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- PRINT ON ONE SIDE ONLY

FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

ROYAL COLLEGE OF MIDWIVES

Year ended:

31 DECEMBER 2015

List no:

503T

Head or Main Office:

15 MANSFIELD STREET
LONDON
W1G 9NH

Website address (if available)

www.rcm.org.uk

Has the address changed during
the
year to which the return relates?

Yes



No



(Click the appropriate box)

General Secretary:

Professor Cathy Warwick

Telephone Number:

0300 303 0444

Contact name for queries
regarding

Chris Truman

Telephone Number:

0300 303 0444

E-mail:

Chris.Truman@rcm.org.uk

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

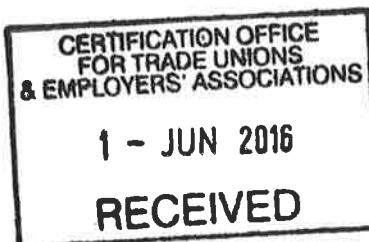
The address to which returns and other documents should be sent are:

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



(Revised February 2011)



The Royal College of
Midwives

General Information – 31 December 2015

The Royal College of Midwives Trust (the Trust) is a company registered in England under company number 1345335. The Company is registered as a charity in England and Wales (charity registration number 275261) and in Scotland (charity registration number SC039694).

The Trust's registered office is at 15 Mansfield Street, London W1G 9NH.

The trustees and those who acted during the year are as follows:

Dr Patricia Gillen (Chair) (Until 31st August 2015)

Barbara Kuypers

Helene Marshall

Marie McDonald (Until 31st August 2015)

Lynne Pacanowski

Professor Jane Sandall (Deputy Chair)

Vanessa Shand

Anna Shasha (Until 31st August 2015)

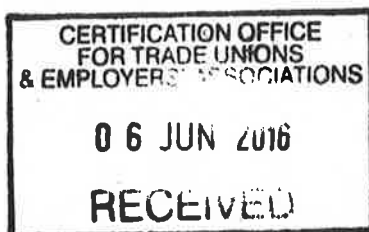
Dr Susan Way (Appointed Chair on 29th September 2015)

Natalie Linder (Appointed on 1st September 2015)

Sheena Byrom (Appointed on 1st September 2015)

Amanda Burleigh (Appointed on 1st September 2015)

Julie Richards (Appointed on 1st September 2015)



RETURN OF MEMBERS

(see notes 10 and 11)

	NUMBER OF MEMBERS AT THE END OF THE YEAR				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	144	3	0	0	147
FEMALE	42,390	1,614	29	230	44,263
TRANSGENDER	2	-	-	-	2
BLANK	1,376	32	-	5	1,413
TOTAL	43,912	1,649	29	235	A 45,825

Number of members included in totals box 'A' above for whom no home or authorised address is held:

→	<div style="border: 1px solid black; width: 100%; height: 20px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; width: 100%; height: 20px; text-align: center; margin-bottom: 5px;">45,825</div>
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Number of members at end of year contributing to the General Fund

OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
RCM Board Member	Dr Patricia Gillen (Chair) (Until 31 st August 2015)	Amanda Burleigh	1 st September 2015
RCM Board Member	Marie McDonald (Until 31 st August 2015)	Sheena Byrom	1 st September 2015
RCM Board Member	Anna Shasha (Until 31 st August 2015)	Natalie Linder	1 st September 2015
RCM Board Member		Julie Richards	1 st September 2015

State whether the union is:

a. A branch of another trade union?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

