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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

Royal College of Nursing

Year ended:

31 December 2017

List no:

528T

Head or Main Office:

20 Cavendish Square
London
W1G 0RN

Website address (if available)

www.rcn.org.uk

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

Yes

No

(Click the appropriate box)

General Secretary:

Janet Davies

Telephone Number:

+442076473963

Contact name for queries regarding

Marika Ruddick

Telephone Number:

+442076473509

E-mail:

Marika.ruddick@rcn.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: 0330 109 3602

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
Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

For Unions based in Scotland:

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



(Revised November 2017)

OFFICERS IN POST 1/1/2017 – 31/12/2017

RCN Council 2017 (31 members)

Michael Brown – Chair of RCN Council (Scotland)
Lorrae Allford – Vice Chair of RCN Council (South West)

Cecilia Anim – President
Professor Rod Thomson FRCN – Deputy President

Carol Evans - Eastern
Trevor Allen - Eastern

Gill Cort – East Midlands
David Miller – East Midlands

Gordon Lees - Northern
Trevor Peel – Northern

Siobhan Donald – Northern Ireland
Fiona Devlin – Northern Ireland

Dave Dawes – North West – Honorary Treasurer
Janet Marsden FRCN – North West

Cynthia Davies – London
Matthew Hodson MBE - London

Elsbeth Caithness – Scotland

Maria Trewern – South East
Sylvia Simmons – South East

Vicky Brotherton – South West

Gaynor Jones – Wales
Richard Jones MBE –Wales

Tracey Budding – West Midlands
Sue Warner – West Midlands

Carol Popplestone – Yorkshire & Humber
Anne Kennedy – Yorkshire & Humber

David Cardwell – Health Practitioner
Brian Murphy – Health Practitioner

Charlotte Hall – Student member
Kathryn Davies – Student member (until 15 June)

Stuart McKenzie – Chair of Congress (non-voting)

RCN Executive team

Janet Davies FRCN, Chief Executive & General Secretary

Dame Donna Kinnair, Director of Nursing Policy and Practice

Tim Golbourn, Director of Finance and Business Enablement

Chris Cox, Director of Member Relations

David Cooper, Director of Organisational Capability and Change

Theresa Fyffe, Director RCN Scotland

Tom Sandford FRCN, Director RCN England

Janice Smyth, Director RCN Northern Ireland

Tina Donnelly CBE, Director RCN Wales

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	44,776	1,012	58	87	45,933
FEMALE	394,012	13,138	420	639	408,209
TOTAL	438,788	14,150	478	726	A 454,142

Number of members at end of year contributing to the General Fund

453,758

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

6,993

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 person's 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
RCN Council Member (Student Member)	Kathryn Davies		15/6/17

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£'000	£'000
INCOME		
From Members: Contributions and Subscriptions		50,169
From Members: Other income from members (specify)		
 Total other income from members		0
Total of all income from members		50,169
Investment income (as at page 12)		654
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	2,647	
Total of other income (as at page 4)		2,647
		TOTAL INCOME
		53,470
EXPENDITURE		
Benefits to members (as at page 5)		29,624
Administrative expenses (as at page 10)		17,978
Federation and other bodies (specify)		
 Total expenditure Federation and other bodies		
Taxation		
		TOTAL EXPENDITURE
		47,602
		Surplus (deficit) for year
		5,868
		Amount of general fund at beginning of year
		32,979
		Amount of general fund at end of year
		38,847

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£'000	£'000
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
Conference Income	581	
Room Hire and Catering Income	420	
Commission Income	168	
Grant Income	238	
Sponsorship Income	346	
Management Fee Income	379	
Other Income	515	
TOTAL OTHER INCOME		2,647
TOTAL OF ALL OTHER INCOME		2,647

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£'000		£'000
Representation – Employment Related Issues	26,084	brought forward	28,360
		Education and Training services	1,264
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications	26	Salary Costs	
Advisory Services	2,250	Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
carried forward	28,360	Total (should agree with figure in General Fund)	29,624

