled team enable researchers to deliver the quality of imaging and patient care needed for any given trial.

The ITM Imaging Centre affords the opportunity to bring together radiographers, clinical scientists, specialist nurses, care assistants and administrative teams collaborating with clinicians and research fellows to deliver the services that would otherwise not exist in this unique setting.



RESEARCH

THE FUTURE

- To recruit additional staff enabling Cobalt's clinical teams to have time to develop internal research programmes.
- To continue to develop research capability and infrastructure including the newly appointed Head of Education, Training and Research.
- Cobalt is also supporting the lung cancer programme at the Royal Brompton Hospital, London by funding a Lung Intervention Clinical Fellow. The Royal Brompton and Harefield Hospitals have pioneered a tertiary and quaternary referral service for percutaneous CT guided lung tumour biopsy and ablation, serving patients who have a potential lung cancer diagnosed on lung screening CT. The new fellow will support the development of the lung tumour biopsy service. Their research focus will include:
 - The analysis of outcomes in a “high-risk” lung biopsy cohort.
 - Prospective analysis of cryoablation in patients with emphysema and interstitial lung disease.
 - Prospective analysis of outcomes for patients referred for a “straight to biopsy” pathway.
- To promote the Charity's research activities through publishing findings and presenting at conferences, with the aim of encouraging bids from like-minded teams looking at research with a significant scanning element.
- To continue to support international research into the use of artificial intelligence to improve the diagnostic accuracy of PET/CT in oncology imaging.



EDUCATION

ACHIEVEMENTS AND THE FUTURE

Education: Aims for 2021/22 were:

- To appoint a Head of Education, Training and Research to continue to develop a comprehensive internal and external training strategy.
- To develop clinical placements for undergraduate students undertaking the University of Gloucestershire Diagnostic Radiography BSc Hon course.
- To build upon the success of the online education event programme for medical professionals and to evaluate the benefit and timing of future classroom courses, including conferences.

Education: Achievements and impact in 2021/22 were:

- A new post, Head of Education, Training and Research has been recruited to commence in January 2023. In order to support the expansion

of the research programme, the post will also lead on research, working with Professor Iain Lyburn, Cobalt's Medical Director.

- Clinical placements for undergraduate students studying at the University of Gloucestershire were successfully launched.
- Cobalt expanded the MRI training programme for radiographers.
- The face-to-face educational programme was restricted due to the Covid-19 pandemic; however, online educational events were developed with 6 events delivered to 259 medical professionals.
- Cobalt now has three members of support staff recruited through the government's National Apprenticeship Service. Each apprentice has successfully integrated with their teams and have made a positive impact on the Charity.



EDUCATION

THE FUTURE

With the impact of Covid-19 and delays in recruitment on the progress of our objectives, most of the key aims remain unchanged:

- To provide a comprehensive internal training strategy focusing on Continuing Professional Development.
- To continue to support clinical placements for undergraduate students studying at University of Gloucestershire and other academic institutions.
- To expand on the success of the online education event programme for medical professionals and to re-evaluate the benefit and timing of future face-to-face courses, including conferences.
- To present at national and international conferences to share experiences of working with the latest imaging technology and development of innovative services.
- To develop the role of radiographer 'Super-Users' to support training across all imaging modalities.
- To review and expand the apprenticeship programme.



FUNDRAISING REPORT



Photo: The Cobalt Woodchester and Nailsworth Supporters Group at the Steam and Country Extravaganza Show.

The total income achieved during 2021/2022 was the targeted £0.8m. This came from individual donations (£167k), fundraising activities (£359k) and bequests (£298k). We are grateful to past supporters, and their loved ones, who left a gift in their will and over a hundred more supporters, who have kindly let us know their intention to support Cobalt in this way.

Cobalt undertakes fundraising to support the objectives of the Charity. Funds raised help to provide the latest technology, enabling patients to have the earliest and most accurate diagnosis. We fund over 700 oncology scans including specialist breast MRI scans for 'at risk' women. These scans provide rapid access to the latest technology and hence a faster diagnosis at no charge to the NHS. Cobalt continues to fund free specialist PET/CT scans to support the early diagnosis of dementia – enabling the potential to access an appropriate treatment pathway sooner. We also raise funds to support two specialist dementia research nurses.

Cobalt has supported breast cancer services since the NHS screening programme was launched in 1990. Today the Charity provides funding for two breast cancer research nurses and access to imaging which has enabled the local NHS to participate in important research projects including the national BRAID trial. This trial is determining whether additional imaging using different techniques is helpful in diagnosing breast cancer for women with dense breast tissue (which has twice the risk of breast cancer).

Since 2011 the Charity has contributed funding to support the role of a cancer nurse specialist for teenagers and young adults. Megan Willsher, Cobalt's Teenagers and Young Adults with Cancer Specialist Nurse says, 'My role ensures these patients are supported throughout their cancer journey and beyond, helping them to move forward with their life, as they would have without the intrusion of cancer.' A new photography competition, 'Capture a Moment for Cobalt' was launched to help raise funds for this role. The winning images were collated to form a beautiful calendar to raise further funds.

Volunteers are important to the work of the charity and offer their time and expertise to support in various ways.

Joe Gregg, under 16 photography competition winner with Kirsty Bradbury, Cobalt's Community Fundraising Officer and Principle of Chipping Camden School, John Sanderson.



Highnam Court Open Garden and Rare Plant Fair in aid of Cobalt.

55 Cobalt volunteers helped at the Steam and Country Extravaganza this year. Since 1992, the Woodchester and Nailsworth Supporter Group has raised over £132,000 for Cobalt.

The Fundraising Team achieved their set objectives in 2021/2022. Fundraising continues to support the key strategic aims of the Charity. In October 2021, an appeal was launched to raise funds to contribute to a new £2million PET/CT scanner.



Volunteer Jackie Russell receiving Fred Hannah Award for outstanding volunteer contribution from Cobalt President, Howard Crooks. Jackie made over 11,000 upcycled Cobalt Christmas cards at home during lockdown.

Each year, in April partner solicitors volunteer their time to write simple wills in return for a donation to the Charity.



GIVING WITH CONFIDENCE

Cobalt is a member of the Fundraising Regulator and complies with the standards laid out in the Code of Fundraising Practice. We agree to ensure our fundraising is legal, open, honest, and respectful. The Charity adheres to the 'Fundraising Promise' which is published on the Cobalt website. The Charity has also signed up to the Fundraising Preference Service which enables individuals to opt out from receiving fundraising communications from us. Cobalt staff and volunteers carry out their activities in accordance with these guidelines.

The Charity is also a member of the Institute of Fundraising and the Institute of Legacy Management and adheres to their best practice guidelines. External agencies are not employed to carry out fundraising on behalf of the Charity. There is no door-to-door fundraising. In line with our Data Protection Policy the Charity does not sell and has not given data to any third parties without express permission. Access to the Cobalt database by staff and volunteers is strictly controlled. Cobalt treats its responsibility towards supporters in vulnerable circumstances with the utmost importance and our fundraisers are provided with guidance and support to help them respond appropriately to any individual they consider this might apply to.

No complaints have been received during the year. Any complaints received are managed in accordance with our complaint handling procedures. Supporters are encouraged to provide feedback as this is an important source of information about the impact that the Charity's work has on them and other members of the public.

We provide details of how to contact us, including our complaints process, on our website. The fundraising programme is reported on a regular basis to the board of trustees and the ongoing strategy approved by them, to make sure our fundraising activities are compliant with all relevant rules and regulations, remain ethical and deliver the highest possible standards. We want to ensure that everyone who supports us has the best possible experience and that our donors are confident of the difference they are making.

Most people who donate to us want to know how their money is making a difference. We ask whether they would like us to keep in touch with them and how, so we can update them on our work. We give supporters the option to let us know if they no longer wish to hear from us, and always respect their decision.

FINANCIAL OVERVIEW

Total income for the year was £22.9m (2021 – £21.7m).

The first half of the year saw continued support for NHS England in their response to the impact from Covid-19 with mobile CT and other imaging activities continuing to pick up after the pandemic. There was a full return of mobile MRI and CT operations, including supporting the NHS to relaunch their lung health check services. The number of mobile and relocatable CT scanners in service increased to twelve through acquisition and hiring in units, with another nine MRI scanners. The Charity continued to support oncology patients with PET/CT and MRI, whilst maintaining research capabilities for ongoing studies. Cobalt continued to provide free MRI, CT and PET/CT scans to help reduce oncology waiting times, improved diagnostic pathways and the early diagnosis of dementia.

With the increased number of scanners the cost of delivery of the charitable activities increased by £5m to £19.9m (2021 - £14.9m). At the same time the margin was reduced due to additional costs of operating and staffing all the services.

The surplus for the year was £2.9m (2021 - £6.8m). The Charity invested the surpluses from 2021 and 2022 in both renewing old equipment and adding new imaging equipment. During the year, £5.0m of medical equipment was acquired and £0.2m was spent on engineering plant upgrades at the imaging centre in Cheltenham. A further £3.6m of capital expenditure had been committed to at the year end, including replacing the PET/CT scanner at the imaging centre with a new digital scanner.

INCOME AND EXPENDITURE

The total income for 2021/22 was £22.9m (2021 - £21.7m).

MRI Services (£8.4m) (2021 - £6.4m)

MRI services improved through the year and were closer to pre-Covid-19 levels. The mobile services ran at 80% of capacity (2021 – 60%) and were enhanced by additional hired units, supporting NHS trusts to develop potential Community Diagnostic Centres. The income from the imaging centre in Cheltenham also increased, despite NHS referrals not yet fully recovering. The research imaging centre, based at the Queen Elizabeth Hospital in Birmingham, supported urgent NHS scans and enabled the return of research activity.

PET/CT and CT Services (£13.6m) (2021 - £13.8m)

PET/CT and CT income is derived from three primary sources;

- a PET/CT contract with NHS England (NHSE) to stage (evaluate the extent of) cancer and assess for patient's response to treatment;
- the provision of CT scanners that continued to support the NHSE Covid-19 response until the end of September 2021;
- the provision of CT lung health checks across England.

During the year the number of diagnostic imaging scanners deployed increased through both acquisition and hiring in additional scanners.

Fundraising Income (£0.8m) (2021 - £1.0m) of which:

- Fundraising donations and legacies (£465k) (2021 - £930k)
 - The Charity benefitted from legacies receivable of £298k and donations and other gifts totalling £167k.
- Fundraising activities (£359k) (2021 - £85k)
 - A number of fundraising events were reinstated or introduced in 2021/22, leading to an increase in fundraised income in the year.

Other income (£0.1m) (2021 - £0.4m)

This income is primarily from rent receivable and gains on fixed asset disposals.

Expenditure for 2021/22 totaled £20m (2021 - £14.9m).

MRI Services £8.0m (2021 - £6.8m)

Clinical staffing represents the highest proportion of the total costs. The increase in services has been partially met by increased recruitment. There remains a significant cost for bank and agency staff to support the services. Other increases in costs related to scanner hire, maintenance and mobile MRI and CT transport.

PET/CT and CT Services £11.2m (2021 - £7.4m)

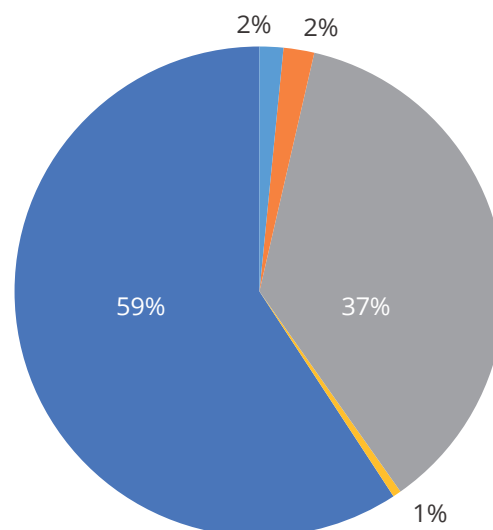
As with the MRI service, although staffing numbers have increased, the expansion of services means that there was an increase in agency and bank staff costs in the year. The cost of hiring CT equipment to support the additional services was £860k. The rise in oil prices has led to a significant increase in transport and generator expenses.

Raising Funds £0.3m (2021 - £0.3m)

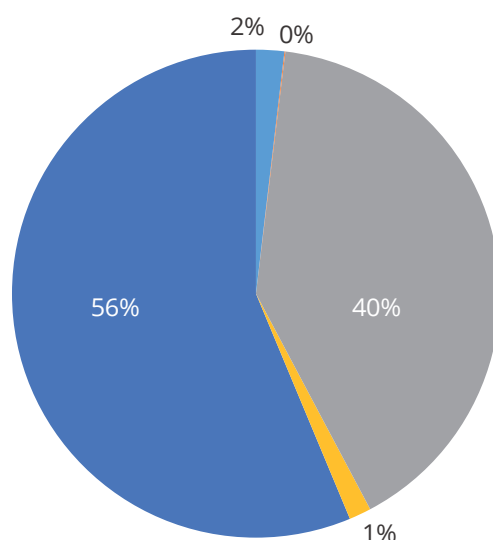
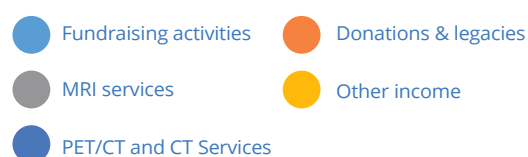
Costs relate to the work of the Charity and volunteers to raise philanthropic funds for Cobalt.

Charitable Funding, Nurses and Research £0.4m (2021 - £0.3m)

This includes the funding of Cobalt's Teenagers and Young Adults with Cancer Specialist Nurse, two breast cancer and two dementia research nurses. The increase in 2021/22 was largely due to increased funding for Cobalt's Research Fellow, who moved to be fully employed by Cobalt during the year.



BREAKDOWN OF TOTAL INCOME (£22.9m)



BREAKDOWN OF TOTAL EXPENDITURE (£20m)



Training and Education £0m (2021 - £0.1m)

No income was generated in the year as the focus for recent training and education activity has been on the provision of free online courses for medical professionals at negligible cost to the Charity. The aim for the newly appointed Head of Education, Training and Research is to increase the number of courses provided. This may generate a small contribution in the future.

RETAINED FUNDS

Charity Funds £32.5m (2021 - £29.6m)

Restricted Funds £166k (2021 - £29k)

Funds are held at the year end to purchase the replacement PET/CT scanner at the imaging centre in Cheltenham.

Designated Funds £4.9m (2021 - £5.4m).

The trustees have allocated funds to address recognised needs for the Charity, these are identified below.

Tangible assets for use £27.5m (2021 - £19.7m)

The fund represents the net capital value of the property and working assets of the Charity required for its operation.

General Fund and Reserves Policy £4.8m (2021 - £4.4m)

To protect Cobalt's activities, the Charity's reserve policy is to maintain a minimum of 3 months' and a maximum of 5 months' working capital in reserves. At the year-end Cobalt held reserves sufficient for 2.9 months (2021 – 3.6 months). The reduction is partially due to reserving funds for investment in new medical equipment.

The Reserves Policy is regularly reviewed and is still deemed appropriate.

Designated Funds £4.9m (2021 - £5.4m)

Capital Equipment £3.1m (2021 - £3.6m)

The funds are held for new equipment projects. The £3.1m carried forward has been retained to replace the static PET/CT scanner and to expand the current PET/CT department to include additional isotope uptake rooms, as well as purchase new CT support units. These projects are expected to be completed by September 2022.

Equipment Replacement Fund £1.2m (2021 - £1.1m)

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £1.1m has been set aside to replace an older mobile with a new mobile MRI unit during 2022 and replace the X-ray machine at the imaging centre in Cheltenham.

Grants Fund £0.4m (2021 - £0.5m)

Grants are to support oncology and dementia services and research. The fund will be expended against ongoing research projects, fellowships and research grant awards that will be advertised from time to time on the Charity's website. This fund is expected to support these projects over the next two years.

Property Fund £0.1m (2021 - £0.2m)

This fund is used to upgrade the facilities in the Charity's properties. Funds carried forward are retained for upgrading the imaging centre in Cheltenham reception area within the next financial year.

Investments

The Charity considered it prudent to distribute its cash reserves amongst a number of UK banks. Cash has been held on deposit with differing maturity dates to maintain flexibility and attempt to earn some income in a low interest environment.

GRANT MAKING POLICIES

The trustees will continue to identify suitable projects which can be supported by the Charity. Support will be given to projects which:

- Significantly improve the quality of diagnosis, detection, treatment and support for patients suffering from cancer and dementia, including supporting pathways for advancing research using imaging techniques.
- Support the training and education of medical imaging professionals using advanced MRI, CT and PET/CT equipment, and the use of artificial intelligence in diagnosis.

RISK MANAGEMENT

The Charity has a risk management strategy. This involves:

- an annual review by the board of trustees of the risks to which the Charity may be exposed
- the assessment of clinical risks by each area is reviewed by the relevant committees
- the establishment of procedures designed to eliminate or minimise such risks
- the implementation of such procedures

Details of key risks are recorded in a risk register. The following have been identified as key risks. Whilst these largely remain consistent, inflationary pressures have been included as this will have a potential impact on the Charity's short to medium term resources.