If yes, state the name of that other union:

b. A federation of trade unions?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		8,147,430
From Members: Other income from members (specify)		
	-	
	-	
	-	
Total other income from members		-
Total of all income from members		8,147,430
Investment income (as at page 12)		-
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	642,589	
Total of other income (as at page 4)		642,589
		TOTAL INCOME
		8,790,019
EXPENDITURE		
Benefits to members (as at page 5)		1,971,642
Administrative expenses (as at page 10)		5,821,793
Federation and other bodies (specify)		
RCM Branches	71,232	
Total expenditure Federation and other bodies		71,232
Taxation		-
		TOTAL EXPENDITURE
		7,864,667
Surplus (deficit) for year		925,352
Losses on investments		(25,996)
Amount of general fund at beginning of year		4,020,291
Amount of general fund at end of year		4,919,647

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
Income from the RCM branches	16,504	
Interest Received	42	
Membership services	2,436	
Miscellaneous income	53,636	
Magazine/website income	158,225	
Union Learning Fund England	197,121	
Union Learning Fund Scotland	20,951	
Union Learning Fund Wales	32,088	
RCM Twinning Project	30,708	
Momentum Project – Uganda	29,269	
Other projects	38,578	
Conferences and events	63,031	
TOTAL OTHER INCOME		642,589
TOTAL OF ALL OTHER INCOME		642,589

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues Legal	260,879	brought forward Education and Training services	751,407
Representation – Non Employment Related Issues Magazine and website	490,528	Negotiated Discount Services	
Communications			
Advisory Services		Salary Costs Dedicated officers	796,235
Dispute Benefits		Other Benefits and Grants (specify) Members professional indemnity insurance	424,000
Other Cash Payments			
carried forward	751,407	Total (should agree with figure in General Fund)	1,971,642

(See notes 24 and 25)

FUND 2		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 3		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 4		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 5		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 6		Fund Account		
Name:		£	£	
Income	From members			
	Investment income (as at page 12)			
	Other income (specify)			
	Total other income as specified			
	Total Income			
Expenditure	Benefits to members			
	Administrative expenses and other expenditure (as at page 10)			
		Total Expenditure		
		Surplus (Deficit) for the year		
		Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)			
	Number of members contributing at end of year			

FUND 7		Fund Account		
Name:		£	£	
Income	From members			
	Investment income (as at page 12)			
	Other income (specify)			
	Total other income as specified			
	Total Income			
Expenditure	Benefits to members			
	Administrative expenses and other expenditure (as at page 10)			
		Total Expenditure		
		Surplus (Deficit) for the year		
		Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)			
	Number of members contributing at end of year			

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund		
		£	£	
Income	Members contributions and levies			
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income		
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount of political fund at beginning of year	
			Amount of political fund at the end of year (as Balance Sheet)	
			Number of members at end of year contributing to the political fund	
			Number of members at end of the year not contributing to the political fund	
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund				

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union		
		£	£	
Income	Contributions and levies collected from members on behalf of central political fund			
	Funds received back from central political fund			
	Other income (specify)			
		Total other income as specified		
		Total income		
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount held on behalf of trade union political fund at beginning of year	
			Amount remitted to central political fund	
			Amount held on behalf of central political fund at end of year	
			Number of members at end of year contributing to the political fund	
			Number of members at end of the year not contributing to the political fund	
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund				

ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

	£
Administrative Expenses	
Remuneration and expenses of staff	3,841,458
Salaries and Wages included in above	£3,568,685
Auditors' fees	41,666
Legal and Professional fees	25,140
Occupancy costs	198,954
Stationery, printing, postage, telephone, etc.	278,586
Expenses of Executive Committee (Head Office)	-
Expenses of conferences/events	167,030
Other administrative expenses (specify)	
Insurance	47,759
Press and Publicity	79,296
Data Processing	188,977
Catering	13,122
Bank Charges	12,489
Affiliations	13,480
Affiliation TUC	40,920
General Expenditure	46,943
Marketing including renewals	201,787
Training Courses	50,206
Subs and donations	63,412
Staff Recruitment	24,339
Other Outgoings	
Interest payable:	
Bank loans (including overdrafts)	-
Mortgages	-
Other loans	-
Depreciation	41,033
Taxation	-
Outgoings on land and buildings (specify)	-