(See notes 24 and 25)

FUND 2		Fund Account	
Name:		£'000	£'000
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:		£'000	£'000
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:		£'000	£'000
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:		£'000	£'000
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:		£'000	£'000
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:		£'000	£'000
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	
		£'000	£'000
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	
		£'000	£'000
Income	Contributions and levies collected from members on behalf of central political		
	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		£'000
Remuneration and expenses of staff		7,579
Salaries and Wages included in above	6,954	
Auditors' fees		78
Legal and Professional fees		1,150
Occupancy costs		5,464
Stationery, printing, postage, telephone, etc.		784
Expenses of Executive Committee (Head Office)		1,705
Expenses of conferences		429
Other administrative expenses (specify)		
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Public Relations & Marketing		789
	Total	17,978
Charged to:	General Fund (Page 3)	17,978
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Total	17,978

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits		Total £
			Pension Contributions £	Other Benefits Description Value £	
General Secretary (Trade Union element)	111,400	12,688	13,082		137,170

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £'000	Other Fund(s) £'000
Rent from land and buildings		
Dividends (gross) from:		
Equities (e.g. shares)		436
Interest (gross) from:		
Government securities (Gilts)		217
Mortgages		
Local Authority Bonds		
Bank and Building Societies		1
Other investment income (specify)		
		654
	Total investment income	654
	Credited to:	
	General Fund (Page 3)	654
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Political Fund	
	Total Investment Income	654

BALANCE SHEET as at 31 December 2017

(see notes 47 to 50)

Previous Year		£'000	£'000
	Fixed Assets (at page 14)		
	Investments (as per analysis on page 15)		
31,164	Quoted (Market value as BS)	28,965	
	Unquoted		
31,164	Total Investments		28,965
	Other Assets		
	Loans to other trade unions		
1,327	Sundry debtors	16,266	
10,970	Cash at bank and in hand	3,568	
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
12,297	Total of other assets		19,834
	TOTAL ASSETS		48,799
	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		
(104)	Bank overdraft		(31)
	Tax payable		
(2,426)	Sundry creditors		(2,423)
(3,363)	Accrued expenses		(3,397)
(4,589)	Provisions		(4,101)
	Other liabilities		
(10,482)	TOTAL LIABILITIES		(9,952)
32,979	TOTAL ASSETS		38,847

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £'000	Motor Vehicles £'000	Not used for union business £'000	Total £'000
	Freehold £'000	Leasehold £'000				
Cost or Valuation						
At start of year	Trade	Union	has no	Fixed	assets	
Additions						
Disposals						
Revaluation/Transfer s						
At end of year						
Accumulated Depreciation						
At start of year						
Charges for year						
Disposals						
Revaluation/Transfer s						
At end of year						
Net book value at end of year						
Net book value at end of previous year						

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £'000	Political Fund £'000
Equities (e.g. Shares)		
UK Equities	1,704	
Global Equities	13,588	
Government Securities (Gilts)		
Fixed Interest	8,854	
Other quoted securities (to be specified)		
Property Funds	270	
Alternative Assets	4,084	
Liquid Assets	465	
TOTAL QUOTED (as Balance Sheet)	28,965	
Market Value of Quoted Investment	28,965	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)		
Market Value of Unquoted Investments		

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 type="checkbox"/>	NO <input 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 £'000	Political Funds £'000	Total Funds £'000
INCOME			
From Members	50,169		50,169
From Investments	654		654
Other Income (including increases by revaluation of assets)	2,647		2,647
Total Income	53,470		53,470
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	47,602		47,602
Funds at beginning of year (including reserves)	32,979		32,979
Funds at end of year (including reserves)	38,847		38,847
ASSETS			
Fixed Assets			Nil
Investment Assets			28,965
Other Assets			19,834
		Total Assets	48,799
LIABILITIES			
		Total Liabilities	(9,952)
NET ASSETS (Total Assets less Total Liabilities)			38,847

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.