Risk	Impact	Mitigation
Loss of major contract for diagnostic imaging	The loss of a contract may have a significant impact on income	The Charity is diversifying its activities into other areas of clinical imaging and means of providing services – including the addition of Mobile PET/CT in 2022
Cyber security failure or denial of service attack	Potential loss of data, inability to operate, impact on reputation	Staff undertake annual IT Governance training, including cyber risks. The Charity continues to invest in critical systems, technical support and remote disaster recovery resources
Loss of a clinical scanner through breakdown or damage	Potential loss of income and key contracts, delay in diagnosis for patients	Cobalt invests in comprehensive maintenance and service level agreements to repair or compensate for lost time. Growth enables duplication of scanners and increased diversification
Impact of inflation and cost drivers on surpluses	Potential to reduce the capacity to invest in strategic objectives in the medium term	Provision in the budget, cost control, diversification of supply, renegotiating contracts, and reassessing services, strong reserves.
Shortage of suitably qualified staff	Increased cost of working and failure to fulfil contracts and grow	Cobalt has launched a recruitment website and offers more training and flexible work opportunities to attract staff
Pandemic/coronavirus – restrictions on trading and inability to staff activities due to illness and isolating	Financial and operational losses will impact on income and reputation	Multiple actions – maintaining awareness of infection levels, observing best clinical practice, diversification of activities and retention of reserves to support a loss of income for a number of months

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cobalt Health (with registered charity number 1090790) is a company limited by guarantee (with company number 04366596) (also known as 'Cobalt') and has no share capital. In the event of the company being wound up the liability of each member is limited to £1.

The Charity is governed by Articles of Association dated 23 May 2017. Details of trustees, officers and advisers are given on page 54 of these Financial Statements.

Appointment of new trustees

- The Articles of Association allow the Board to appoint new trustees, subject to confirmation at the next Annual General Meeting of the Charity.
- The Charity seeks candidates using Executive Search Consultants, adverts and by direct approach.
- Trustees are only appointed after interview.
- New trustees go through a formal induction process to enable them to become an effective member of the Board, this includes time in the Charity, meetings with the Senior Management Team, structured training, including occasional sessions with the Charity's Auditor on the responsibilities of trustees.

Committee Structure and Management

The board of trustees meets five times a year with occasional special meetings being called as required. It decides the general strategy for the work of the Charity and approves all major items of expenditure or funding. The following committees report to the board of trustees:

- Finance Committee – meets a minimum of 3 times a year and is responsible for oversight of the financial strategy and performance of the Charity, and its administrative affairs, including risk management.
- Clinical Governance Committee – meets 4 times a year and is responsible for oversight of the clinical

governance and quality assurance for all clinical work, to ensure that safe, effective and patient-focused healthcare is provided.

- People Committee – meets 4 times a year to review staff pay and conditions, including those of the senior management, making recommendations to the board of trustees. The committee takes into consideration salary benchmarks in the health, commercial and charity sectors.
- Research Committee – meets 3 times each year to consider projects to support and monitor the effectiveness of research.

Day-to-day management of the Charity's work within that general strategy is carried out by the Chief Executive, Mr Peter J Sharpe and the Charity's Senior Management Team.

There is a dormant subsidiary, The Cobalt Unit Appeal Fund Limited (company number 09016631), with an issued share capital of £1 held by the Charity.

Charity Governance Code

The trustees recognise the benefits to be gained from adopting the Charity Governance Code. The trustees self-audit the governance of the Charity against the principles in the code on a cyclical basis.

In 2022 Cobalt recruited two new trustees. The Board employed an external agency to widen the reach and was pleased with the more diverse range of candidates applying for the roles. The Board will continue to use a mix of in person and online meetings, to help maintain the improved participation seen during the pandemic and access to experts in the various fields.

The trustees continue to endeavor to ensure that the standards expected in the code are maintained.

The trustees and advisers listed on page 54 form part of the Trustee's Report.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Cobalt Health for the purposes of company law) are responsible for preparing the trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the

Charity's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITOR

Insofar as each of the trustees of the Charity at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

AUDITOR

During the year the Charity used its previously appointed auditor, Crowe U.K. LLP, who has been appointed in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The trustees' Report, comprising The Strategic Report and other information, was approved by the trustees on 15th September 2022 and signed on their behalf by

**Neil Holbrook,
Chairman**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern

basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 28, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's

ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

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

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected

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

Use of our report

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

Tara Westcott
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
4th Floor, St James House
St James Square, Cheltenham
Gloucestershire GL50 3PR

8th November 2022

COBALT HEALTH

STATEMENT OF FINANCIAL ACTIVITIES

(including an Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
		£	£	£	£
INCOME FROM:					
Donations and legacies	2	331,247	133,477	464,724	929,605
<i>Charitable activities</i>					
Clinical services	3	21,934,585	-	21,934,585	20,262,609
Fundraising activities	4	55,446	303,710	359,156	84,613
Investment income	5	13,512	-	13,512	10,452
Other income	6	112,201	-	112,201	387,290
TOTAL INCOME		22,446,991	437,187	22,884,178	21,674,569
EXPENDITURE ON:					
Fundraising costs	9	292,304	-	292,304	281,360
Charitable activities	9	19,621,238	38,875	19,660,113	14,590,675
TOTAL EXPENDITURE	9	19,913,542	38,875	19,952,417	14,872,035
NET INCOME		2,533,449	398,312	2,931,761	6,802,534
TRANSFERS BETWEEN FUNDS		261,642	(261,642)	-	-
NET MOVEMENT IN FUNDS		2,795,091	136,670	2,931,761	6,802,534
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		29,557,627	28,830	29,586,457	22,783,923
TOTAL FUNDS CARRIED FORWARD	19	32,352,718	165,500	32,518,218	29,586,457

COBALT HEALTH

BALANCE SHEET

AS AT 31 MARCH 2022

Company number 04366596

	Note	2022 £	2021 £
FIXED ASSETS			
Intangible assets	11	169,577	189,491
Tangible fixed assets	12	22,730,795	19,763,130
Investments	13	<u>150,001</u>	<u>150,001</u>
TOTAL FIXED ASSETS		<u>23,050,373</u>	<u>20,102,622</u>
CURRENT ASSETS			
Debtors	14	3,984,521	3,790,125
Investments	13	3,045,102	3,032,265
Cash at bank and in hand		<u>5,929,071</u>	<u>6,146,392</u>
TOTAL CURRENT ASSETS		<u>12,958,694</u>	<u>12,968,782</u>
LIABILITIES			
Creditors - amounts falling due within one year	15	<u>(2,547,228)</u>	<u>(2,334,869)</u>
NET CURRENT ASSETS		<u>10,411,466</u>	<u>10,633,913</u>
Creditors - amounts falling due greater than one year	15	<u>(943,621)</u>	<u>(1,150,078)</u>
TOTAL NET ASSETS		<u>32,518,218</u>	<u>29,586,457</u>
FUNDS OF THE CHARITY			
Unrestricted Funds:			
Tangible fixed assets held for Charity's use	16	22,730,795	19,763,130
Designated funds	17	4,855,786	5,412,530
General fund	16	<u>4,766,137</u>	<u>4,381,967</u>
TOTAL UNRESTRICTED FUNDS		32,352,718	29,557,627
Restricted funds	18	<u>165,500</u>	<u>28,830</u>
TOTAL CHARITY FUNDS	19	<u>32,518,218</u>	<u>29,586,457</u>

Approved by the Trustees on 15th September 2022
and signed by

NEIL HOLBROOK
Chairman

COBALT HEALTH

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	24	<u>5,082,737</u>	<u>6,414,394</u>
Cash flows from investing activities			
Interest receivable and rents from investments		116,779	109,857
Purchase of intangible assets	11	(47,235)	(92,500)
Proceeds from the sale of fixed assets		1,480	178,500
Purchase of fixed assets	12	<u>(5,192,481)</u>	<u>(4,420,099)</u>
Net cash (used in) investing activities		<u>(5,121,457)</u>	<u>(4,224,242)</u>
Cash flows from financing activities			
Repayments of borrowing - HP		(134,253)	(79,888)
Repayments of borrowing - Bank loan		(31,511)	-
Cash inflows from new borrowing		-	<u>1,408,970</u>
Net cash (used by)/provided by financing activities		<u>(165,764)</u>	<u>1,329,082</u>
Change in cash and cash equivalents in the year		<u>(204,484)</u>	<u>3,519,234</u>
Cash and cash equivalents at the beginning of the year		9,178,657	5,659,423
Cash and cash equivalents at the end of the year	25	<u>8,974,173</u>	<u>9,178,657</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 1. ACCOUNTING POLICIES

Cobalt Health was incorporated in England and Wales as a company limited by guarantee (registered no. 04366596) and has no share capital. The liability in respect of the guarantee is limited to an amount not exceeding £1 per member of the company. Cobalt Health is registered as a Charity with the Charity Commission England and Wales (registered no. 1090790).

a) Basis of accounting

The financial statements have been prepared in accordance with 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities SORP and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under historical cost convention. Cobalt Health 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 note.

Under Section 405 of the Companies Act 2006, consolidated accounts have not been prepared as the inclusion of the dormant subsidiary is not material for the purpose of giving a true and fair view. Therefore these financial statements present information on the parent entity as an individual undertaking only.

b) Preparation of the accounts on a going concern basis

At the year end the Charity had £8.97m in the bank and on deposit. The Charity is able to meet its planned capital expenditure for 2022/23 and thereby help underpin future income generation.

The Charity prepares an annual budget and three year projections. These have factored in anticipated increases in expenditure. Whilst recognising the challenges, the Charity expects to make a surplus over the next three years.

On this basis the trustees are able to adopt a going concern basis for the preparation of these financial statements.

c) Income

Income, including that from clinical services, is recognised in the period to which it relates, once the Charity has entitlement to the resources and once the trustees have probability that the resources will be received and when the monetary value can be measured with reliability.

Income from fundraising events is shown gross, with the associated expenditure shown in Fundraising costs. Where the Charity benefits from work carried out by volunteers without charge, no value is placed on this work for accounting purposes.

Donations including donated goods are recognised as income when they have been received and any conditions associated with the donation have been met.

Legacy income is recognised when there is a grant of probate; the executors have established that there are sufficient funds to distribute funds from the estate; the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

within the control of the Charity. An adjustment is made to include legacy receipts up to two months of the year end which relate to probate notifications for the financial year or earlier.

Interest and investment income, including rental income, is included when receivable and the amount can be measured reliably. Rental income due to the Charity, applicable to operating leases, where substantially all of the benefits and risks of ownership of the asset remain with the Charity is recognised in the Statement of Financial Activities over the lease term.

Government grants receivable are credited to income as these become receivable, except in situations where they related to performance, in which case these are accrued as the charity earns the right through performance.

d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Expenditure on fundraising are those costs incurred in providing services for which the Charity received a direct income and those incurred in fundraising activity.

Expenditure on charitable activities represents the cost of supporting the Charity's objectives and as laid out in its memorandum and articles of association.

Governance costs are those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory compliance.

Support costs include central functions, principally connected with buildings and administration, which are indirectly incurred in support of the generation of funds and of charitable expenditure, and which are allocated to those headings on an appropriate apportionment.

Employees are entitled to join the Charity's money purchase pension scheme. The associated cost is allocated across the Charity's activities and funds depending on the role of the member of staff.

e) Redundancy payments

It is the trustees' policy to minimise the impact of organisational change. Redundancy payments only occur when absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

f) Intangible assets

The intangible assets of the Charity comprise operational software packages. Once it has been tested and commissioned the software is amortised over the expected useful life of 4 years. Amortisation is charged to 'Charitable activities' in the Statement of Financial Activities.

g) Tangible fixed assets

Individual fixed assets costing £5,000 or more, and others of a smaller individual value but forming part of a capital expenditure programme, are capitalised at purchase cost.

Depreciation is provided on all tangible fixed assets in use, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life. No depreciation is charged on land, and the land element is based on 25% of the total cost of the properties.

Freehold buildings - 2% of cost, 10-20% for refurbishment

Medical equipment - 10, 12½ & 20% of cost

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

Fixtures, fittings and computer equipment - 13% and 25% of cost

Motor vehicles - 20% of cost

h) Fixed asset investment

The Charity was bequeathed a 50% share in a freehold property as part of a legacy in 2020. The property is currently generating rental income for the Charity and as such is classified as an investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at 31 March 2022. No depreciation is charged on the property and it is reviewed annually for impairment.

i) Impairment

The carrying amounts of assets are reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. Any loss is written off to the Statement of Financial Activities.

j) Debtors

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

k) Investments

Investments represents cash held on deposit with differing maturity dates to maintain flexibility and to attempt to earn some income in a low interest environment.

l) Creditors

Creditors and provisions are recognised where the Charity 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.

m) Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

n) Bank loan

Bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

o) Financial instruments

Cobalt Health only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, cash at bank, cash held on deposit, debtors and creditors (see notes 14 and 15). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

p) Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of intangible and tangible assets:

The annual amortisation and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 11 and 12 for the carrying amount of the intangible and tangible assets and notes 1(f) and 1(g) for the useful lives for each class of asset.

Legacies:

Management judgement is applied over the valuation of legacy income where cash is not yet received and evidence of entitlement exists and Cobalt Health is able to measure reliably. As a result, accrued legacy income is recognised at times, in advance of receiving the cash; see accounting policy 1(c) for further details.

q) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

r) Funds

Restricted funds comprise income funds subject to specific conditions arising from the donor's wishes or the terms of a particular fundraising initiative.

Unrestricted funds are the working capital of the Charity, which is expendable at the discretion of the trustees.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

s) Taxation

As a recognised Charity, the company is exempt from Corporation Tax so far as it relates to its charitable objects. It is not exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates.

t) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

u) Registered and Principal Office

Cobalt Health, Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	157,266	114,748
In Memoriam	9,890	3,516
Legacies	<u>297,568</u>	<u>811,341</u>
	<u>464,724</u>	<u>929,605</u>

£133,477 of donations and legacies were restricted.

NOTE 3. CHARITABLE ACTIVITIES

	2022	2021
	£	£
<i>Clinical services</i>		
MRI Services	8,382,099	6,449,990
PET/CT and CT Services	<u>13,552,486</u>	<u>13,812,619</u>
	<u>21,934,585</u>	<u>20,262,609</u>

NOTE 4. INCOME FROM FUNDRAISING ACTIVITIES

	2022	2021
	£	£
Events	36,185	18,798
Card Sales	19,261	8,550
Grant income	<u>303,710</u>	<u>57,265</u>
	<u>359,156</u>	<u>84,613</u>

NOTE 5. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	<u>13,512</u>	<u>10,452</u>

NOTE 6. OTHER INCOME

	2022	2021
	£	£
Rent receivable	103,267	99,405
Gain on disposal of fixed assets	1,480	166,500
Delegate Fees, room hire, other income	7,454	38,349
Government grants - furlough receipts	<u>-</u>	<u>83,036</u>
	<u>112,201</u>	<u>387,290</u>

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 7. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COSTS OF KEY MANAGEMENT PERSONNEL

	2022 £	2021 £
Wages and salaries	4,261,294	3,516,191
Social security costs	430,728	343,804
Pension contributions	553,631	481,444
Other employee benefits	18,436	13,387
	<u>5,264,089</u>	<u>4,354,826</u>

The number of employees whose emoluments for the year fell within each band from £60,000 upwards was:

	2022	2021
£60,000 - £69,999	5	1
£70,000 - £79,999	-	3
£80,000 - £89,999	5	2
£140,000 - £149,999	<u>1</u>	<u>1</u>

In the year contributions of £38,248 (2021 - £33,529) were made to 1 (2021 - 1) higher paid employees' personal defined contribution schemes.

The total emoluments (including pension costs and employer's national insurance contributions) of the 8 members of the Senior management Team who have day-to-day influence on the activities of the Charity was £757,938 (2021, 8, £723,600). The 8 are the Chief Executive, Finance Director, Fundraising Director, Human Resources Manager, Communications Manager, Quality Manager and 2 Clinical Managers.

During the year, redundancy payments amounting to £35,875, were paid to members of staff (2021, £16,037).

The average monthly headcount of employees, analysed by function, was:

	2022	2021
MRI Services	57	60
PET/CT and CT Services	46	32
Fundraising	5	5
Administration and Management	19	17
Buildings	<u>4</u>	<u>3</u>
	<u>131</u>	<u>117</u>

The average full-time equivalent number of staff for the year was 102 (2021 - 86). No Trustees received remuneration during the year (2021 - Nil). No Trustees were reimbursed travel expenses during the year (2021 - Nil).

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 8. NET INCOME FOR THE FINANCIAL YEAR

Net income is stated after charging/(crediting):	:	2022	2021
		£	£
Auditor's remuneration:			
Audit		13,800	10,300
Tax advisory		1,138	700
Other services		-	500
Depreciation		1,974,083	1,684,561
Amortisation		67,149	47,012
Surplus on disposal of fixed assets		(1,480)	(166,500)
Impairment		250,733	-
Operating lease costs		11,544	11,544
Pension contributions		553,631	481,444

NOTE 9. ANALYSIS OF EXPENDITURE

	Direct Costs £	Support Costs £	Amortisation and Depreciation £	Total 2022 £	Total 2021 £
Raising funds:					
Costs of fundraising and similar activities	<u>182,359</u>	<u>95,246</u>	<u>14,699</u>	<u>292,304</u>	<u>281,360</u>
	<u>182,359</u>	<u>95,246</u>	<u>14,699</u>	<u>292,304</u>	<u>281,360</u>
Charitable activities:					
MRI Services	6,464,008	622,674	957,009	8,043,691	6,824,692
PET-CT and CT Services	9,136,578	1,118,691	976,581	11,231,850	7,370,388
Charitable Funding	280,973	-	90,684*	371,657	317,059
Training and Education	<u>1,541</u>	<u>9,115</u>	<u>2,259</u>	<u>12,915</u>	<u>78,536</u>
	<u>15,883,100</u>	<u>1,750,480</u>	<u>2,026,533</u>	<u>19,660,113</u>	<u>14,590,675</u>
	<u>16,065,459</u>	<u>1,845,726</u>	<u>2,041,232</u>	<u>19,952,417</u>	<u>14,872,035</u>
TOTAL 2021	<u>11,392,222</u>	<u>1,748,240</u>	<u>1,731,573</u>	<u>14,872,035</u>	

* Includes depreciation charged against Cobalt House.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 10. SUPPORT COSTS

	Admin Costs £	Building Costs £	Governance Costs £	Total 2022 £	Total 2021 £
MRI Services	454,417	163,886	4,371	622,674	590,230
PET-CT and CT Services	938,151	171,516	9,024	1,118,691	1,059,056
Fundraising	73,293	21,248	705	95,246	90,241
Training and Education	-	9,115	-	9,115	8,713
TOTAL 2022	1,465,861	365,765	14,100	1,845,726	1,748,240
TOTAL 2021	1,384,482	349,658	14,100	1,748,240	

Support costs have been allocated on the basis of floor space occupied in respect of building costs and proportionate time spent on administrative matters in respect of administration costs. Governance costs include the cost of the audit and the direct costs of supporting the trustees.