Other outgoings (specify)		
Projects (Union Learning)		38,652
Training members , staff, officials		145,011
RCM Education		138,058
RCM Twinning Project		30,713
Uganda Momentum Project		25,369
Other projects		52,587
RCM Pay Campaign		14,806
	Total	5,821,793
Charged to:	General Fund (Page 3)	5,821,793
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Total	5,821,793

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contribution s £	Other Benefits		
				Description	Value £	
Professor Cathy Warwick	120,321	14,327	24,305	-	-	158,953
RCM Board Members and president did not receive salary or benefits, only refund of expenditure incurred	-	-	-	-	-	-

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
		Total investment income	
		Credited to:	
		General Fund (Page 3)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	
		Total Investment Income	

BALANCE SHEET as at 31.12.2015

(see notes 47 to 50)

Previous Year		£	£
1,149,119	Fixed Assets (at page 14)		1,112,834
-	Investments (as per analysis on page 15)		
	Quoted (Market value £)		2,675,227
	Unquoted		5,000
1,149,119	Total Investments		2,680,227
	Other Assets		
	Loans to other trade unions		
2,708,634	Sundry debtors		368,023
766,050	Cash at bank and in hand		1,456,453
	Income tax to be recovered		
2,656	Stocks of goods		
	Others (specify)		
	Total of other assets		1,824,476
4,626,459	TOTAL ASSETS		5,617,537
	Fund (Account)		
	Fund (Account)		
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
606,168	Sundry creditors		697,890
	Accrued expenses		
	Provisions		
	Other liabilities		
	TOTAL LIABILITIES		697,890
4,020,291	TOTAL ASSETS		4,919,647

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
Cost or Valuation						
At start of year	1,620,925		346,138	-	-	1,967,063
Additions	-		9,307	-	-	9,307
Disposals	-		(12,672)	-	-	(12,672)
Revaluation/Transfer s	-	-	-	-	-	-
At end of year	1,620,925		342,773	-	-	1,963,698
Accumulated Depreciation						
At start of year	498,402		319,542	-	-	817,944
Charges for year	27,392		18,200	-	-	45,592
Disposals	-		(12,672)	-	-	(12,672)
Revaluation/Transfer s	-	-	-	-	-	-
At end of year	525,794		325,070	-	-	850,864
Net book value at end of year	1,095,131	0	17,703	-	-	1,112,834
Net book value at end of previous year	1,122,523		26,596			1,149,119

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
United Kingdom	781,198	
Europe ex. UK	283,215	
North America	542,618	
Asia ex. Japan	193,440	
Emerging Markets	179,870	
Bonds		
United Kingdom	293,956	
Emerging Markets	163,855	
Other quoted securities (to be specified)		
Property	145,980	
Private Equity	70,015	
Commodities	21,080	
TOTAL QUOTED (as Balance Sheet)	2,675,227	
Market Value of Quoted Investment	2,675,227	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
BR Plus	5,000	
TOTAL UNQUOTED (as Balance Sheet)	5,000	
Market Value of Unquoted Investments	5,000	

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input checked="" type="checkbox"/>	NO <input checked="" type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	8,147,430	-	8,147,430
From Investments	-	-	-
Other Income (including increases by revaluation of assets)	642,589	-	642,589
Total Income	8,790,019	-	8,790,019
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	7,890,663	-	7,890,663
Funds at beginning of year (including reserves)	4,020,291	-	4,020,291
Funds at end of year (including reserves)	4,919,647	-	4,919,647
ASSETS			
Fixed Assets			1,112,834
Investment Assets			2,680,227
Other Assets			1,824,476
		Total Assets	5,617,537
LIABILITIES			
		Total Liabilities	697,890
NET ASSETS (Total Assets less Total Liabilities)			4,919,647

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

All notes to the accounts must be entered on or attached to this part of the return.