Please see statutory accounts in the attached Annual Report

ACCOUNTING POLICIES


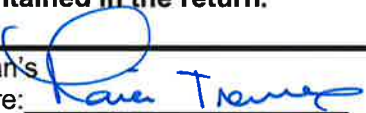
(see notes 74 and 75)

Please see statutory accounts in the attached Annual Report

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>JANET DAVIES</u> Date: _____	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>MARIA TREUEREN</u> Date: _____
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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 checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input checked="" type="checkbox"/>	TO FOLLOW	<input 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"/>
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)	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)

See attached combined annual report and consolidated financial statements for the Royal College of Nursing Group for the year ending 31 December 2017.

See attached combined annual report and consolidated financial statements for the Royal College of Nursing Group for the year ending 31 December 2017.

AUDITOR'S REPORT (section one)

The above responses merely reference matters set out in our attached independent auditor's report to The Royal College of Nursing of the United Kingdom on the financial statements of The Royal College of Nursing of the United Kingdom for the year ended 31 December 2017 dated 4 April 2018 (the "annual financial statements auditors' report"). This report is not a substitute for reading the annual financial statements auditors' report and the financial statements to which it relates. We have not performed any additional procedures in giving this report except for agreeing the amounts and disclosure in the return are accurately extracted from the attached financial statements.

The above responses and the financial statements auditors' report, including the opinion, are made solely to the College's members, as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992 and section 17 of the Royal College of Nursing Royal Charter. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and 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 opinions we have formed.

Signature(s) of auditor or auditors:	<u>See attached audit opinion</u>	
Name(s):	Reza Motazedi	
Profession(s) or Calling(s):	Chartered Accountant	
Address(es):	Deloitte LLP 2 New Street Square London EC4A 3BZ United Kingdom	
Date:	6/4/18	
Contact name and telephone number:	Reza Motazedi 020 7007 7646	

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

Membership Audit Certificate to be inserted here

MEMBERSHIP AUDIT CERTIFICATE
made in accordance with section 24ZD of the
Trade Union and Labour Relations (Consolidation) Act 1992
(See notes 100 to 106)

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

YES

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21.

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21.

MEMBERSHIP AUDIT CERTIFICATE
SECTION ONE

For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer

1. In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

YES

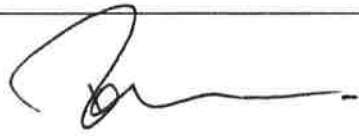
2. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

YES

If the answer to either questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.

MEMBERSHIP AUDIT CERTIFICATE (continued)

Signature of assurer	
Name	Ian Robinson
Address	Electoral Reform Services Ltd The Election Centre 33 Clarendon Road London N8 0NW
Date	22 nd February 2018
Contact name and telephone number	Ian Robinson, Director and Head of Quality Control 020 8365 8909

Independent auditor's report to the members of the Royal College of Nursing of the United Kingdom

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the College's affairs as at 31 December 2017 and of the Group's and College's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 and Section 25 of the Royal College of Nursing Standing Orders.

We have audited the financial statements of the Royal College of Nursing which comprise:

- the Group and College Statement of Comprehensive Income
- the Group and College Statement of Changes in Equity
- the Group and College Statement of Financial Position
- the Group Statement of Cash Flows; and
- the related notes 1 to 24.

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).

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 Group and the College 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

We are required by ISAs (UK) to report in respect of the following matters where:

- the Council members' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Council members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters

Other information

The Council members are responsible for the other information. 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.

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

We have nothing to report in respect of these matters.

Responsibilities of Council Members

As explained more fully in the Statement of Council members' responsibilities, the Council members 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 Council members determine is necessary to enable them

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council members are responsible for assessing the Group's and the College'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 Council members either intend to liquidate the Group or the College 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.

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.