NOTE 11. INTANGIBLE FIXED ASSETS

	Software £
Cost	
At 1 April 2021	346,576
Additions	47,235
Disposals	<u>(116,314)</u>
At 31 March 2022	<u>277,497</u>
Amortisation	
At 1 April 2021	157,085
Charge for year	67,149
Disposals	<u>(116,314)</u>
At 31 March 2022	<u>107,920</u>
Net Book Value	
At 31 March 2022	<u>169,577</u>
At 31 March 2021	<u>189,491</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 12. FIXED ASSETS

	Freehold Land & Buildings £	Medical Equipment £	IT / Fixtures & Fittings £	Motor Vehicles £
Cost				
<i>At 1 April 2021</i>	11,373,559	18,338,244	626,033	82,140
Additions	8,184	4,973,996	210,301	-
Disposals	-	(17,226)	(233,657)	(31,939)
At 31 March 2022	<u>11,381,743</u>	<u>23,295,014</u>	<u>602,677</u>	<u>50,201</u>
Depreciation and Impairment				
<i>At 1 April 2021</i>	2,636,491	7,597,530	379,294	43,531
Charge for year	181,367	1,671,250	111,426	10,040
Eliminated on Disposals	-	(17,226)	(233,657)	(31,939)
Impairment	80,439	170,294	-	-
At 31 March 2022	<u>2,898,297</u>	<u>9,421,848</u>	<u>257,063</u>	<u>21,632</u>
Net Book Value				
At 31 March 2022	<u>8,483,446</u>	<u>13,873,166</u>	<u>345,614</u>	<u>28,569</u>
<i>At 31 March 2021</i>	<u>8,737,068</u>	<u>10,740,714</u>	<u>246,739</u>	<u>38,609</u>

The net book value of assets held under hire purchase agreements is £596,716 (2021 - £667,613).

A bank loan was taken out in the previous year and is secured by way of a first legal charge over the freehold of Linton Cottage. The aggregate amount secured is £707k.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 13. INVESTMENTS

	2022 £	2021 £
Fixed Assets		
Investment in subsidiary	1	1
Investment property	<u>150,000</u>	<u>150,000</u>
Current Assets		
Current asset investment - notice deposits	<u>3,045,102</u>	<u>3,032,265</u>

The share capital of Cobalt Unit Appeal Fund Ltd consists of one ordinary share of £1 nominal value and is wholly owned by Cobalt Health. The subsidiary is dormant and did not trade during the year. Cobalt Unit Appeal Fund Ltd was incorporated in England and Wales (registered no. 09016631) and registered at Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

The Charity owns a 50% share in a freehold investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at the reporting date.

The Charity has invested £3m in a short term deposit with Nationwide.

NOTE 14. DEBTORS

	2022 £	2021 £
Clinical Service fees due	3,417,832	3,275,487
Accrued income	254,052	219,347
Prepayments	312,637	294,454
Other Debtors	-	837
	<u>3,984,521</u>	<u>3,790,125</u>

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	1,198,722	1,345,550
Bank Loan	80,163	44,751
Accruals	720,291	650,917
Other creditors	18,067	15,454
HP liability	139,534	134,253
Taxation and social security	133,070	102,571
Pension liability	51,885	41,373
Deferred income	205,496	-
	<u>2,547,228</u>	<u>2,334,869</u>

The movement in deferred income is set out below:

	Rent and fees received in advance £	Total £
<i>At 1 April 2021</i>	-	-
Released in the year	-	-
Deferred in the year	<u>205,496</u>	<u>205,496</u>
At 31 March 2022	<u>205,496</u>	<u>205,496</u>

Rent and fees received in advance is recognised as income in the month to which it relates.

CREDITORS: Amounts falling after one year:

	2022 £	2021 £
Bank Loan 2-5 years	320,652	306,863
Bank Loan > 5 years	275,001	355,713
HP liability	<u>347,968</u>	<u>487,502</u>
	<u>943,621</u>	<u>1,150,078</u>

A bank loan was taken out in the previous year and is secured by way of a 1st legal charge over the freehold of Linton Cottage. Interest is charged at 1.75% p.a. over Base Rate. The initial term of the loan is 72 months.

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 16. UNRESTRICTED FUNDS - 2022

	<i>Balance at 1 April 2021</i>	<i>Movement in Funds</i>			<i>Balance at 31 March 2022</i>
		<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	
	£	£	£	£	£
General Fund	4,381,967	22,446,991	(19,398,451)	(2,664,370)	4,766,137
Tangible fixed assets held for the Charity's use	<u>19,763,130</u>	<u>-</u>	<u>(398,937)</u>	<u>3,366,602</u>	<u>22,730,795</u>
Total	<u>24,145,097</u>	<u>22,446,991</u>	<u>(19,797,388)</u>	<u>702,232</u>	<u>27,496,932</u>

Unrestricted Funds includes a General Fund balance of £4,766,137. This constitutes 2.9 months' working capital requirement. Transfers of £702,232 represent fixed asset additions and disposals in the year, as well as transfers to and from the designated funds, see note 17.

UNRESTRICTED FUNDS - 2021

	<i>Balance at 1 April 2020</i>	<i>Movement in Funds</i>			<i>Balance at 31 March 2021</i>
		<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	
	£	£	£	£	£
General Fund	3,672,077	21,563,527	(15,461,467)	(5,392,170)	4,381,967
Tangible fixed assets held for the Charity's use	<u>17,039,593</u>	<u>-</u>	<u>825,002</u>	<u>1,898,535</u>	<u>19,763,130</u>
Total	<u>20,711,670</u>	<u>21,563,527</u>	<u>(14,636,465)</u>	<u>(3,493,635)</u>	<u>24,145,097</u>

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 17. DESIGNATED FUNDS - 2022

	Balance at 1 April 2021	Expenditure	Transfers	Funding of Fixed Assets	Balance at 31 March 2022
	£	£	£	£	£
Capital Equipment Fund	3,622,530	-	3,144,974	(3,622,530)	3,144,974
Equipment Replacement Fund	1,100,000	-	128,548	-	1,228,548
Grants Fund	470,000	(116,154)	-	18,154	372,000
Property Fund	220,000	-	50,264	(160,000)	110,264
Total	5,412,530	(116,154)	3,323,786	(3,764,376)	4,855,786

At the balance sheet date the purposes of the various sub-funds within Designated Funds are as follows:

Capital Equipment Fund

This fund is reserved for new equipment projects. The £3.6m brought forward has been used to purchase a new CT mobile unit, relocatable units and PET mobile. The £3.1m carried forward has been retained to purchase a new PET/CT scanner and additional take up rooms in Cheltenham, and a CT mobile unit. These are expected to be in place by October 2022.

Equipment Replacement Fund

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £1.1m has been set aside to replace the formerly disposed of MRI scanner Cobalt 9 with a new mobile MRI unit in January 2023, and a modern digital X-ray unit, which is expected to be installed by November 2022.

Grants Fund

Grants are to support oncology and dementia services and research. This includes, but is not limited to, projects with the NHS Trusts, and funding research fellowships. £116k of this fund has been spent during the year. Going forward, the fund will be expended against ongoing research projects, fellowships and research grant awards that will be advertised from time to time on the Charity's website. This fund is expected to support these projects over the next two years.

Property Fund

This fund is used to upgrade the facilities in the Charity's properties and equipment. Funds were expended in the year on buildings plant and imaging software upgrade. Funds carried forward are retained for upgrading the Cheltenham Imaging Centre reception area, and buildings plant within the next financial year.

DESIGNATED FUNDS - 2021

	Balance at 1 April 2020	Expenditure	Transfers	Funding of Fixed Assets	Balance at 31 March 2021
	£	£	£	£	£
Capital Equipment Fund	442,000	-	3,622,530	(442,000)	3,622,530
Equipment Replacement Fund	1,000,000	-	100,000	-	1,100,000
Grants Fund	230,247	(163,264)	403,017	-	470,000
Property Fund	371,000	-	194,285	(345,285)	220,000
Total	2,043,247	(163,264)	4,319,832	(787,285)	5,412,530

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 18. RESTRICTED FUNDS - 2022

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Funding of Fixed Assets</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£
Breast Cancer Research Nurses Fund	-	22,155	(22,155)	-	-
TYA Nurse Fund	-	13,503	(13,503)	-	-
Cancer General Fund	-	1,278	(1,278)	-	-
Dementia Research Fund	-	7,549	(1,549)	-	6,000
Equipment Fund	28,830	392,312	-	(261,642)	159,500
Research Fund	-	390	(390)	-	-
TOTAL	28,830	437,187	(38,875)	(261,642)	165,500

Restricted funds held totalled £165,500 at the balance sheet date. In the year restricted funds were used for specifically allocated initiatives and equipment purchases.

Breast Cancer Research Nurses Fund

To fund breast cancer research nurses.

TYA Nurse Fund

The fund is used to support the work of a local Teenagers and Young Adults with Cancer Nurse Specialist. Cobalt has undertaken to fund 50% of this post until 2024 when it will be reviewed.

Cancer General Fund

The fund is used to support the Charity's work providing free scans for oncology patients.

Dementia Research Fund

The fund is used to help fund research into dementia. Cobalt has been aiding research into the benefit of scanning patients to improve early diagnosis. £6k has been carried forward for a specific diagnostic project.

Equipment Fund

The fund was used to support the purchase of a new mobile CT scanner. Funds carried forward of £159,500 are restricted for the new PET/CT scanner.

Research Fund

The fund was used to support Cobalt's research activities in the year.

RESTRICTED FUNDS - 2021

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Funding of Fixed Assets</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Breast Cancer Research Nurses Fund	23,905	5,300	(29,205)	-	-
TYA Nurse Fund	5,101	16,947	(22,048)	-	-
Cancer General Fund	-	688	(688)	-	-
Dementia Research Nurses Fund	-	19,777	(19,777)	-	-
Equipment Fund	-	67,742	-	(38,912)	28,830
Research Fund	-	588	(588)	-	-
TOTAL	29,006	111,042	(72,306)	(38,912)	28,830

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 19. ANALYSIS OF NET ASSETS - 2022

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Creditors due greater than one year £	Total £
Unrestricted Funds					
General Fund	169,577	150,001	5,390,180	(943,621)	4,766,137
Tangible Fixed Assets held for Charity use	-	22,730,795	-	-	22,730,795
Total Unrestricted Funds	169,577	22,880,796	5,390,180	(943,621)	27,496,932
Designated Funds					
Capital Equipment Fund	-	-	3,144,974	-	3,144,974
Grants Fund	-	-	372,000	-	372,000
Equipment Replacement Fund	-	-	1,228,548	-	1,228,548
Property Fund	-	-	110,264	-	110,264
Total Designated Funds	-	-	4,855,786	-	4,855,786
Restricted Funds	-	-	165,500	-	165,500
Total Funds	169,577	22,880,796	10,411,466	(943,621)	32,518,218

ANALYSIS OF NET ASSETS - 2021

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Creditors due greater than one year £	Total £
Unrestricted Funds					
General Fund	189,491	150,001	5,192,553	(1,150,078)	4,381,967
Tangible Fixed Assets held for Charity use	-	19,763,130	-	-	19,763,130
Total Unrestricted Funds	189,491	19,913,131	5,192,553	(1,150,078)	24,145,097
Designated Funds					
Capital Equipment Fund	-	-	3,622,530	-	3,622,530
Grants Fund	-	-	470,000	-	470,000
Equipment Replacement Fund	-	-	1,100,000	-	1,100,000
Property Fund	-	-	220,000	-	220,000
Total Designated Funds	-	-	5,412,530	-	5,412,530
Restricted Funds	-	-	28,830	-	28,830
Total Funds	189,491	19,913,131	10,633,913	(1,150,078)	29,586,457

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 20. CAPITAL COMMITMENTS

	2022 £	2021 £
Future capital expenditure not otherwise included in the financial statements at the balance sheet date:		
Expenditure contracted for	<u>2,455,016</u>	<u>3,624,249</u>

NOTE 21. RELATED PARTY TRANSACTIONS

Members of the board of trustees are not entitled to, and did not receive, any remuneration during the year in relation to their services as trustees.

There have been no transactions with the Charity's wholly-owned subsidiary company The Cobalt Unit Appeal Fund Ltd.

During the year, Phoenix MRC Limited, of which Susan Owen (Trustee) is a Director and shareholder, provided a staff survey to Cobalt for £nil (2021 - no service).

NOTE 22. LIABILITIES UNDER OPERATING LEASES

At 31 March 2022, the Charity had total commitments under non-cancellable operating leases in respect of equipment as follows:

	2022 £	2021 £
Within one year	9,876	11,544
Between one and five years	<u>-</u>	<u>9,876</u>
Total	<u>9,876</u>	<u>21,420</u>

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 23. ASSETS RECEIVABLE UNDER OPERATING LEASES

At 31 March 2022, the Charity had assets receivable under non-cancellable operating leases in respect of rental income of Cobalt House as follows:

	2022 £	2021 £
Within one year	99,992	98,067
Between one and five years	<u>139,609</u>	<u>239,601</u>
Total	<u>239,601</u>	<u>337,668</u>

NOTE 24. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	2,931,761	6,802,534
Adjustments for:		
Depreciation and amortisation charges	2,041,232	1,731,573
Impairment	250,733	-
Dividends, interest and rent from investments	(116,779)	(109,857)
(Surplus) on sale of fixed assets	(1,480)	(166,500)
(Increase) in debtors	(194,396)	(1,323,147)
Increase/(Decrease) in creditors	<u>171,666</u>	<u>(520,209)</u>
Net cash provided by operating activities	<u>5,082,737</u>	<u>6,414,394</u>

COBALT HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 25. ANALYSIS OF CHANGES IN NET CASH/DEBT

	2021 £	Cashflows £	Other non- cash changes £	2022 £
Cash at bank and in hand	6,146,392	(217,321)	-	5,929,071
Current asset investments: Notice deposits	<u>3,032,265</u>	<u>12,837</u>	-	<u>3,045,102</u>
Total	<u>9,178,657</u>	<u>(204,484)</u>	-	<u>8,974,173</u>
Loans falling due within one year	(44,751)	44,751	(80,163)	(80,163)
Loans falling due after more than one year	(662,576)	(13,240)	80,163	(595,653)
Hire purchase obligations	<u>(621,755)</u>	<u>134,253</u>	-	<u>(487,502)</u>
Total	<u>7,849,575</u>	<u>(38,720)</u>	-	<u>7,810,855</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 26. 2021 STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
INCOME FROM:				
<i>Donations and legacies</i>	2	875,828	53,777	929,605
<i>Charitable activities:</i>				
<i>Clinical services</i>	3	20,262,609	-	20,262,609
<i>Fundraising activities</i>	4	27,348	57,265	84,613
<i>Investment income</i>	5	10,452	-	10,452
<i>Other income</i>	6	<u>387,290</u>	<u>-</u>	<u>387,290</u>
TOTAL INCOME		<u>21,563,527</u>	<u>111,042</u>	<u>21,674,569</u>
EXPENDITURE ON:				
<i>Fundraising costs</i>	9	281,360	-	281,360
<i>Charitable activities</i>	9	<u>14,518,369</u>	<u>72,306</u>	<u>14,590,675</u>
TOTAL EXPENDITURE	9	<u>14,799,729</u>	<u>72,306</u>	<u>14,872,035</u>
NET INCOME		6,763,798	38,736	6,802,534
TRANSFERS BETWEEN FUNDS		38,912	(38,912)	-
NET MOVEMENT IN FUNDS		<u>6,802,710</u>	<u>(176)</u>	<u>6,802,534</u>
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD		<u>22,754,917</u>	<u>29,006</u>	<u>22,783,923</u>
TOTAL FUNDS CARRIED FORWARD	19	<u>29,557,627</u>	<u>28,830</u>	<u>29,586,457</u>

TRUSTEES AND ADVISERS

Trustees and Directors	Neil Holbrook (Chairman) Ruth Goddard Claire Morris (appointed 23/06/2022) Dr Susan Owen John Parker (resigned 16/11/2021) Dr Janet Ropner Pamela Sissons (appointed 23/06/2022) Dr Valerie Udale Prof Gordon Wilcock
Chief Executive Officer	Peter J Sharpe
Company Secretary	Malcolm J MacKeith
Medical Director	Prof Iain Lyburn (resigned 31/10/2022) Dr Umesh Udeshi (appointed 01/11/2022)
Director of Clinical Research	Prof Iain Lyburn (appointed 01/11/2022)
President	Howard Crooks
Registered and Principal Office	Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS
Independent Auditor	Crowe U.K.LLP, 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR
Bankers	National Westminster Bank Plc, 21 Eastgate Street, Gloucester, GL1 2NH Lloyds Bank Plc, Montpellier Cheltenham Business Centre, PO Box 1000, BX1 1LT Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW
Solicitors	Willians LLP, 34 Imperial Square, Cheltenham, Gloucestershire, GL50 1RH

Cobalt Health was incorporated in England and Wales (registered no. 04366596 and has no share capital).

Cobalt Health is a registered charity with the Charity Commission England and Wales (registered no. 1090790)

GLOSSARY OF TERMS

CT

Computerised Tomography uses X-ray and a computer to generate detailed images of the inside of the body. A CT scanner consists of a X-ray tube that rotates around the body (in less than a second) and a series of detectors which collect the information from the X-rays; a computer then builds an image from the information received.