A large, empty rectangular box with a black border, intended for the user to enter their notes to the accounts. The box occupies most of the page below the instructions.

The Royal College of Midwives

Notes to the Accounts for the year ended 31 December 2015

1. STATUS OF THE COMPANY

The RCM is a company limited by guarantee and does not have share capital. The members' liabilities in the case of both organisations are limited to £1, and there were 45,825 members as at the 31 December 2015. The RCM is registered as a trade union.

2. ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the Companies Act 2006, the historical cost accounting rules, modified by the revaluation of listed investments, and in accordance with the amended FRS 102 which has been applied for the first time in the preparation of these financial statements and prior to its compulsory adopting date of 1 January 2016.

Having reviewed the financial position the RCM Board has a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

b) Basis of consolidation

The consolidated accounts incorporate the accounts of the RCM and its subsidiary. The Royal College of Midwives, at 31 December 2015. The Royal College of Midwives (a company limited by guarantee which is not charity) is a corporate member of the Trust and appoints all the trustees. The accounts of the subsidiary also include 'The Benevolent Fund of the Royal College of Midwives', which is a subsidiary charity of the Trust, and the RCM Trust Trading Company Limited, a subsidiary company of the Trust in which the Trust holds the sole share.

g) Tangible fixed assets

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation of fixed assets is charged in equal annual instalments commencing with the year of acquisition, at rates estimated to write off their cost or valuation less any residual value over their expected useful lives, which are as follows:

Freehold building	50 years
Leasehold property	Over period of lease
Furniture and office equipment	5 years
Computer software	3 years

d) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow-moving items.

e) Investments

Investments are stated at mid-market value at the balance sheet date. Gains are calculated based on the difference between the closing market value or sales proceeds and the purchase price or opening market value.

f) Leasing

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

g) Pension contributions

The RCM runs a defined benefit scheme for its members. The amounts charged to the Income and Expenditure Account are the current service costs and are included as part of staff costs. Past service costs and other finance costs have been recognised in the Income and Expenditure Account. Actuarial gains and losses are recognised in the Statement of Other Comprehensive Income.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date. The actuarial assumptions used represent an area of significant estimation uncertainty. The resulting defined pension scheme asset or liability is shown separately on the face of the balance sheet.

h) Income

Membership subscriptions, commercial partnership income and other contracts for services are recognised during the year in which the service is provided taking into account the stage of completion at the end of the year. Investment, interest and similar income are credited to the Income and Expenditure Account as they are earned. Donations are recognised in the year they are received. Legacies are recognised during the year in which executors approve a distribution.

i) Expenditure

Expenditure is accounted for on the accrual basis and includes any unrecoverable elements of VAT.

j) Financial instruments

The RCM only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

k) Critical accounting judgements and key sources of estimation uncertainty

In the application of the RCM's accounting policies, which are described in note 2, Directors are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The RCM recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 14. In the view of the directors, no other assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

3. BRANCH RETURNS

51 branches of the RCM have not submitted accounts to Headquarters for the year ended 31 December 2015. The omission of these branches does not materially affect these accounts, accordingly the balance sheet includes only the latest known cash balances in respect of these branches. 40 branches which have not submitted accounts bank with Unity Trust Bank, the same bank RCM HQ uses, therefore it was possible to verify their cash balances.

The income and expenditure account includes:

- a) the income and expenditure of Headquarters
- b) the income and expenditure of 117 (2014: 112) Branches
- c) amounts received at Headquarters from the branches that have not submitted accounts.

The total cash at bank and in hand shown in the Group balance sheet of £3,556,112 (2014: £2,874,377) includes £361,901 (2014: £356,975) held by branches.

4. INCOME

	2015	2014
	£	£
Membership subscriptions	8,147,430	7,886,092
Conference income	63,507	47,885
Income raised by branches/country offices	16,504	19,944
Donations and legacies	29,855	7,352
Commercial partnership income	289,143	366,658
Project income	453,363	572,832
Other income	26,289	-
Journal/website income	158,225	162,202
Consultancy/accreditation	17,766	10,688
	9,202,082	9,073,653

5. STAFF COSTS AND NUMBERS

	2015	2014
	£	£
Wages and salaries	3,660,503	3,572,824
Social security costs	329,012	317,676
Pension costs	767,416	385,209
	4,756,931	4,275,709

Full time equivalent employed at 31.12.2016	No.	No.
Professional	75	74

The salary cost for the key management personnel during the year was £546,622 (2014: £547,245). The figure is inclusive of pension benefits, no other employee benefits were paid. There were two redundancy payments in the year (2014: two).

6. INTEREST RECEIVABLE

	2015	2014
	£	£
Bank and building society interest	10,868	10,879

7. SURPLUS ON ORDINARY ACTIVITIES

	2015	2014
This is stated after charging	£	£
Auditors' remuneration		
– audit	26,000	26,000
– other services – taxation	12,987	33,538
Operating lease rentals		
– plant and machinery	30,610	39,629
– land and buildings	32,705	24,000
Depreciation	45,592	43,987

8. REMUNERATION OF MEMBERS OF THE RCM BOARD

No member of the RCM Board received any remuneration from the RCM (2014: £Nil) except for reimbursement of their traveling expenses total £12,997 (2014: £20,923).

9. RESULTS FOR THE FINANCIAL PERIOD

In accordance with the exemptions allowed by Section 408 of the Companies Act 2006, the RCM has not presented its own profit and loss account. The RCM's unconsolidated surplus for the year was £1,346,356 and total turnover was £8,789,744.

10. TANGIBLE FIXED ASSETS

Group and company	Freehold land and buildings	Short leasehold property	Furniture and office equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2015	155,000	1,465,925	346,138	1,967,063
Addition	-	-	9,307	9,307
Disposal	-	-	(12,672)	(12,672)
At 31 December 2015	155,000	1,465,925	342,773	1,963,698
Depreciation and amortisation				
At 1 January 2015	42,825	455,577	319,542	817,944
Charge for the year	1,923	25,469	18,200	45,592
Disposal	-	-	(12,672)	(12,672)
At 31 December 2015	44,748	481,046	325,070	850,864
Net book value				
At 31 December 2015	110,252	984,879	17,703	1,112,834
<i>At 31 December 2014</i>	<i>112,175</i>	<i>1,010,348</i>	<i>26,596</i>	<i>1,149,119</i>

At 31 December 2015 there were capital commitments contracted for of £nil (2014: £nil).

11. FIXED ASSET INVESTMENTS

	2015	2014
	£	£
Market value at start of period	3,686,807	3,511,928
Additions	3,632,055	490,000
Disposals	(3,885,980)	(379,280)
Gains/(Losses)	(75,482)	64,159
Market value at 31 December	3,357,400	3,686,807
Historical cost at 31 December	3,334,533	2,775,257

Investments are held in a mixture of unit trusts managed by Schroders. All investments are held within the Group. None are held within the Company only.

12. DEBTORS

	Group 2015	Group 2014	RCM 2015	RCM 2014
	£	£	£	£
Amounts due from RCM	-	-	19,005	2,334,802
Other debtors	198,946	291,840	198,946	249,841
Prepayments	150,072	123,991	150,072	123,991
	349,018	415,831	368,023	2,708,634

13. CREDITORS: amounts falling due within one year

	Group 2015	Group 2014	RCM 2015	RCM 2014
	£	£	£	£
Amounts due to RCM	-	-	81,511	-
Subscriptions in advance	10,268	3,516	10,268	3,516
Trade creditors	225,733	279,164	188,817	252,533
Other taxation and social security	93,909	93,020	93,909	93,020
Accruals	246,168	248,464	225,350	219,893
Deferred income	274,204	307,451	98,035	37,206
	850,282	931,615	697,890	606,168