PET/CT

Positron Emission Tomography/Computerised Tomography, is a combination of two imaging technologies. A PET scan measures important body functions, such as blood flow, oxygen use and sugar (glucose) metabolism, to help doctors evaluate how well organs and tissues are functioning. Cancer cells, for example, use glucose differently to normal cells and for that reason look different on the pictures produced by the scan, this therefore enables doctors to diagnose and monitor cancer. The CT scan provides structural information of the body and by combining PET and CT this creates both a functional and structural image.

MRI

Magnetic Resonance Imaging is a non-invasive medical test that helps doctors diagnose and treat medical conditions. The MRI scanner uses a powerful magnetic field, radio frequency pulses and a computer to produce detailed pictures of organs, soft tissues and virtually all other internal body structures. Detailed MR images allow doctors to better evaluate various parts of the body and determine the presence of certain diseases that may not be assessed adequately with other imaging methods, such as X-ray.



www.cobalthhealth.co.uk

Charity Registration Number: 1090790

Company Number: 04366596

Cobalt Health trading as Cobalt



Cobalt

Medical Charity

Diagnosis • Research • Education

COBALT HEALTH

England & Wales - Charity number 1090790

Accounts

COBALT HEALTH ANNUAL REPORT 2020/21



www.cobalthhealth.co.uk

Charity REGISTRATION NUMBER: 1090790
COMPANY NUMBER: 04366596



Cobalt

Medical Charity

Diagnosis • Research • Education



CONTENTS

Chair's statement	4
About us, our vision and our values.	5
Year at a glance	6
Strategic and Trustees' report	7
Our objectives	8
Coronavirus impact and response	9
Diagnosis – Achievements, impact and the future	11
Research – Achievements, impact and the future	14
Education - Achievements, impact and the future	15
Clinical quality assurance	17
Fundraising	18
Financial overview	23
Grant making policies, risk management	27
Structure, governance and management	28
Statement of Trustees' responsibilities	29
Independent Auditor's Report to the Trustees of Cobalt Health	30
Statement of Financial Activities	34
Balance Sheet	35
Cash Flow Statement	36
Notes to the Financial Statements	37
Trustees and Advisers	57
In Memory of Cobalt Patron, Clive Richards CBE KSG DL	58
Glossary of terms	59

CHAIR'S STATEMENT

This has been a challenging year for everyone, and yet a remarkable year for Cobalt. The Trustees are proud of how the team stepped up to support our colleagues in the NHS across the country to face the challenges of providing essential services in a COVID-19 environment.

In 2020-21 the Charity took significant strides forward; acquiring additional mobile CT scanners to respond to the pandemic, establishing sites at the local Nightingale hospitals and working with NHS England to support 30 hospitals around the country, where there was the most need for our services for up to 24 hours a day. Over 110,000 patients were scanned, a 35% increase from the previous year, which vividly demonstrates how Cobalt up scaled at very short notice to meet the exceptional demands for healthcare brought about by the pandemic. Our income for the year was £21.7m, an increase of £8m on 2019/20. The increased reserves this generated will provide financial stability in an uncertain world, whilst enabling the further expansion of services, including an ambitious programme of capital investment in the next generation of scanners, an increase in research activities, and significant development of our education programme.

Our charitable activities continued. We maintained the funding for four research nurses and Megan Willsher, Cobalt's Teenagers and Young Adults with Cancer Specialist Nurse, provided invaluable support to young people and their families. Dr Ayah Nawaar, Cobalt's first Radiology Research Fellow jointly published several papers, including studies on the interpretation of PET/CT ⁽¹⁾ scans within the COVID-19 pandemic. Our educational programme for healthcare professionals, became virtual, which enabled us to expand the training nationally.

All of this would not be possible without the ongoing support of our partners and colleagues in the various NHS Trusts who have worked with Cobalt and

demonstrated immense flexibility and adaptability to help us deliver the services.

Thank you to our volunteers and the many generous people who have contributed to the Charity through donations, fundraising activities, legacies, and awards from trusts. Events that were postponed are being rescheduled. The income generated through all our charitable activities is key to being able to deliver the Charity's objectives.

In April 2021, sadly our patron, Clive Richards, passed away (see p.58). Clive and his wife Sylvia have been generous benefactors of Cobalt. The CT scanners their charity kindly funded have been active during the year providing the NHS COVID-19 service and continuing to support lung cancer screening in some of the most deprived areas of the country.

Finally, I would like to thank my fellow trustees for their support, wisdom, and time, especially in navigating the fast-changing environment, thereby enabling Cobalt's team to respond quickly to the challenges and opportunities presented. Cobalt has ambitious plans for the next few years when we will acquire more state-of-the-art equipment, deliver enhanced education programmes and support internationally important research. It is an exciting time to be associated with Cobalt. The Board of trustees is immensely proud of what the charity has achieved in the most pressing of circumstances.

Neil Holbrook

Chair of the Board of Trustees



ABOUT US

Cobalt Health (Cobalt) is an independent medical Charity established in 1964 to help people affected by cancer, dementia and other conditions. Each year we provide diagnostic imaging for over 110,000 patients at imaging centres in Cheltenham and Birmingham, and through a fleet of mobile MRI⁽¹⁾ and CT⁽²⁾ scanners supporting NHS hospitals and other medical facilities across the UK.

We focus on offering equipment and services not generally available within the NHS to support many patients. Our imaging centres house the latest technology designed to deliver superior image quality, improve patient comfort and enable shorter scanning times.

Using ultra-low dose mobile CT, we are the leading provider of lung cancer screening services in the UK,

working in partnership with the NHS in many deprived areas of the country.

We endeavour to deliver improvements in clinical diagnosis and treatments, mainly relating to cancer and dementia. This is achieved by investing in cutting-edge technology with the aim of supporting and participating in local, national and international research working with leading experts in the field. We also work closely with the Queen Elizabeth Hospital Birmingham to deliver specialist research imaging for the Institute of Translational Medicine.

By delivering a diverse training and education programme for medical professionals we aim to enhance their professional development.

⁽¹⁾⁽²⁾ see glossary page 59.

OUR VISION

To pioneer innovation in medical imaging diagnosis by investing in equipment, integrated research and education, to improve outcomes for patients now and in the future.

OUR VALUES



(1) See glossary of terms page 59

110,000 PATIENTS SCANNED
A 44% INCREASE COMPARED
TO 2019/20



30 HOSPITALS SUPPORTED DURING
COVID-19 PANDEMIC

COBALT RADIOLOGY
RESEARCH FELLOW APPOINTED

87% OF CLAUSTROPHOBIC PATIENTS SCANNED SUCCESSFULLY
USING OUR SPECIALLY DESIGNED SCANNERS

MOBILE CT SCANNERS DEPLOYED TO SUPPORT THE NHS
NIGHTINGALE HOSPITALS UP TO 24 HOURS PER DAY

94% STAFF SAID THEY ARE SATISFIED THAT THAT
CHARITY IS DOING ALL IT CAN TO SUPPORT
THE NHS DURING THE PANDEMIC ⁽³⁾



OVER 50 RESEARCH PROJECTS AND
CLINICAL TRIALS TO DEVELOP NEW
AND IMPROVED CANCER AND
DEMENTIA TREATMENTS

**THE LARGEST PROVIDER OF
LUNG CANCER SCREENING
IN THE UK, SUPPORTING 7
NHS PROGRAMMES**

£3.2M INVESTMENT IN
CUTTING EDGE
CT AND MRI SCANNERS

99.5% PATIENTS SAID
THAT THEY WOULD
RECOMMEND COBALT⁽⁴⁾



100% STAFF WOULD BE
HAPPY TO RECOMMEND
COBALT TO THEIR FRIENDS
OR RELATIVES ⁽³⁾

214 ★★★★★

GOOGLE REVIEWS 4.8 OUT OF 5 STARS AND
49 FACEBOOK REVIEWS 5 OUT OF 5 STARS

⁽³⁾ Staff survey results April 2021. ⁽⁴⁾ Patient survey results Jan – May 2021

TRUSTEES' STRATEGIC REPORT

Cobalt trustees present their Strategic Report and the Financial Statements for the year ended 31 March 2021. The Charity reports its achievements for 2020/21 against its core activities in Diagnosis, Research and Education.

Public Benefit

When reviewing the aims and objectives and planning future activities, the trustees of the Charity have referred to and believe they have complied with the duty of section 17 of the Charities Act 2011. This relates to having due regard to the Charity Commission's published general guidance on public benefit. In particular, to its supplementary public benefit guidance on fee-charging. The trustees have also considered how planned activities will contribute to the aims and objectives they have set.

The trustees believe that this report demonstrates the Charity's commitment to providing public benefit through a range of activities, including the advancement of diagnostic practice, the sharing of knowledge with healthcare practitioners and the provision of low cost and free scans for patients to assist in their diagnosis and treatment.

The trustees are also pleased to report the Charity's response to the COVID-19 pandemic. Working with NHS England, Cobalt has supported hospitals across England by providing urgent oncology scans. Cobalt was also on standby to supply a CT imaging service for two Nightingale field hospitals.



OUR OBJECTIVES

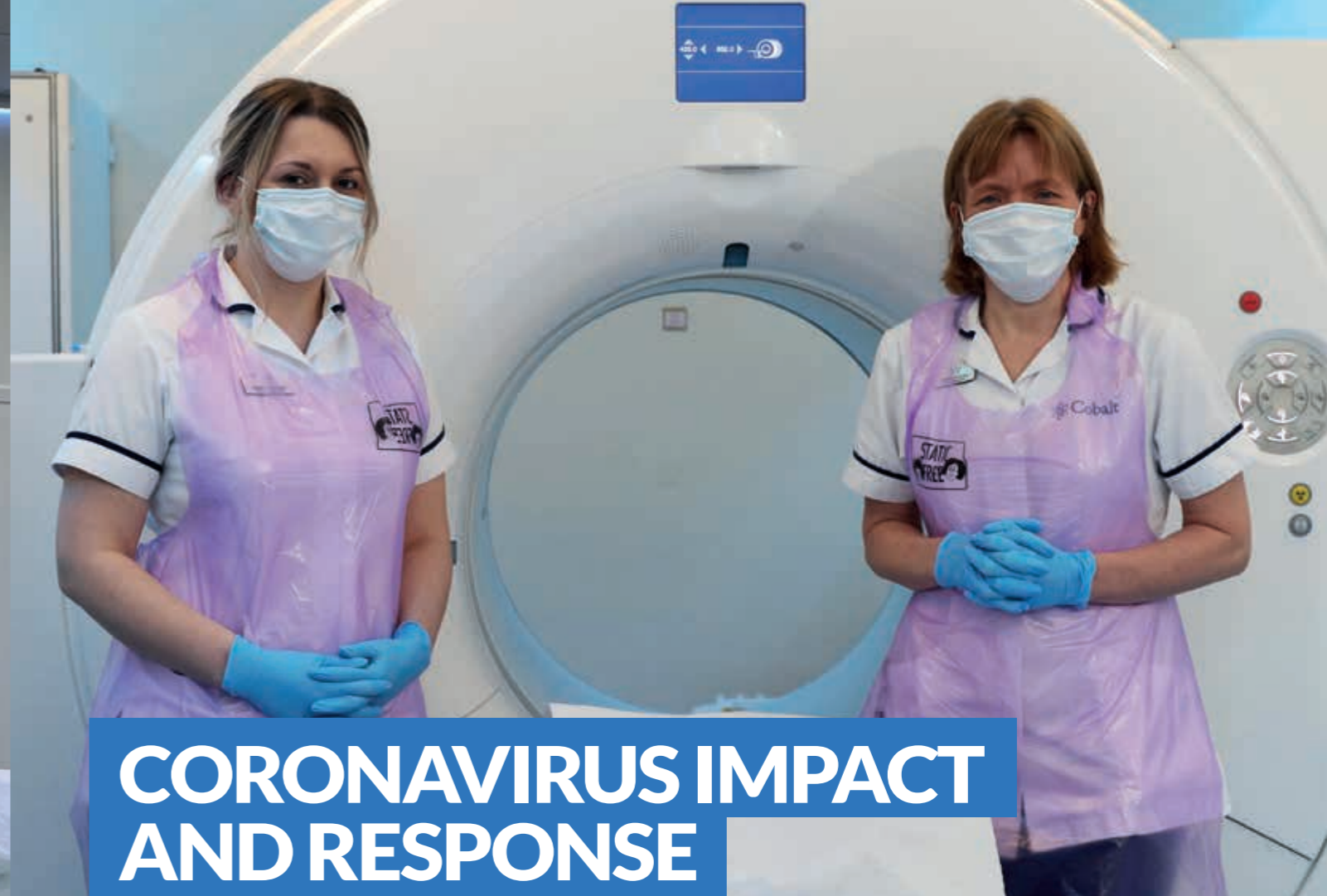
The detection, diagnosis, treatment and prevention of sickness, in particular cancer, in persons living in Gloucestershire, Herefordshire, Worcestershire and the West Midlands, and such other areas of Great Britain and by such means as the trustees may from time to time decide, including the provision and maintenance of equipment and to provide or assist in the provision of education and research into methods of detection, diagnosis, treatment and prevention of sickness, in particular cancer and dementia and publication of any useful results.

The Charity's articles include the powers to develop, deliver and promote services that detect, diagnose, treat and prevent sickness, in particular cancer and dementia.

When reviewing whether the Charity has been successful the trustees consider:

- The number of patients scanned
- The feedback from patients and referring clinicians as to the quality of the service

- The support provided to oncology and dementia services, including research into those areas
- The ability to invest in up-to-date equipment and help introduce diagnostic imaging innovations
- The effectiveness of the training and education delivered to healthcare professionals
- The number of research projects and clinical trials being supported
- The number of internal research studies and papers accepted
- The effectiveness of funded research
- The level of staff satisfaction
- The financial performance of the Charity and its ability to fund future activities
- The contribution the Charity is making to support the NHS during the Covid-19 pandemic.



CORONAVIRUS IMPACT AND RESPONSE

In March 2020, the emerging COVID-19 pandemic and UK-wide lockdown had a significant impact on the activities of the Charity requiring a quick response to manage the associated risks to health and the provision of services. The Charity established a COVID-19 action group to monitor and respond to developments.

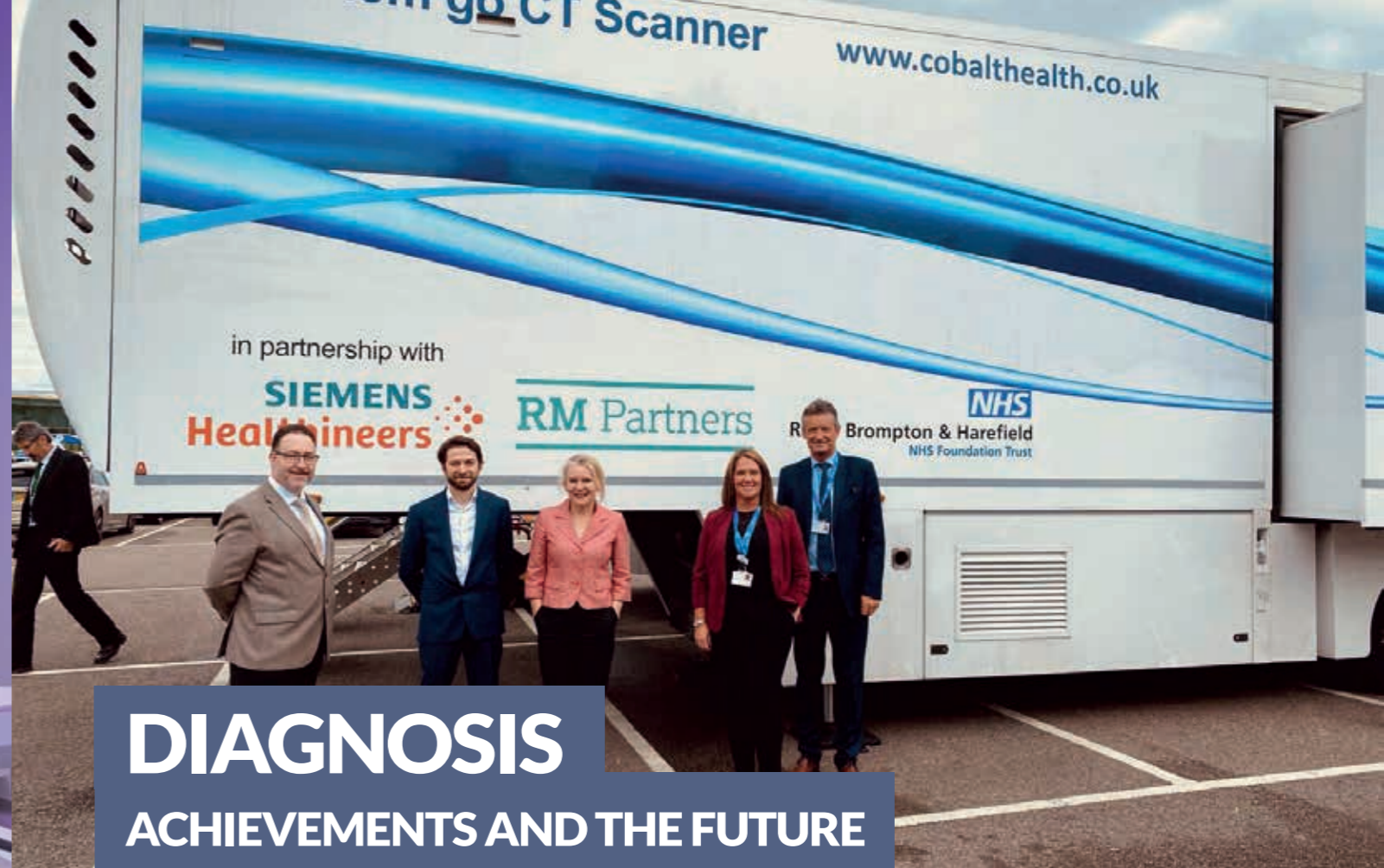
The trustees are pleased to report that the Charity responded well, protecting staff whilst doing everything it could to support the NHS both in the response to COVID-19 nationally and maintaining key diagnostic services for patients.