14. PENSIONS

The RCM operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 March 2013 and updated to 31 December 2015 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The most recent actuarial valuation showed a deficit of £4,880,000. The RCM has agreed with the trustees that it will aim to eliminate the deficit over a period of 6 years 10 months from 1 September 2014 by the payment of contribution of £166,000 per annum, payable in equal monthly instalments, plus 4.1% of pensionable remuneration each year is to be paid in respect of the deficit. In addition and in accordance with the schedule of contributions, the RCM has agreed with the trustees that it will pay 16.1% of pensionable remuneration in respect of the cost of accruing benefits, death in service benefits and expenses and in addition will meet levies to the Pension Protection Fund. Member contribution are payable in addition at the rate of 7% of pensionable remuneration.

Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)

	31 December 2015 £'000s	31 August 2014 £'000s
Fair value of plan assets	25,295	24,697
Present value of defined benefit obligation liabilities	(25,436)	(25,285)
Surplus (deficit) in plan	(141)	(588)
Defined benefit liability	(141)	(588)

Reconciliation of opening and closing balances of the defined benefit obligation

	31 December 2015	<i>31 December 2014</i>
	£'000s	<i>£'000s</i>
Defined benefit obligation at start of period	25,282	23,385
Current service cost	389	320
Expenses	107	58
Interest expense	885	1,072
Contributions by plan participants	209	187
Actuarial losses (gains)	(769)	993
Benefits paid and expenses	(941)	(730)
Losses (gains) due to benefit changes	271	-
Defined benefit obligation at end of period	25,436	25,285

Reconciliation of opening and closing balances of the fair value of plan assets

	31 December 2015	<i>31 December 2014</i>
	£'000s	<i>£'000s</i>
Fair value of plan assets at start of period	24,697	20,245
Interest income	865	934
Actuarial gains (losses)	(321)	3,353
Contributions by RCM	786	708
Contributions by plan participants	209	187
Benefits paid and expenses	(941)	(730)
Fair value of plan assets at end of period	25,295	24,697

The actual return on the plan assets over the period ending 31 December 2015 was £ 544,000 (2014: £4,287,000).

Defined benefit costs recognised in profit and loss account

	31 December 2015	<i>31 December 2014</i>
	£'000s	<i>£'000s</i>
Current service cost	389	320
Expenses	107	58
Net Interest cost	20	138
Losses (gains) due to benefit change	271	-
Defined benefit costs recognised in profit and loss account	787	516

Defined benefit costs recognised in other comprehensive income

	31 December 2015 £'000s	31 December 2014 £'000s
Return on plan assets (excluding amounts included in net interest cost – gain (loss))		
Amount: gain	(321)	3,353
Experience gains and (losses) arising on the plan liabilities:		
Amount: gain	(165)	97
Effects of changes in the demographic and financial assumptions underlying the present value of the plan liabilities:		
Amount: gain (loss)	934	(1,090)
Total amount recognised in other comprehensive income – gain (loss)	448	2,360

Assets

	31 December 2015 £'000s	31 December 2014 £'000s
UK Equities	6,887	5,965
Overseas Equities	6,887	5,964
Corporate Bonds	3,017	2,888
Property	2,217	1,972
Cash	39	23
LDI	6,249	7,885
Total assets	25,295	24,697

None of the fair values of the assets shown above include any direct investments in the RCM's own financial instruments or any property occupied by, or other assets used by, the RCM.

Assumptions

	31 December 2015 % per annum	31 December 2014 % per annum
Rate of discount	3.80	3.50
Inflation (RPI)	3.15	3.10
Inflation (CPI)	2.15	2.10
Salary Growth	3.15	3.10
	3.00	3.00
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.15	3.10

Allowance for commutation of pension for cash at retirement

90% of members commute
25% of their pension

90% of members commute
25% of their pension

The mortality assumptions adopted at 31 December 2015 imply the following life expectancies:

Male retiring in 2015	22.3
Female retiring in 2015	24.6
Male retiring in 2035	24.1
Female retiring in 2035	26.