The safety of patients and staff remained the first priority. During the pandemic, as the understanding about the virus developed measures to protect our

patients and staff were continuously adapted. All activities and areas of the Charity were risk assessed and appropriate procedures and infrastructure put in place to protect staff and patients. All staff in 'at risk' categories either worked from home or adaptations were made to ensure they were able to continue to work safely.

Staff who could work from home were given support and equipment to do so. The fundraising team continued to regularly keep in touch with volunteers, offering support where they could. Some volunteers were able to continue making cards and working from home.

“Friendly staff. Great Covid precautions.”
Ashley Donlan, Cheltenham.



Supporting NHS England's COVID-19 response:
Cobalt worked closely with the NHS to support the Nightingale hospitals, helping to provide COVID-19 response scanning services across the country and continued to support research commitments. At the same time Cobalt moved quickly to ensure core services were maintained, particularly for oncology patients. More detail of how Cobalt helped support the NHS in its response to COVID-19 can be found under the Diagnosis and Research sections on pages 11-14.

Protecting the Charity's financial resources:
In early 2020, extensive cash flow forecasting and stress testing of the finances was undertaken. To ensure that Cobalt could continue to operate effectively through the year the trustees approved loan and lease facilities of £1.3m against the purchase of a property and a new mobile CT scanner to

preserve cash reserves. This created a safety margin that allowed the team to focus on operational matters. The partnership with NHS England, a significant increase in activity and generous legacy receipts were sufficient to give trustees confidence in Cobalt's finances and to progress with strategic plans. The Charity has finished the year with improved cash reserves and confidence that it will be able to support operations over the next 12 months and beyond.

"I am so happy that we could be there for vulnerable patients throughout the lockdowns, as a 'green site', with a designated Covid-safe route outside of the main hospital building, patients felt secure and able to continue with their imaging and treatment with us. It is also great for myself and the team here that we have been able to continue scanning throughout the pandemic"

– Jan Kennedy, Research Superintendent, ITM Imaging Centre, Birmingham.

DIAGNOSIS ACHIEVEMENTS AND THE FUTURE

Diagnosis: Aims for 2020/21 were:

The Charity aims to support NHS services to provide enhanced medical care to people who are sick and injured, using the most up-to-date imaging technology that would not otherwise have been available. The specific aims for 2020/21 included:

- To promote a specialist patient friendly service for anxious/claustrophobic patients, combining the expertise of radiography staff with enhanced scanner patient comfort features.
- To support NHS England's COVID-19 response by providing a mobile CT scanning service for the Nightingale and other hospitals across England. This provided additional scanning capacity to support both COVID-19 and urgent oncology patients.
- To ensure a safe and secure environment for staff to provide patients with continuing high quality, caring, diagnostic services during the pandemic.
- To maintain services to patients participating in time-sensitive research trials.

- To help maintain rapid access to PET/CT scans by extending clinic times and investigating the expansion of the service in 2021.
- To work with local consultants to help improve patient pathways, speed up diagnosis and onward treatment, with the aim of reducing patient wait times, improving access to early intervention and ultimately more positive outcomes.
- To continue to expand the lung cancer screening services in areas of the country with the highest occurrence of lung cancer, identifying cancers in at-risk patients at an early stage, when the chance of treatment success is highest.
- To monitor the global development of scanning technology and ensuring that the latest technology is available to our patients and the NHS through a continuous upgrade and development programme, including collaboration with the local NHS trusts to support their patients using the latest technology at main hospital sites.

Diagnosis: Achievements and impact in 2020/21 were:

- Continued to develop services focused on anxious and claustrophobic patients by introducing a new virtually open Siemens Healthineers Sola 1.5 Tesla⁽¹⁾ MRI scanner. This together with an enhanced ‘in-bore’ patient entertainment system on the Philips 3.0 Tesla MRI scanner, resulted in 87% of claustrophobic and anxious patients receiving high quality diagnostic scans. These patients had been at risk of not being able to tolerate their scan, affecting their ongoing treatment options.
- Cobalt worked closely with NHS England and a number of NHS trusts to provide a COVID-19 support service. Initially two CT scanners supported the Bristol and Birmingham Nightingale hospitals. Staff integrated with the local trusts and undertook training to support the facilities if required.
- In parallel Cobalt provided a rapid mobile CT service to many COVID-19 hot spots to enable patients to be scanned outside hospitals, reducing pressure on the NHS trusts during this challenging time. Cobalt was able to increase the number of CT scanners deployed from 3 to 7 supporting 1,500 patients each week.
- As part of NHS England’s COVID-19 response the Charity was able to place CT scanners in Cheltenham and Kidderminster to provide green zone “COVID free” scanning centres for Gloucestershire Hospitals NHS Foundation Trust and Worcester Acute Hospitals NHS Foundation Trust, enabling patients to receive their urgent scans close to home.
- This support for NHS England would not have been possible without the generosity of the Clive and Sylvia Richards Charity, who supported the purchase of two of the additional CT scanners.
- Cobalt Imaging Centre in Cheltenham continued to provide the full range of services. The number of patient waiting rooms was increased to support social distancing. The number of out-patient clinics was also increased to enable patients to be seen, whilst local hospitals supported COVID-19 patients.
- An 18% increase in PET/CT referrals resulted in over 3,300 oncology patients from the Three Counties (Gloucestershire, Herefordshire and Worcestershire) having a PET/CT scan. This enabled early and accurate diagnoses and treatment monitoring, supporting personalised pathways for patients.
- Cobalt also increased the number of free specialist PET/CT scans to support the early diagnosis of dementia – enabling patients to have access to an appropriate treatment pathway sooner.
- The pandemic effectively paused the CT lung cancer screening services for much of the year. Cobalt did however continue to see patients who required following up with additional CT scans. The lung screening services commenced again at the end of the year, and Cobalt is now supporting seven lung cancer screening programmes working in partnership with the NHS.



(1) See glossary of terms page 59

“Staff were so very welcoming. From the minute I arrived to leaving all staff were so professional, fantastic communication and so warm. Thank you wonderful team.”
Sue Holmes, Chipping Campden.

DIAGNOSIS THE FUTURE

- To continue to ensure a safe and secure environment for staff to provide patients with continuing high quality, caring, diagnostic services during the pandemic.
- To continue to monitor the global development of scanning technology to ensure that the Charity identifies opportunities to be early adopters of innovation for the benefit of future patients.
- To maximise opportunities to support the NHS with the increasing need for diagnostic imaging in the UK, including supporting the development of Community Diagnostic Hubs; delivering accessible services where they are most required.
- To continue to support NHS England’s COVID-19 response by providing imaging services where waiting times have increased; including helping to reduce the waiting time for urgent oncology scans.
- To expand the provision of PET/CT services to meet the increased demand in the three counties, by acquiring a mobile PET/CT scanner and support unit.
- To work with local medical professionals with the aim of improving patient pathways, enabling faster access to diagnostic imaging reducing patient wait times and enabling earlier treatment.
- To support restarting the lung cancer screening services and expansion of the national programme helping the NHS make a positive difference to people’s health in areas of the country with the highest occurrence of lung cancer.



RESEARCH ACHIEVEMENTS AND THE FUTURE

Cobalt aims to fund and participate in research into the advancement of the detection and treatment of cancer and other long term conditions such as dementia, with an emphasis on using diagnostic imaging.

During the year the Charity appointed an external chair for the Research Committee and undertook a review of the research strategy. The aim is now to support more internal research within the Charity but also to continue to support external research projects which are in line with the Charity's core objectives.

Whilst the review was undertaken, research activities continued where they could and where they were not limited by the impact of COVID-19.

Research: Achievements and impact in 2020/21 were:

- Cobalt funded a Radiology Research Fellow in partnership with University Hospitals Bristol NHS Foundation Trust. Following the success of this appointment, Dr Ayah Nawwar became Cobalt's first fully funded Research Fellow now based at Cobalt Imaging Centre in Cheltenham, supporting Prof Iain Lyburn, Cobalt's Medical Director.
- During 2020/21 Cobalt commenced work with an international team to develop the use of artificial intelligence in PET/CT to improve diagnostic accuracy. Early findings have been encouraging

leading to an extension of this work.

- Cobalt continued to support the funding of four research nurses, allowing a shift in focus to COVID-19 trials for a period of time. This funding enabled two local trusts to continue to recruit patients to clinical trials where many trusts had had to stop due to the impact COVID-19.
- The Charity is currently supporting over 50 research projects and clinical trials. In addition, Cobalt's research team has had papers published in international journals; a number relating to the COVID-19 findings on PET/CT scans.

The Future

- To focus more resources on internal research activities, using the considerable experience of the team and scanning resources to undertake studies
- To develop our research capability and infrastructure
- To continue to support the development of the use of artificial intelligence in diagnostic imaging, to assist radiologists with the best tools available to support their work
- To seek to raise the profile of the Charity's research activities through publishing findings and attendance at conferences
- To set aside funds for the development of the department and to encourage bids from like-minded teams looking at research with a significant scanning element



EDUCATION ACHIEVEMENTS AND THE FUTURE

Education: Aims for 2020/21 were:

- To appoint a new Head of Education and Training who will be responsible for developing the educational programme for staff and medical professionals
- In addition, developing educational courses and events on a national and international basis for healthcare professionals
- To continue to provide radiology and radiographer fellowships
- To work with the University of Gloucestershire and Gloucestershire Hospitals NHS Foundation Trust to develop a CT Academy to support undergraduate and postgraduate students and develop a wider training programme

- To support clinical placements for undergraduate students undertaking the Diagnostic Radiography BSc Hon course

Education: Achievements and impact in 2020/21 were:

- Continuing to provide formal training programmes for newly qualified radiographers
- The education programme was redesigned to enable online delivery of events, including talks delivered to 210 medical professionals covering dementia, orthopaedics and oncology.



EDUCATION

THE FUTURE

- To work with the soon to be appointed Head of Education and Training to develop a comprehensive internal training strategy focusing on Continuing Professional Development
- To provide clinical placements for undergraduate students undertaking the new University of Gloucestershire Diagnostic Radiography BSc Hon course
- To build upon the success of the online education event programme for medical professionals and to evaluate the benefit and timing of future classroom courses, including conferences
- To develop undergraduate and apprenticeship radiography programmes with universities and colleges



CLINICAL QUALITY ASSURANCE

Cobalt is committed to exceptional patient care whilst delivering a consistently excellent standard of imaging and reporting. We support all our clinical processes with quality management systems. We constantly strive to improve the service we provide through a comprehensive audit programme and we encourage all users of our services to complete a Patient Questionnaire or Referrer Survey, these are monitored daily and reviewed by our Clinical Audit Committee on a quarterly basis.

We were the first diagnostic imaging service to meet the **Quality Standard for Imaging (QSI)** this is formal recognition that we have the organisational competence to deliver against key performance measures, based around our patients' experience. The United Kingdom Accreditation Service (UKAS)

deliver and manage QSI on behalf of The College of Radiographers and The Royal College of Radiologists. We have been accredited with **ISO 9001** continuously since 1994. This is an international standard which ensures a philosophy of continual improvement in all aspects of the business, with a focus on quality management.

We are also registered with the **Care Quality Commission (CQC)**. The Care Quality Commission is the independent regulator of health and social care in England with the aim to make sure better care is provided for everyone.

Cobalt is currently working towards the **ISO14001:2015** standard to assess the impact of our activity on the world around us and to provide sustainable solutions for the environment and the health and wellbeing of people.



FUNDRAISING HIGHLIGHTS

TOTAL INCOME ACHIEVED DURING 2020/2021 WAS £1.0M COMPARED TO £1.5M THE PREVIOUS YEAR AND TARGET OF £795K.



FUNDRAISING REPORT



Photo: Cobalt volunteers at a thank you event at Manor by the Lake

Thank you for your support

We recognise the important role donors have played in helping ensure that we were well placed to respond to the pandemic and able to continue to provide a full PET/CT, CT and MRI service for oncology and dementia patients. The investment in mobile CT scanners, supported by the Clive and Sylvia Richards Charity enabled us to provide urgent support to NHS England across the country, when and where it was needed.

The impact of the coronavirus pandemic resulted in the cancellation of over 20 planned fundraising events and talks. It temporarily halted our in-house volunteer programmes.

In times of unexpected challenges, the continued support of individuals, partners, and organisations remains incredibly important to our fundraising efforts and the Charity.

During the year, over £800k of our fundraising income came from people choosing to recognise the work of the Charity with gifts in their wills. In 2020 we provided support through our Make a Will Month campaign in April and participation in Remember a Charity Week in September, as well as partnering with the Co-op to provide a reduced fee will-writing service – helping more people plan for the future.

We are very grateful to past supporters and their loved ones who left a gift in their will and over a hundred more supporters who have kindly let us know their intention to support Cobalt in this way.

'We decided to leave a gift to Cobalt in our will because we thought "why wouldn't we?". If it goes towards saving even one person's life, it would be worth it.'

Supporters, Lyn and Ian from Cheltenham, have included a gift in their will to Cobalt.



Gift in will to Cobalt enables purchase of new medical equipment

Last year Pamela Gay left a gift in her will to Cobalt. We are very touched that Pam remembered the work of the Charity in this way. Pam was diagnosed with Hodgkin's lymphoma and bone cancer in the 1970's. She was put on a pioneering chemotherapy trial at the 'Cobalt Unit' under our founder, Dr Fred Hanna. She went on to make a full recovery and led a very full and active life. After surviving cancer, Pam became involved in organising fundraising events and chose to leave a special gift in her will to Cobalt, in order to help more people survive cancer.



FUNDRAISING GOALS



Cobalt undertakes fundraising to support the objectives of the Charity in particular to:

- provide the latest technology, enabling patients to have the earliest and most accurate diagnosis. We invest in projects that improve the patient experience, including a specialist nursing post supporting teenagers and young adults with cancer.
- fund and participate in pioneering research, particularly in the fields of cancer and dementia. We support research projects that study the effect of current treatments or which help to establish

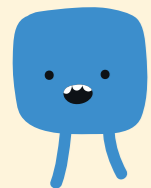
the efficacy of new and novel treatments. We also fund the salaries of four specialist research nurses for breast cancer and dementia and who help to identify patients who may be suitable and willing to participate in trials which could bring tangible benefits to patients now and in the future.

- support education events for medical professionals, showcasing leading experts in their fields and enabling the sharing of knowledge and best practice between peers for the benefit of patients.

theBigGive

Over the course of seven days in December the campaign raised over £35,000 to introduce a pioneering onsite service at the Cobalt Imaging Centre to analyse blood prior to scanning. The new onsite service is already helping to reduce waiting times for patients, many of whom require urgent scans. Thank you to all our supporters and to our champion funder the Clive and Sylvia Richards Charity for match funding this campaign.

A new online fundraising campaign was launched in October 2020 to connect with supporters digitally. This dedicated supporters' area provides access to virtual open gardens, monthly quizzes, Cobalt's Kitchen Table (recipes and demonstrations) and other interactive content to help raise the profile and funds for the Charity.



IN AID OF COBALT

SUPER SUPPORTERS



Dave Burley raised £7,000 after cycling a double marathon, repeating the 52 mile run he last did back in 1984 for Cobalt, but this time on two wheels.

Marcia Gonsalves-Thompson raised over £500 running the 2020 Virtual London Marathon.

We would also like to give special thanks all those supporters whose efforts were affected by the pandemic restrictions including Philip Pinchin (who was preparing to climb Lhotse mountain), Matt Burke (Edinburgh Marathon), James Fenton (Race to the King double marathon) and Lily Wilcocks (cancelled auction event at Batsford Arboretum) to name but a few.

Photo: Marcia Gonsalves-Thompson



CHARITY PARTNER IRESS



Charity partner, global financial software company, IRESS raised funds for a brand new laptop for our Teenage and Young Adult with Cancer Specialist Nurse, Megan Willsher, helping to ensure that she could work remotely and easily connect with her clinically vulnerable patients. This support was more important than ever during the pandemic, given the increased uncertainty and isolation many felt.

FUNDRAISING PROJECTS



Investing in Equipment and the Patient Experience

£67,742 was received for new equipment and improving our patients' experience.

The Charity continues to help fund the role of the Teenage and Young Adult with Cancer Specialist Nurse at a cost of £29,000 each year, the majority of which was raised through fundraising activities



Pioneering Research

Fundraising continues to support the research programme. Research plays an important role in progressing medicine and ensuring we use existing treatments in the best possible way. Over £19k was allocated towards Cobalt's research work.

Cobalt funds four specialist NHS research posts. In December 2019 Cobalt pledged £200,000 of funding to enable the appointment of a Senior Breast Cancer Research Nurse and a Research Support Officer. These appointments have already enabled the opening of breast screening trials in Gloucestershire, helping to improve access to new therapies and techniques for Gloucestershire breast cancer patients. £100,000 has been raised (as of March 2021). It is the intention after the initial funding period that these posts become self-funding for future years. £17,777 was raised towards salary costs of two Dementia Research Nurses.





GIVING WITH CONFIDENCE

Cobalt is a member of the Fundraising Regulator and complies with the standards laid out in the Code of Fundraising Practice. We agree to ensure our fundraising is legal, open, honest and respectful. The Charity adheres to the 'Fundraising Promise' which is published on the Cobalt website. The Charity has also signed up to the Fundraising Preference Service which enables individuals to opt out from receiving fundraising communications from us. Cobalt staff and volunteers carry out their activities in accordance with these guidelines.

The Charity is also a member of the Chartered Institute of Fundraising and the Institute of Legacy Management and adheres to their best practice guidelines. External agencies are not employed to carry out fundraising on behalf of the Charity. There is no door-to-door fundraising. In line with our Data Protection Policy the Charity does not sell and has not given data to any third parties without express permission. Access to the Cobalt database by staff and volunteers is strictly controlled. Cobalt treats its responsibility towards supporters in vulnerable circumstances with the utmost importance and our fundraisers are provided with guidance and support to help them respond appropriately to any individual they consider this might apply to.

No complaints have been received during the year. Any complaints received would be managed in accordance with our complaint handling procedures. Supporters are encouraged to provide feedback as this is an important source of information about the impact that the Charity's work has on them and other members of the public.

We provide details of how to contact us, including our complaints process, on our website. The fundraising programme is reported on a regular basis to the Board of Trustees and the ongoing strategy approved by them, to make sure our fundraising activities are compliant with all relevant rules and regulations, remain ethical and deliver the highest possible standards.

Most people who donate to us want to know how their money is making a difference. We ask whether and how they would like us to keep in touch with them so we can update them on our work and how they've helped us. If they no longer wish to hear from us, we would always respect their decision.

We are trialling new technology to make donating to Cobalt easier than ever, including contactless payment system at Cobalt Imaging Centre so people are able to donate digitally.

FINANCIAL OVERVIEW

Total income for the year was £21.7m (2020 - £13.7m). Initially the Charity saw a fall in routine diagnostic imaging and research activities. Whilst these did largely recover through the year, all educational and fundraising events were postponed or cancelled. Cobalt was able to take advantage of the investment from previous two years in lung cancer screening to support NHS England as part of their COVID-19 response. During the year the number of CT scanners deployed was increased to seven through acquisition and hires. This contract generated £9.8m of income. The Charity did manage to maintain support for oncology patients with PET/CT and MRI. Cobalt provided a number of free scans to help research improved diagnostic pathways and the early diagnosis of dementia.

The cost of delivering services increased by £2.1m to £14.9m (2020 - £12.8m), including the associated costs of supporting NHS England as part of their COVID-19 response.

The surplus for the year was £6.8m (2020 - £0.9m). During the year £4.5m was invested in assets, including £3.2m of medical equipment and £1.1m for additional office space. A further £3.6m of capital expenditure had been committed to at the year end.

INCOME AND EXPENDITURE

The total income for 2020/21 was £21.7m (2020 - £13.7m).

MRI Services (£6.4m) (2020 - £7.9m)

This is income from the MRI scanners from the imaging centres in Cheltenham and Birmingham as well as the mobile scanners supporting hospitals across the UK. After the initial fall in income due to uncertainty at the start of the pandemic, numbers began to increase again throughout the rest of the financial year.

PET/CT and CT Services (£13.8m) (2020 - £4.1m)

PET/CT income is mainly from a contract with NHS England to stage (evaluate the extent of) cancer and assess for patient's response to treatment. This year £9.8m was generated through COVID-19 response activities, supporting NHS England with mobile CT scanners where COVID-19 has had the most impact on NHS trusts across the country.

Fundraising Income (£1.0m) (2020 - £1.5m) of which:

- Fundraising Donations and legacies (£930k)
 - The Charity benefitted from legacies receivable of £811k and donations and other gifts totaling £119k.
- Fundraising activities (£85k)
 - Due to the COVID-19 pandemic, unfortunately all 2020/21 fundraising events had to be cancelled, leading to a decrease in fundraised income this year.

Other income (£0.4m) (2020 - £0.2m)

This income is from running the 'MRI in Practice Course' online, Furlough receipts, as well as rent receivable and any gains on fixed asset disposals.

Expenditure for 2020/21 totaled £14.9m (2020 - £12.8m).

MRI Services £6.8m (2020 - £7.8m)

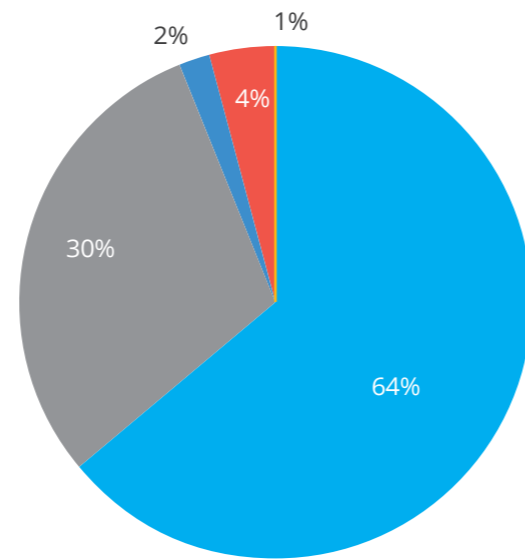
Clinical staffing represents a high proportion of the total costs. The increased demand for CT required a number of the team to transfer to that service, resulting in increased expenditure on agency and bank staff.

PET/CT Services £7.4m (2020 - £3.9m)

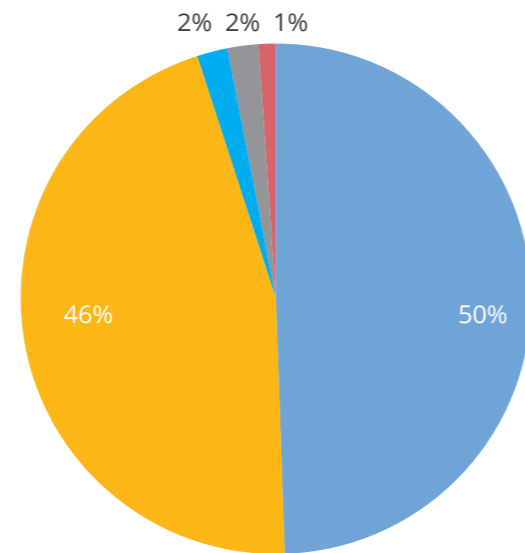
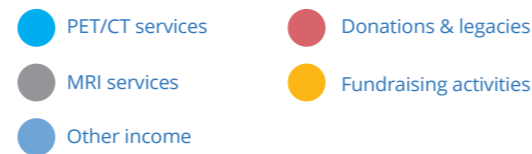
Cobalt saw a record number of PET/CT patients in the year and by providing additional CT services in response to the COVID-19 pandemic. This led to a sharp increase in costs in order to support this service. Staffing makes up 34% of the costs. Other costs include maintenance of the scanners and expenses related to running a mobile fleet.

Raising Funds £0.3m (2020 - £0.4m)

Costs relate to the work of the Charity and volunteers to raise philanthropic funds for Cobalt.



BREAKDOWN OF TOTAL INCOME (£21.7m)



BREAKDOWN OF TOTAL EXPENDITURE (£14.9m)



Charitable Funding, Nurses and Research £0.3m (2020 - £0.6m)

This includes the funding of Cobalt's Teenagers and Young Adults with Cancer Specialist Nurse, plus two breast cancer and two dementia research nurses.

Training and Education £0.08m (2020 - £0.1m)

Expenditure reduced during the year due to a shift in providing the 'MRI in Practice' courses online.

RETAINED FUNDS

Charity Funds £29.6m (2020 - £22.8m)

Restricted Funds £29k (2020 - £29k)

Funds are held at the year end to purchase equipment for a new MRI relocatable unit.

Designated Funds £5.4m (2020 - £2m)

The trustees have allocated funds to address recognised needs for the Charity, these are identified below.

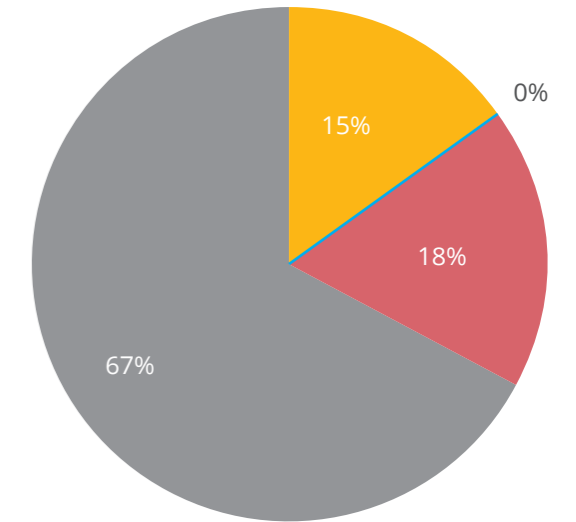
Tangible assets for use £19.7m (2020 - £17m)

The fund represents the net capital value of the property and working assets of the Charity required for its operation.

General Fund and Reserves Policy £4.4m (2020 - £3.7m)

To protect Cobalt's activities, the Charity's reserve policy is to maintain a minimum of 3 months and a maximum of 5 months working capital in reserves. At the year-end Cobalt held reserves sufficient for 3.6 months (2020 - 3.4 months).

The Reserves Policy was regularly reviewed and still deemed appropriate



CHARITY FUNDS (£29.6m)



Designated Funds £5.4m (2020 - £2m)

Capital Equipment £3.6m (2020 - £0.4m)

The funds are held for new equipment projects. The £3.6m carried forward has been retained to purchase a new CT mobile unit, relocatable units and PET/CT mobile, all of which are expected to be completed by March/April 2022.

Equipment Replacement Fund £1.1m (2020 - £1.0m)

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £1.1m has been set aside to replace an older mobile with a new mobile MRI unit for March/April 2022.

Grants Fund £0.5m (2020 - £0.2m)

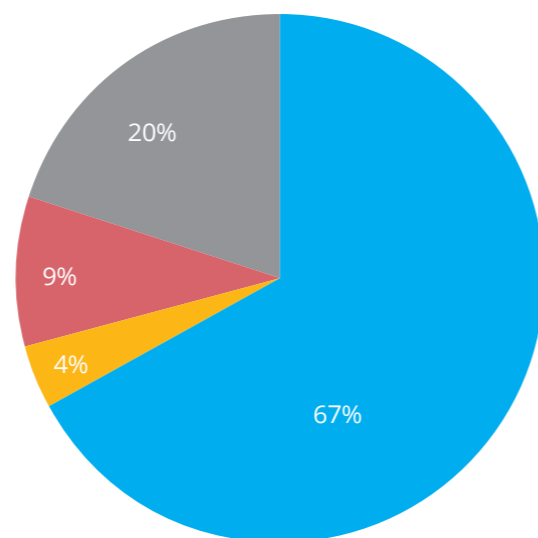
Grants are to support oncology and dementia services and research. The fund will be expended against ongoing research projects, fellowships and research grant awards that will be advertised from time to time on the Charity's website. This fund is expected to support these projects over the next two years.

Property Fund £0.2m (2020 - £0.4m)

This fund is used to upgrade the facilities in the Charity's properties. Funds carried forward are retained for upgrading the Cobalt Imaging Centre reception area and engineering plant within the next financial year.

Investments

The Charity considered it prudent to distribute its cash reserves amongst a number of UK banks. Cash has been held on deposit with differing maturity dates to maintain flexibility and attempt to earn some income in a low interest environment.



DESIGNATED FUNDS (£5.4m)



GRANT MAKING POLICIES

The trustees will continue to identify suitable projects which can be supported by the Charity. In addition to research activities as a non-commercial partner for the National Institute of Health Research support will be given to projects which:

- Significantly improve the quality of diagnosis, detection, treatment and support for patients suffering from cancer and dementia; including supporting pathways for advancing research using imaging techniques
- Support the training and education of medical imaging professionals using advanced MRI and PET/CT equipment, and the use of artificial intelligence in diagnosis

RISK MANAGEMENT

The Charity has a risk management strategy. This involves:

- an annual review by the Board of Trustees of the risks to which the Charity may be exposed
- the assessment of clinical risks by each area is reviewed by the relevant committees
- the establishment of procedures designed to eliminate or minimise such risks; and
- the implementation of such procedures

Details of key risks are recorded in a risk register. The following have been identified as key risks:

Risk	Impact	Mitigation
Coronavirus – restrictions on trading and inability to staff activities due to illness and isolating	Financial and operational losses will impact on income and reputation	Multiple actions - see the COVID-19 response pages in this report. Diversification and retention of reserves to support a loss of income for a number of months
Loss of major contract for diagnostic imaging	The loss of a contract may have a significant impact on income	The Charity has been diversifying its activities into other areas of clinical imaging and means of providing services
Cyber security failure or denial of service attack	Potential loss of data, inability to operate, impact on reputation	Staff undertake annual IT Governance training, including cyber risks. The Charity has updated many critical systems and is improving disaster recovery resources
Loss of a clinical scanner through breakdown or damage	Potential loss of income and key contracts, delay in diagnosis for patients	Cobalt invests in maintenance and service level agreements to repair or compensate for lost time. Contingencies include hiring scanners. Growth offers duplication of scanners and income remains well diversified
Shortage of suitably qualified staff	Increased cost of working and failure to fulfil contracts and grow	Cobalt is employing a recruitment specialist, investing in a recruitment website and is expanding its training programme to attract staff, including working with universities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cobalt Health (with registered Charity number 1090790) is a company limited by guarantee (with company number 04366596) (also known as 'Cobalt') and has no share capital. In the event of the company being wound up the liability of each member is limited to £1.

The Charity is governed by Articles of Association dated 23 May 2017. Details of trustees, officers and advisers are given on page 57 of these Financial Statements.

Appointment of new trustees

- The Articles of Association allow the board to appoint new trustees, subject to confirmation at the next Annual General Meeting of the Charity.
- The Charity seeks candidates using executive search consultants, adverts and by direct approach
- Trustees are only appointed after interview
- New trustees go through a formal induction process to enable them to become an effective member of the board, this includes time in the Charity, meetings with the senior management team, structured training, including occasional sessions with the Charity's auditor on the responsibilities of trustees.

Committee Structure and Management

The Board of Trustees meets at least five times a year with occasional special meetings being called as required. It decides the general strategy for the work of the Charity and approves all major items of expenditure or funding. The following committees report to the Board of Trustees:

- **Finance Committee** – meets at least 3 times a year with responsibility for oversight of the financial strategy and performance of the Charity, and its administrative affairs, including risk management
- **Clinical Governance Committee** – meets at least 3 times a year and is responsible for oversight of the clinical governance and quality assurance

for all clinical work, to ensure that safe, effective and patient-focused healthcare is provided

- **Personnel Committee** – meets annually to review staff pay and conditions, including those of the senior management, making recommendations to the board of trustees. The committee takes into consideration salary benchmarks in the health and Charity sectors
- **Research Committee** – meets at least 3 times each year to consider projects to support and monitor the effectiveness of research

Day-to-day management of the Charity's work within that general strategy is carried out by the Chief Executive, Mr Peter J Sharpe, and the senior management team.

There is a dormant subsidiary, The Cobalt Unit Appeal Fund Limited (company number 09016631), with an issued share capital of £1 held by the Charity.

Charity Governance Code

The trustees recognise the benefits to be gained from adopting the Charity Governance Code. The trustees self-audit the governance of the Charity against the 7 principles in the code on a cyclical basis.

This last year has required all meetings to be conducted remotely. The trustees have endeavoured to ensure that the standards expected in the code are maintained. One advantage of remote meetings is that it has enabled the Charity to hold more short meetings to respond to the developments and maintain a focus on strategic development. It has also enabled improved attendance and participation from stakeholders.

The main focus for development remains formalising the process of reviewing the performance of the trustees and the board as a whole. The trustees and advisers listed on page 57 form part of the Trustee's Report

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Cobalt Health for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy

at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITOR

Insofar as each of the trustees of the Charity at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

AUDITOR

During the year the charity used its previously appointed auditor, Crowe U.K. LLP, who has been appointed in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The Trustees' Report, comprising the Strategic Report and other information, was approved by the trustees on 16 September 2021 and signed on their behalf by

Neil Holbrook,
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBALT HEALTH

Opinion

We have audited the financial statements of Cobalt Health ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard. Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 29, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are

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

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We obtained an understanding of the legal and

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

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing

standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

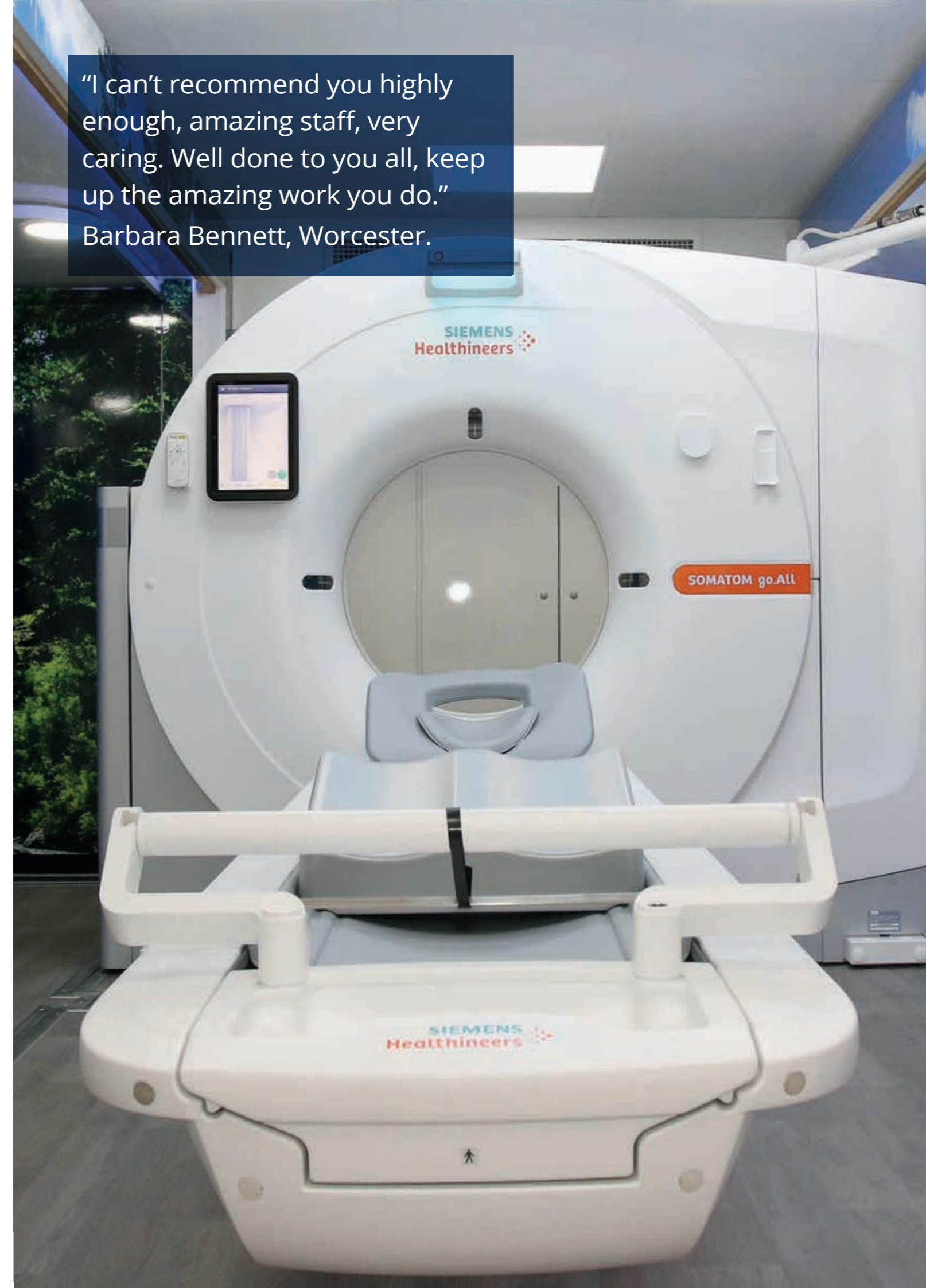
Use of our report

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

Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
4th Floor,
St James House,
St James' Square,
Cheltenham, GL50 3PR

8 October 2021

"I can't recommend you highly enough, amazing staff, very caring. Well done to you all, keep up the amazing work you do."
Barbara Bennett, Worcester.