The best estimate of contributions to be paid by the employer for the period commencing 1 January 2016 is £ 788,000 (2015: £786,000).

15. MOVEMENT ON RESERVES

	1 January 2015	Movement in the period	Gains realised	revaluation	At 31 December 2015
	£	£	£	£	£
Specific Funds					
Revaluation reserve	879,627	-	-	-	879,627
Headquarters Specific Fund	105,245	1,825	(268)	172	106,974
Headquarters Benevolent Fund	541,534	(16,337)	(4,558)	(2,894)	517,745
Total specific funds	1,526,406	(14,5120)	(4,826)	(2,722)	1,504,346
General Funds					
General Funds – HQ	5,323,363	404,338	25,312	(93,246)	5,659,767
General Funds – Branches	347,406	13,563	-	-	360,969
	5,670,769	417,901	25,312	(93,246)	6,020,736
Total specific and general	7,197,175	403,389	20,486	(95,968)	7,525,082
Pension fund reserve	(588,055)	(1,000)	-	448,000	(141,055)
Total funds	6,609,120	402,389	20,486	352,032	7,384,027

16. FINANCIAL COMMITMENTS

At 31 December 2015 the group and company had the following annual commitments under non-cancellable operating leases expiring as follows:

	Land and building		Furniture and equipment	
	2015	2014	2015	2014
	£	£	£	£
In less than two years	-	-	26,876	22,185
Within two to five years	32,705	24,000	3,734	17,444
In more than five years	-	-	-	-
	32,705	24,000	30,610	39,629

17. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Operating surplus	327,795	157,259
Depreciation	45,592	43,987
Decrease in stocks	2,656	407
(Increase) / decrease in debtors	66,813	(34,962)
Increase in creditors	(81,333)	18,990
Charitable grants paid	(19,593)	(32,618)
Pension current costs	496,000	378,000
Contribution by employer	(786,000)	(708,000)
Pension loss due to the benefit change	(271,000)	-
Net cash (outflow) / inflow from operating activities	322,930	(176,937)

18. ANALYSIS OF BANK BALANCES AND CHANGES IN THE YEAR

	2014	Change in year	2015
	£	£	£
Cash at bank and in hand	2,874,377	681,735	3,556,112

19. SUBSIDIARY UNDERTAKINGS

The Royal College of Midwives is the ultimate parent entity of the RCM Group. At 31 December 2015 The Royal College of Midwives Trust and the RCM Trust Trading Company Limited formed part of the consolidated financial statements. The Royal College of Midwives Trust is controlled by the same Board as the RCM and The Royal College of Midwives Trust holds 100% of the share capital of RCM Trust Trading Company Limited. Both subsidiaries are registered in the UK and have the same registered office as the Royal College of Midwives.

2. ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the Companies Act 2006, the historical cost accounting rules, modified by the revaluation of listed investments, and in accordance with the amended FRS 102 which has been applied for the first time in the preparation of these financial statements and prior to its compulsory adopting date of 1 January 2016.

Having reviewed the financial position the RCM Board has a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

b) Basis of consolidation

The consolidated accounts incorporate the accounts of the RCM and its subsidiary. The Royal College of Midwives, at 31 December 2015. The Royal College of Midwives (a company limited by guarantee which is not charity) is a corporate member of the Trust and appoints all the trustees. The accounts of the subsidiary also include 'The Benevolent Fund of the Royal College of Midwives', which is a subsidiary charity of the Trust, and the RCM Trust Trading Company Limited, a subsidiary company of the Trust in which the Trust holds the sole share.