STATEMENT OF FINANCIAL ACTIVITIES

(including an Income and Expenditure account)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds	Restricted Funds	2021 Total Funds	2020 Total Funds
INCOME FROM:		£	£	£	£
Donations and legacies	2	875,828	53,777	929,605	1,086,851
<i>Charitable activities</i>					
Clinical services	3	20,262,609	-	20,262,609	11,984,962
Fundraising activities	4	27,348	57,265	84,613	427,643
Investment income	5	10,452	-	10,452	41,246
Other income	6	387,290	-	387,290	209,235
TOTAL INCOME		21,563,527	111,042	21,674,569	13,749,937
EXPENDITURE ON:					
Fundraising costs	9	281,360	-	281,360	363,974
Charitable activities	9	14,518,369	72,306	14,590,675	12,451,191
TOTAL EXPENDITURE	9	14,799,729	72,306	14,872,035	12,815,165
NET INCOME		6,763,798	38,736	6,802,534	934,772
TRANSFERS BETWEEN FUNDS		38,912	(38,912)	-	-
NET MOVEMENT IN FUNDS		6,802,710	(176)	6,802,534	934,772
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		22,754,917	29,006	22,783,923	21,849,151
TOTAL FUNDS CARRIED FORWARD	19	29,557,627	28,830	29,586,457	22,783,923

BALANCE SHEET

AS AT 31 MARCH 2021
Company number 04366596

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	11	189,491	144,003
Tangible fixed assets	12	19,763,130	17,039,593
Investments	13	150,001	150,001
TOTAL FIXED ASSETS		20,102,622	17,333,597
CURRENT ASSETS			
Debtors	14	3,790,125	2,466,978
Investments	13	3,032,265	2,050,833
Cash at bank and in hand		6,146,392	3,608,590
TOTAL CURRENT ASSETS		12,968,782	8,126,401
LIABILITIES			
Creditors - amounts falling due within one year	15	(2,334,869)	(2,676,075)
NET CURRENT ASSETS		10,633,913	5,450,326
Creditors - amounts falling due greater than one year	15	(1,150,078)	-
TOTAL NET ASSETS		29,586,457	22,783,923
FUNDS OF THE CHARITY			
Unrestricted Funds:			
Tangible fixed assets held for Charity's use	16	19,763,130	17,039,593
Designated funds	17	5,412,530	2,043,247
General fund	16	4,381,967	3,672,077
TOTAL UNRESTRICTED FUNDS		29,557,627	22,754,917
Restricted funds	18	28,830	29,006
TOTAL CHARITY FUNDS	19	29,586,457	22,783,923

Approved by the Trustees on 16 September 2021
and signed by

NEIL HOLBROOK
Chairman

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	24	<u>6,414,394</u>	<u>3,740,965</u>
Cash flows from investing activities			
Interest receivable and rents from investments		109,857	147,534
Purchase of intangible assets	11	(92,500)	(122,247)
Proceeds from the sale of fixed assets		178,500	32,461
Investment Property	13	-	(150,000)
Purchase of fixed assets	12	<u>(4,420,099)</u>	<u>(3,689,696)</u>
Net cash (used in) investing activities		<u>(4,224,242)</u>	<u>(3,781,948)</u>
Cash flows from financing activities			
Repayments of borrowing		(79,888)	-
Cash inflows from new borrowing		<u>1,408,970</u>	-
Net cash provided by financing activities		<u>1,329,082</u>	-
Change in cash and cash equivalents in the year		<u>3,519,234</u>	<u>(40,983)</u>
Cash and cash equivalents at the beginning of the year		<u>5,659,423</u>	<u>5,700,406</u>
Cash and cash equivalents at the end of the year	25	<u>9,178,657</u>	<u>5,659,423</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 1. ACCOUNTING POLICIES

Cobalt Health was incorporated in England and Wales as a company limited by guarantee (registered no. 04366596) and has no share capital. The liability in respect of the guarantee is limited to an amount not exceeding £1 per member of the company. Cobalt Health is registered as a Charity with the Charity Commission England and Wales (registered no. 1090790).

a) Basis of accounting

The financial statements have been prepared in accordance with 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities SORP and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under historical cost convention. Cobalt Health 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 note.

Under Section 405 of the Companies Act 2006, consolidated accounts have not been prepared as the inclusion of the dormant subsidiary is not material for the purpose of giving a true and fair view. Therefore these financial statements present information on the parent entity as an individual undertaking only.

b) Preparation of the accounts on a going concern basis

At the year end the Charity had £9.18m in the bank

and on deposit. Extensive modelling was undertaken throughout 2020 on the potential and evolving impact of the Corona Virus pandemic on the Charity. As a result, the Trustees sought to protect current cash reserves by borrowing £1.4m against planned purchases of a new mobile CT scanner and an adjacent property in June and July 2020.

In April 2020, Cobalt was contracted to support the NHS England's Covid-19 response, using four mobile CT scanners and support units. The contract has been extended to September 2021. This contract, together with the ongoing activities and the cash balances in hand are sufficient to give Trustees confidence beyond the next 12 months.

Revised budget forecasts and three year projections expect that more normal levels of diagnostic activities will resume over a period of time. Cobalt expects to make a surplus in 2021/22.

The Charity is able to plan expansion to activities over the next two to three years and therefore the Trustees are able to adopt a going concern basis for the preparation of these financial statements.

c) Income

Income, including that from clinical services, is recognised in the period to which it relates, once the Charity has entitlement to the resources and once the Trustees have probability that the resources will be received and when the monetary value can be measured with reliability.

Income from fundraising events is shown gross, with the associated expenditure shown in Fundraising costs. Where the Charity benefits from work carried out by volunteers without charge, no value is placed on this work for accounting purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Donations including donated goods are recognised as income when they have been received and any conditions associated with the donation have been met.

Legacy income is recognised when there is a grant of probate; the executors have established that there are sufficient funds to distribute funds from the estate; the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are within the control of the Charity. An adjustment is made to include legacy receipts up to two months of the year end which relate to probate notifications for the financial year or earlier.

Interest and investment income, including rental income, is included when receivable and the amount can be measured reliably. Rental income due to the Charity, applicable to operating leases, where substantially all of the benefits and risks of ownership of the asset remain with the Charity is recognised in the Statement of Financial Activities over the lease term.

Government grants receivable are credited to income as these become receivable, except in situations where they related to performance, in which case these are accrued as the Charity earns the right through performance.

d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Expenditure on fundraising are those costs incurred in providing services for which the Charity received a direct income and those incurred in fundraising activity.

Expenditure on charitable activities represents the cost of supporting the Charity's objectives and as laid out in its memorandum and articles of association.

Governance costs are those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory compliance.

Support costs include central functions, principally connected with buildings and administration, which are indirectly incurred in support of the generation of funds and of charitable expenditure, and which are allocated to those headings on an appropriate apportionment.

Employees are entitled to join the Charity's money purchase pension scheme. The associated cost is allocated across the Charity's activities and funds depending on the role of the member of staff.

e) Redundancy payments

It is the Trustees' policy to minimise the impact of organisational change. Redundancy payments only occur when absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

f) Intangible assets

The intangible assets of the Charity comprise operational software packages. Once it has been tested and commissioned the software is amortised over the expected useful life of 4 years. Amortisation is charged to 'Charitable activities' in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

g) Tangible fixed assets

Individual fixed assets costing £5,000 or more, and others of a smaller individual value but forming part of a capital expenditure programme, are capitalised at purchase cost.

Depreciation is provided on all tangible fixed assets in use, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life. No depreciation is charged on land, and the land element is based on 25% of the total cost of the properties.

Freehold buildings - 2% of cost, 10-20% for refurbishment

Medical equipment - 10, 12½ & 20% of cost
Fixtures, fittings and computer equipment - 25% of cost

Motor vehicles - 20% of cost

h) Fixed asset investment

The Charity was bequeathed a 50% share in a freehold property as part of a legacy in 2020. The property is currently generating rental income for the Charity and as such is classified as an investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at 31 March 2020. No depreciation is charged on the property and it is reviewed annually for impairment.

i) Impairment

The carrying amounts of assets are reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. Any loss is written off to the Statement of Financial Activities.

j) Debtors

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

k) Investments

Investments represents cash held on deposit with differing maturity dates to maintain flexibility and to attempt to earn some income in a low interest environment.

l) Creditors

Creditors and provisions are recognised where the Charity 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.

m) Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives.

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

n) Bank loan

Bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

o) Financial instruments

Cobalt Health only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, cash at bank, cash held on deposit, debtors and creditors (see notes 14 and 15). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of intangible and tangible assets:

The annual amortisation and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 11 and 12 for the carrying amount of the intangible and tangible assets and notes 1(f) and 1(g) for the useful lives for each class of asset.

Legacies:

Management judgement is applied over the valuation of legacy income where cash is not yet received and evidence of entitlement exists and Cobalt Health is able to measure reliably. As a result,

accrued legacy income is recognised at times, in advance of receiving the cash; see accounting policy 1(c) for further details.

q) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

r) Funds

Restricted funds comprise income funds subject to specific conditions arising from the donor's wishes or the terms of a particular fundraising initiative. Unrestricted funds are the working capital of the Charity, which is expendable at the discretion of the Trustees.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

s) Taxation

As a recognised Charity, the company is exempt from Corporation Tax so far as it relates to its charitable objects. It is not exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates.

t) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

u) Registered and Principal Office

Cobalt Health, Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	114,748	127,319
In Memoriam	3,516	12,051
Legacies	<u>811,341</u>	<u>947,481</u>
	<u>929,605</u>	<u>1,086,851</u>

NOTE 3. CHARITABLE ACTIVITIES

	2021 £	2020 £
<i>Clinical services</i>		
MRI Services	6,449,990	7,841,423
PET/CT Services	<u>13,812,619</u>	<u>4,143,539</u>
	<u>20,262,609</u>	<u>11,984,962</u>

NOTE 4. INCOME FROM FUNDRAISING ACTIVITIES

	2021 £	2020 £
Events	18,798	75,816
Card Sales	8,550	24,978
Grant income	<u>57,265</u>	<u>326,849</u>
	<u>84,613</u>	<u>427,643</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 5. INVESTMENT INCOME

	2021 £	2020 £
Interest receivable	<u>10,452</u>	<u>41,246</u>

NOTE 6. OTHER INCOME

	2021 £	2020 £
Rent receivable	99,405	106,288
Gain on disposal of fixed assets	166,500	32,461
Delegate Fees, room hire, other income	38,349	70,486
Government grants - furlough receipts	<u>83,036</u>	-
	<u>387,290</u>	<u>209,235</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 7. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COSTS OF KEY MANAGEMENT PERSONNEL

	2021 £	2020 £
Wages and salaries	3,516,191	3,110,041
Social security costs	343,804	303,652
Pension contributions	481,444	444,112
Other employee Benefits	<u>13,387</u>	<u>11,926</u>
	<u>4,354,826</u>	<u>3,869,731</u>

The number of employees whose emoluments for the year fell within each band from £60,000 upwards was:

	2021	2020
£60,000 - £70,000	1	2
£70,000 - £80,000	3	2
£80,000 - £90,000	2	2
£140,000 - £150,000	<u>1</u>	<u>1</u>

In the year contributions of £33,529 (2020 - £32,726) were made to 1 (2020 - 1) higher paid employees' personal defined contribution schemes.

The total emoluments (including pension costs and employer's national insurance contributions) of the 8 members of the Senior management Team who have day-to-day influence on the activities of the Charity was £723,600 (2020, 8, £718,931). The 8 are the Chief Executive, Finance Director, Fundraising Director, the HR and Communications Managers, Quality Manager and 2 Clinical Managers.

During the year, redundancy payments amounting to £16,037, were paid to members of staff (2020, £nil).

The average monthly headcount of employees, analysed by function, was:

	2021	2020
MRI Services	60	59
PET/CT Services	32	19
Fundraising	5	5
Administration and Management	17	16
Buildings	<u>3</u>	<u>3</u>
	<u>117</u>	<u>102</u>

The average full-time equivalent number of staff for the year was 86 (2020 - 89). No Trustees received remuneration during the year (2020 - Nil). No Trustees were reimbursed travel expenses during the year (2020 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 8. NET INCOME FOR THE FINANCIAL YEAR

Net income is stated after charging/(crediting):	2021 £	2020 £
Auditor's remuneration:		
Audit	10,300	10,000
Tax advisory	700	1,750
Other services	500	-
Depreciation	1,684,561	1,261,423
Amortisation	47,012	45,305
Surplus on disposal of fixed assets	(166,500)	(32,461)
Operating lease costs	11,544	11,544
Pension contributions	481,444	444,112

NOTE 9. ANALYSIS OF EXPENDITURE

	Direct Costs £	Costs £	Amortisation and Depreciation £	Total 2021 £	Total 2020 £
Raising funds:					
Costs of fundraising and similar activities	178,837	90,241	12,282	281,360	363,974
	<u>178,837</u>	<u>90,241</u>	<u>12,282</u>	<u>281,360</u>	<u>363,974</u>
Charitable activities:					
MRI Services	5,370,066	590,230	864,396	6,824,692	7,769,648
PET/CT and CT Services	5,542,461	1,059,056	768,871	7,370,388	3,912,720
Charitable Funding	233,128	-	83,931*	317,059	662,097
Training and Education	67,730	8,713	2,093	78,536	106,726
	<u>11,213,385</u>	<u>1,657,999</u>	<u>1,719,291</u>	<u>14,590,675</u>	<u>12,451,191</u>
	<u>11,392,222</u>	<u>1,748,240</u>	<u>1,731,573</u>	<u>14,872,035</u>	<u>12,815,165</u>
TOTAL 2020	<u>9,947,531</u>	<u>1,560,905</u>	<u>1,306,729</u>	<u>12,815,165</u>	

* Includes depreciation charged against Cobalt House.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 10. SUPPORT COSTS

	Admin Costs £	Building Costs £	Governance Costs £	Total 2021 £	Total 2020 £
MRI Services	429,189	156,670	4,371	590,230	965,432
PET/CT and CT Services	886,069	163,963	9,024	1,059,056	432,733
Fundraising	69,224	20,312	705	90,241	143,007
Training and Education	-	8,713	-	8,713	19,733
TOTAL 2021	<u>1,384,482</u>	<u>349,658</u>	<u>14,100</u>	<u>1,748,240</u>	<u>1,560,905</u>
TOTAL 2020	<u>1,245,029</u>	<u>301,776</u>	<u>14,100</u>	<u>1,560,905</u>	

Support costs have been allocated on the basis of floor space occupied in respect of building costs and proportionate time spent on administrative matters in respect of administration costs. Governance costs include the cost of the audit and the direct costs of supporting the Trustees.

NOTE 11. INTANGIBLE FIXED ASSETS

Cost	Software £
At 1 April 2020	254,076
Additions	92,500
Disposals	-
At 31 March 2021	<u>346,576</u>
Amortisation	
At 1 April 2020	110,073
Charge for year	47,012
Disposals	-
At 31 March 2021	<u>157,085</u>
Net Book Value	
At 31 March 2021	<u>189,491</u>
At 31 March 2020	<u>144,003</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 12. FIXED ASSETS

	Freehold Land & Buildings £	Medical Equipment £	IT / Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
<i>At 1 April 2020</i>	10,302,327	17,598,630	578,770	41,714	28,521,441
Additions	1,071,232	3,193,666	114,775	40,426	4,420,099
Disposals	-	(2,454,052)	(67,512)	-	(2,521,564)
At 31 March 2021	11,373,559	18,338,244	626,033	82,140	30,419,976
Depreciation					
<i>At 1 April 2020</i>	2,468,628	8,636,005	340,063	37,152	11,481,848
Charge for year	167,863	1,415,576	94,743	6,379	1,684,561
Eliminated on Disposals	-	(2,454,051)	(55,512)	-	(2,509,563)
At 31 March 2021	2,636,491	7,597,530	379,294	43,531	10,656,846
Net Book Value					
At 31 March 2021	8,737,068	10,740,714	246,739	38,609	19,763,130
<i>At 31 March 2020</i>	7,833,699	8,962,625	238,707	4,562	17,039,593

The net book value of assets held under hire purchase agreements is £667,613 (2020 - £Nil).