c) Tangible fixed assets

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation of fixed assets is charged in equal annual instalments commencing with the year of acquisition, at rates estimated to write off their cost or valuation less any residual value over their expected useful lives, which are as follows:

Freehold building	50 years
Leasehold property	Over period of lease
Furniture and office equipment	5 years
Computer software	3 years

d) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow-moving items.

e) Investments

Investments are stated at mid-market value at the balance sheet date. Gains are calculated based on the difference between the closing market value or sales proceeds and the purchase price or opening market value.

f) Leasing

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

g) Pension contributions

The RCM runs a defined benefit scheme for its members. The amounts charged to the Income and Expenditure Account are the current service costs and are included as part of staff costs. Past service costs and other finance costs have been recognised in the Income and Expenditure Account. Actuarial gains and losses are recognised in the Statement of Other Comprehensive Income.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date. The actuarial assumptions used represent an area of significant estimation uncertainty. The resulting defined pension scheme asset or liability is shown separately on the face of the balance sheet.

h) Income

Membership subscriptions, commercial partnership income and other contracts for services are recognised during the year in which the service is provided taking into account the stage of completion at the end of the year. Investment, interest and similar income are credited to the Income and Expenditure Account as they are earned. Donations are recognised in the year they are received. Legacies are recognised during the year in which executors approve a distribution.

i) Expenditure

Expenditure is accounted for on the accrual basis and includes any unrecoverable elements of VAT.

j) Financial instruments

The RCM only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

k) Critical accounting judgements and key sources of estimation uncertainty

In the application of the RCM's accounting policies, which are described in note 2, Directors are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The RCM recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 14. In the view of the directors, no other assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

ACCOUNTING POLICIES

(see notes 74 and 75)

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>Cathy Warwick</u> Name: <u>CATHY WARWICK</u> Date: <u>25.5.2016</u>	Chairman's Signature: <u>[Signature]</u> (or other official whose position should be stated) Name: <u>CHRIS TRUMAN</u> Date: <u>26.05.2016</u>
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CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES/NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
(See section 36(3) of the 1992 Act, set out in note 83)

YES/NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
(See section 36(4) of the 1992 Act set out in rule 83)

YES/NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 85)

AUDITOR'S REPORT (continued)

see attached.

Signature(s) of auditor or auditors:	Gene Clark Whitehill CP	
Name(s):	Gene Clark Whitehill CP	
Profession(s) or Calling(s):	Registered Accountant	
Address(es):	10 Salisbury Square London EC4Y 8EM	
Date:	31.5.16	
Contact name and telephone number:	0207 842 7100	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL COLLEGE OF MIDWIVES

We have audited the financial statements of the Royal College of Midwives for the year ended 31 December 2015 which comprise the income and expenditure, balance sheet and related notes included within the AR21 as set out on pages 4 to 21 of the AR21. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the College's members, as a body. Our audit work has been undertaken so that we might state to the College'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 College and the College's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Officers and Auditors for the Financial Statements

The Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 require the officers of the College to keep proper accounting records which give a true and fair view of the state of affairs of the College and explain its transactions; establish and maintain a satisfactory system of control of the accounting records, cash holdings and all the receipts and remittances; prepare an annual return for the Certification Officer giving a true and fair view of the revenue account and balance sheet and provide members of the College with a statement of income and expenditure for the year. We have been appointed as auditor under section 33 of the Trade Union and Labour Relations (Consolidation) Act 1992 and report in accordance with Section 36 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the officers; and the overall presentation of the financial statements.

We read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Royal College of Midwives affairs as at 31 December 2014 and of its transactions 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 Trade Union and Labour Relations Act 1992.

Matters on which we report by exception

We have nothing to report in respect of the following matters where the Trade Unions and Labour Relations Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept;
- a satisfactory systems of control over its accounting records, cash holdings and receipts and remittances has not been maintained; or
- the financial statements are not in agreement with the accounting records or returns.

Crowe Clark Whitehill LLP

London