A bank loan was taken out in the year and is secured by way of a 1st legal charge over the freehold of Linton Cottage. The aggregate amount secured is £707k.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 13. INVESTMENTS

	2021 £	2020 £
Fixed Assets		
Investment in subsidiary	1	1
Investment property	<u>150,000</u>	<u>150,000</u>
Current Assets		
Current asset investment - notice deposits	<u>3,032,265</u>	<u>2,050,833</u>

The share capital of Cobalt Unit Appeal Fund Ltd consists of one ordinary share of £1 nominal value and is wholly owned by Cobalt Health. The subsidiary is dormant and did not trade during the year. Cobalt Unit Appeal fund Ltd was incorporated in England and Wales (registered no. 09016631) and registered at Linton House Clinic, Thirlestaine Road, Cheltenham, Gloucestershire, GL53 7AS.

The Charity owns a 50% share in a freehold investment property. In accordance with FRS 102 this is included on the balance sheet as a 50% share of the estimated market value at the reporting date.

The Charity has invested £3.0m in a short term deposit with Nationwide.

NOTE 14. DEBTORS

	2021 £	2020 £
Clinical Service fees due	3,275,487	1,597,795
Accrued income	219,347	405,995
Prepayments	294,454	457,858
Other Debtors	<u>837</u>	<u>5,330</u>
	<u>3,790,125</u>	<u>2,466,978</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 15. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,345,550	1,988,067
Bank Loan	44,751	-
Accruals	650,917	519,698
Other creditors	15,454	39,224
HP liability	134,253	-
Taxation and social security	102,571	85,023
Pension liability	41,373	36,146
Deferred income	-	7,917
	<u>2,334,869</u>	<u>2,676,075</u>

The movement in deferred income is set out below:

	Rent received in advance £	Total £
At 1 April 2020	7,917	7,917
Released in the year	(92,275)	(92,275)
Deferred in the year	<u>84,358</u>	<u>84,358</u>
At 31 March 2021	<u>-</u>	<u>-</u>

Rent received in advance is recognised as income in the month to which it relates.

CREDITORS: Amounts falling after one year:

	2021 £	2020 £
Bank Loan 2-5 years	306,863	-
Bank Loan > 5 years	355,713	-
HP liability	<u>487,502</u>	<u>-</u>
	<u>1,150,078</u>	<u>-</u>

A bank loan was taken out in the year and is secured by way of a 1st legal charge over the freehold of Linton Cottage. Interest is charged at 1.75% p.a. over Base Rate. The total term of the loan is 72 months.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 16. UNRESTRICTED FUNDS - 2021

	Movement in Funds				Balance at 31 March 2021 £
	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	
General Fund	3,672,077	21,563,527	(15,461,467)	(5,392,170)	4,381,967
Tangible fixed assets held for the Charity's use	<u>17,039,593</u>	-	<u>825,002</u>	<u>1,898,535</u>	<u>19,763,130</u>
Total	<u>20,711,670</u>	<u>21,563,527</u>	<u>(14,636,465)</u>	<u>(3,493,635)</u>	<u>24,145,097</u>

Unrestricted Funds includes a General Fund balance of £4,381,967. This constitutes 3.6 months' working capital requirement. Transfers of £3,493,635 represent fixed asset additions and disposals in the year, as well as transfers to and from the designated funds, see note 17.

UNRESTRICTED FUNDS - 2020

	Movement in Funds				Balance at 31 March 2020 £
	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	
General Fund	3,364,256	13,364,665	(12,294,191)	(762,653)	3,672,077
Tangible fixed assets held for the Charity's use	<u>14,611,320</u>	-	<u>(81,380)</u>	<u>2,509,653</u>	<u>17,039,593</u>
Total	<u>17,975,576</u>	<u>13,364,665</u>	<u>(12,375,571)</u>	<u>1,747,000</u>	<u>20,711,670</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 17. DESIGNATED FUNDS - 2021

	Balance at 1 April 2020	Expenditure	Transfers	Funding of Fixed Assets	Balance at 31 March 2021
	£	£	£	£	£
Capital Equipment Fund	442,000	-	3,622,530	(442,000)	3,622,530
Equipment Replacement Fund	1,000,000	-	100,000	-	1,100,000
Grants Fund	230,247	(163,264)	403,017	-	470,000
Property Fund	371,000	-	194,285	(345,285)	220,000
Total	2,043,247	(163,264)	4,319,832	(787,285)	5,412,530

At the balance sheet date the purposes of the various sub-funds within Designated Funds are as follows:

Capital Equipment Fund

This fund is reserved for new equipment projects. The £442k brought forward has been used to purchase additional support units for CT Lung Screening. The £3.6m carried forward has been retained to purchase a new CT mobile unit, relocatable units and PET mobile, which are expected to take place by March/April 2022.

Equipment Replacement Fund

This fund is reserved to replace and refresh the installed imaging equipment as part of the Equipment Replacement Plan. £1.1m has been set aside to replace Cobalt 9 with a new mobile MRI unit, which is expected to take place by March/April 2022.

Grants Fund

Grants are to support oncology and dementia services and research. This includes, but is not limited to, projects with the 2gether Trust, and fellowships. £163k of this fund has been spent during the year. Going forward, the fund will be expended against ongoing research projects, fellowships and research grant awards that will be advertised from time to time on the Charity's website. This fund is expected to support these projects over the next two years.

Property Fund

This fund is used to upgrade the facilities in the Charity's properties. Funds were expended in the year on the purchase and conversion of Linton Cottage. Funds carried forward are retained for upgrading the Cheltenham Imaging Centre reception area, and buildings plant within the next financial year.

DESIGNATED FUNDS - 2020

	Balance at 1 April 2019	Expenditure	Transfers	Funding of Fixed Assets	Balance at 31 March 2020
	£	£	£	£	£
Capital Equipment Fund	1,000,000	-	834,435	(1,392,435)	442,000
Equipment Replacement Fund	2,240,000	-	-	(1,240,000)	1,000,000
Grants Fund	318,360	(88,113)	-	-	230,247
Property Fund	95,000	-	276,000	-	371,000
Total	3,653,360	(88,113)	1,110,435	(2,632,435)	2,043,247

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 18. RESTRICTED FUNDS - 2021

	Balance at 1 April 2020	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2021
	£	£	£	£	£
Breast Cancer Research Nurses Fund	23,905	5,300	(29,205)	-	-
TYA Nurse Fund	5,101	16,947	(22,048)	-	-
Cancer General Fund	-	688	(688)	-	-
Dementia Research Nurses Fund	-	19,777	(19,777)	-	-
Equipment Fund	-	67,742	-	(38,912)	28,830
Research Fund	-	588	(588)	-	-
TOTAL	29,006	111,042	(72,306)	(38,912)	28,830

Restricted funds held totalled £28,830 at the balance sheet date. In the year restricted funds were used for specifically allocated initiatives and equipment purchases.

Breast Cancer Research Nurses Fund

To fund breast cancer research nurses. In addition 50% of card sales (£4.2k) has also been attributed to this project in the year.

TYA Nurse Fund

The fund is used to support the work of a local Teenage and Young Adult specialist cancer nurse post. Cobalt has undertaken to fund 50% of this post until 2024 when it will be reviewed.

Cancer General Fund

The fund is used to support the Charity's work providing free scans for oncology patients.

Dementia Research Nurses Fund

The fund is used to help fund research into Dementia. Cobalt has been aiding research into the benefit of scanning patients to improve early diagnosis. In addition 50% of card sales (£4.2k) has also been attributed to this project in the year.

Equipment Fund

The fund was used to support the purchase of a new mobile CT scanner used to support the Covid-19 response.

Research Fund

The fund was used to support Cobalt's research activities in the year.

RESTRICTED FUNDS - 2020

	Balance at 1 April 2019	Income	Expenditure	Funding of Fixed Assets	Balance at 31 March 2020
	£	£	£	£	£
Breast Cancer Equipment Fund	212,184	15,000	(227,184)	-	-
Breast Cancer Research Nurses Fund	-	69,272	(45,367)	-	23,905
TYA Nurse Fund	6,103	28,397	(29,399)	-	5,101
Cancer Education Fund	-	120	(120)	-	-
Cancer General Fund	-	4,665	(4,665)	-	-
Dementia Research Nurses Fund	1,928	37,800	(39,728)	-	-
Equipment Fund	-	229,993	(4,993)	(225,000)	-
Research Fund	-	25	(25)	-	-
TOTAL	220,215	385,272	(351,481)	(225,000)	29,006

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 19. ANALYSIS OF NET ASSETS - 2021

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Creditors due greater than one year £	Total
Unrestricted Funds					
General Fund	189,491	150,001	5,192,553	(1,150,078)	4,381,967
Tangible Fixed Assets held for Charity use	-	19,763,130	-	-	19,763,130
Total Unrestricted Funds	189,491	19,913,131	5,192,553	(1,150,078)	24,145,097
Designated Funds					
Capital Equipment Fund	-	-	3,622,530	-	3,622,530
Grants Fund	-	-	470,000	-	470,000
Equipment Replacement Fund	-	-	1,100,000	-	1,100,000
Property Fund	-	-	220,000	-	220,000
Total Designated Funds	-	-	5,412,530	-	5,412,530
Restricted Funds	-	-	28,830	-	28,830
Total Funds	189,491	19,913,131	10,633,913	(1,150,078)	29,586,457

ANALYSIS OF NET ASSETS - 2020

	Intangible Assets £	Fixed Assets £	Net Current Assets £	Total £
Unrestricted Funds				
General Fund	144,003	150,001	3,378,073	3,672,077
Tangible Fixed Assets held for Charity use	-	17,039,593	-	17,039,593
Total Unrestricted Funds	144,003	17,189,594	3,378,073	20,711,670
Designated Funds				
Capital Equipment Fund	-	-	442,000	442,000
Grants Fund	-	-	230,247	230,247
Equipment Replacement Fund	-	-	1,000,000	1,000,000
Property Fund	-	-	371,000	371,000
Total Designated Funds	-	-	2,043,247	2,043,247
Restricted Funds	-	-	29,006	29,006
Total Funds	144,003	17,189,594	5,450,326	22,783,923

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 20. CAPITAL COMMITMENTS

	2021 £	2020 £
Future capital expenditure not otherwise included in the financial statements at the balance sheet date:		
Expenditure contracted for	3,624,249	1,083,052
Expenditure approved, but not contracted for	-	1,030,000

NOTE 21. RELATED PARTY TRANSACTIONS

Members of the Board of Trustees are not entitled to, and did not receive, any remuneration during the year in relation to their services as Trustees.

There have been no transactions with the Charity's wholly-owned subsidiary company The Cobalt Unit Appeal Fund Ltd.

There have been no related party transactions in the 2021 or 2020 financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 22. LIABILITIES UNDER OPERATING LEASES

At 31 March 2021, the Charity had total commitments under non-cancellable operating leases in respect of equipment as follows:

	2021 £	2020 £
Within one year	11,544	11,544
Between one and five years	<u>9,876</u>	<u>21,420</u>
Total	<u>21,420</u>	<u>32,964</u>

NOTE 23. ASSETS RECEIVABLE UNDER OPERATING LEASES

At 31 March 2021, the Charity had assets receivable under non-cancellable operating leases in respect of rental income of Cobalt House as follows:

	2021 £	2020 £
Within one year	98,067	96,800
Between one and five years	<u>239,601</u>	<u>337,667</u>
Total	<u>337,668</u>	<u>434,467</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 24. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	6,802,534	934,772
Adjustments for:		
Depreciation and amortisation charges	1,731,573	1,306,728
Dividends, interest and rent from investments	(109,857)	(147,534)
(Surplus) on sale of fixed assets	(166,500)	(32,461)
(Increase) in debtors	(1,323,147)	(104,124)
(Decrease)/ Increase in creditors	<u>(520,209)</u>	<u>1,783,584</u>
Net cash provided by operating activities	<u>6,414,394</u>	<u>3,740,965</u>

NOTE 25. ANALYSIS OF CHANGES IN NET CASH/DEBT

	2020 £	Cashflows £	2021 £
Cash at bank and in hand	3,608,590	2,537,802	6,146,392
Current asset investments:			
Notice deposits	<u>2,050,833</u>	<u>981,432</u>	<u>3,032,265</u>
Total	<u>5,659,423</u>	<u>3,519,234</u>	<u>9,178,657</u>
Loans falling due within one year	-	(44,751)	(44,751)
Loans falling due after more than one year	-	(662,576)	(662,576)
Hire purchase obligations	-	<u>(621,755)</u>	<u>(621,755)</u>
Total	<u>5,659,423</u>	<u>2,190,152</u>	<u>7,849,575</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 26. 2020 STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds	Restricted Funds	2020 Total Funds
		£	£	£
INCOME FROM:				
Donations and legacies	2	1,028,428	58,423	1,086,851
Charitable activities:				
Clinical services	3	11,984,962	-	11,984,962
Fundraising activities	4	100,794	326,849	427,643
Investment income	5	41,246	-	41,246
Other income	6	209,235	-	209,235
TOTAL INCOME		13,364,665	385,272	13,749,937
EXPENDITURE ON:				
Fundraising costs	9	363,974	-	363,974
Charitable activities	9	12,099,710	351,481	12,451,191
TOTAL EXPENDITURE	9	12,463,684	351,481	12,815,165
NET INCOME		900,981	33,791	934,772
TRANSFERS BETWEEN FUNDS		225,000	(225,000)	-
NET MOVEMENT IN FUNDS		1,125,981	(191,209)	934,772
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD		21,628,936	220,215	21,849,151
TOTAL FUNDS CARRIED FORWARD	19	22,754,917	29,006	22,783,923

TRUSTEES AND ADVISERS

PATRON	Clive Richards CBE KSG DL (until April 2021)
TRUSTEES AND DIRECTORS	Neil Holbrook (Chairman) Ruth Goddard Dr Susan Owen John Parker Dr Janet Ropner Dr Valerie Udale Prof Gordon Wilcock Michael Yeates (resigned 04/06/2020)
CHIEF EXECUTIVE OFFICER	Peter J Sharpe
COMPANY SECRETARY	Malcolm J MacKeith
MEDICAL DIRECTOR	Prof Iain Lyburn
PRESIDENT	Howard Crooks
REGISTERED AND PRINCIPAL OFFICE	Linton House Clinic Thirlestaine Road, Cheltenham, Gloucestershire GL53 7AS
INDEPENDENT AUDITOR	Crowe U.K. LLP 4th Floor, St. James House, St. James' Square, Cheltenham GL50 3PR
BANKERS	National Westminster Bank Plc 21 Eastgate Street, Gloucester GL1 2NH Lloyds Bank PLC Montpellier Cheltenham, Business Centre PO Box 1000 BX1 1LT Nationwide Building Society Kings Park Road Moulton Park Northampton NN3 6NW
SOLICITORS	Willans LLP 28 Imperial Square Cheltenham Gloucestershire GL50 1RH

Cobalt Health was incorporated in England and Wales (registered no. 04366596) and has no share capital. Cobalt Health is registered as a Charity with the Charity Commission England and Wales (registered no.1090790).



In Memory of Cobalt Patron, Clive Richards CBE KSG DL 1937 – 2021

It was with great sadness, in April 2021, that we learned of the death of Clive Richards at the age of 83. Clive was Cobalt's Patron and together with his wife Sylvia, a dedicated supporter of Cobalt.

Clive grew up in Birmingham and had a successful career in the City of London. He was a philanthropist and with his wife, Sylvia founded The Clive and Sylvia Richards Charity in 1986 of which he was Chairman. The focus of the Charity is to support education, healthcare, heritage, arts, religious institutions and overseas education. In 2000 Clive was awarded the OBE for charitable services and in the New Year's Honours List in 2020 was awarded a Commander of the British Empire for services to Charity and to the community in Herefordshire.

The Clive and Sylvia Richards Charity first supported Cobalt in 2013 with a campaign to fund digital breast screening equipment for the Hereford County Hospital and went on to generously donate towards many research and diagnostic scanning projects, including the ITM Imaging Centre at the Queen Elizabeth Hospital in Birmingham. In recent years the Charity also generously supported lung cancer screening programmes in Manchester, Hull, Newcastle and Gateshead. Clive lived his life to the absolute fullest and through his work his legacy lives on. He will be greatly missed.

GLOSSARY OF TERMS

CT

Computerised Tomography uses X-ray and a computer to generate detailed images of the inside of the body. A CT scanner consists of a X-ray tube that rotates around the body (in less than a second) and a series of detectors which collect the information from the X-rays; a computer then builds an image from the information received.

PET/CT

Positron Emission Tomography/Computerised Tomography, is a combination of two imaging technologies. A PET scan measures important body functions, such as blood flow, oxygen use and sugar (glucose) metabolism, to help doctors evaluate how well organs and tissues are functioning. Cancer cells, for example, use glucose differently to normal cells and for that reason look different on the pictures produced by the scan, this therefore enables doctors to diagnose and monitor cancer. The CT scan provides structural information of the body and by combining PET and CT this creates both a functional and structural image.

MRI

Magnetic Resonance Imaging is a non-invasive medical test that helps doctors diagnose and treat medical conditions. The MRI scanner uses a powerful magnetic field, radio frequency pulses and a computer to produce detailed pictures of organs, soft tissues and virtually all other internal body structures. Detailed MR images allow doctors to better evaluate various parts of the body and determine the presence of certain diseases that may not be assessed adequately with other imaging methods, such as X-ray.

Tesla

Tesla is the measurement of the magnetic field strength of an MRI magnet. In general terms a more powerful magnet can produce a more detailed image. The majority of the hospitals in the UK have a 1.5 Tesla scanner. Cobalt introduced one of the first 3.0 Tesla clinical service in the UK and currently operates the only mobile 3.0 Tesla service in Europe. 1 Tesla is equivalent to 20,000 times the Earth's magnetic field



www.cobalthhealth.co.uk

Charity REGISTRATION NUMBER: 1090790

COMPANY NUMBER: 04366596

Cobalt Health trading as Cobalt



Cobalt

Medical Charity

Diagnosis • Research • Education