Use of our report

This report is made solely to the College's members, as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992 and Section 17 of the Royal College of Nursing Royal Charter. Our audit work has been undertaken so that we might state to the 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 opinions we have formed.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Trade Union and Labour Relations (Consolidation) Act 1992 we are required to report in respect of the following matters if, in our opinion:

- proper accounting records have not been kept with respect to the College's transactions and its assets and liabilities; or
- the College has not established and maintained a satisfactory system of control over its accounting records, cash holdings and all receipts and remittances; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Reza Motazed (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
Date: 5 April 2018

A black and white photograph of two women sitting at a table, looking at a document together. The woman on the left has curly hair and is smiling. The woman on the right has straight hair and is also smiling. A coffee cup is on the table between them. The background shows a window with a view of a building.

Financial statements

Statement of comprehensive income for the year ended 31 December 2017

	Note	RCN UK 31 December 2017 £'000	RCN UK 31 December 2016 £'000	RCN Group 31 December 2017 £'000	RCN Group 31 December 2016 £'000
Income					
Membership income	3	73,854	73,440	73,854	73,440
Trading income		–	–	12,879	14,243
Other income	3	3,897	4,150	3,456	4,157
Total income		77,751	77,590	90,189	91,840
Expenditure					
Staff costs	8	43,558	44,336	49,556	50,242
Premises and estate costs		9,186	9,063	9,603	9,471
Travel and accommodation		2,811	2,812	2,830	2,827
Other service delivery costs		14,522	11,565	21,595	19,575
Total expenditure	9	70,077	67,776	83,584	82,115
Operating surplus		7,674	9,814	6,605	9,725
Investment income	4	1,415	1,398	2,434	2,399
Net realised gains on investments	11	2,568	1,402	3,635	1,965
Dividends received from subsidiary	5.1.b	450	356	–	–
Foreign exchange gains/(losses) on investments		661	(3,138)	801	(3,831)
Surplus before taxation	2	12,768	9,832	13,475	10,258
Taxation	7	–	–	(79)	(67)
Surplus after taxation		12,768	9,832	13,396	10,191
Actuarial (losses)/gains on defined pension scheme	15.2	(938)	23,949	(938)	23,949
Revaluation reserve adjustment	19	(63)	(63)	(63)	(63)
Net unrealised gains on fixed asset investment	11	1,893	5,721	3,244	7,919
Net unrealised gains/(losses) on joint venture		–	–	51	(35)
Total comprehensive income for the period		13,660	39,439	15,690	41,961
Reserves brought forward		71,760	32,321	107,737	65,776
Reserves carried forward		85,420	71,760	123,427	107,737

All the above results derive from continuing operations. There is no difference between the surplus before tax for the periods stated above and the historical cost equivalent.

Notes on pages 31 to 55 form part of these financial statements.

Statement of changes in equity for the year ended 31 December 2017 | RCN UK

	Revaluation reserve £'000	Accumulated funds £'000	Pension reserve £'000	Total funds £'000
Accumulated funds at 1 January 2016 as previously reported	2,181	70,507	(40,367)	32,321
Surplus in period	–	7,999	1,833	9,832
Other comprehensive income	(63)	5,721	23,949	29,607
Accumulated funds at 31 December 2016	2,118	84,227	(14,585)	71,760
Surplus in period	–	9,409	3,359	12,768
Other comprehensive income	(63)	1,893	(938)	892
Accumulated funds at 31 December 2017	2,055	95,529	(12,164)	85,420

Statement of changes in equity for the year ended 31 December 2017 | RCN Group

	Reserves for charitable purposes £'000	Revaluation reserve £'000	Accumulated funds £'000	Pension reserve £'000	Total funds £'000
Accumulated funds at 1 January 2016 as previously reported	29,228	2,181	74,734	(40,367)	65,776
Surplus in period	153	–	8,205	1,833	10,191
Other comprehensive income	2,198	(63)	5,686	23,949	31,770
Accumulated funds at 31 December 2016	31,579	2,118	88,625	(14,585)	107,737
Surplus in period	765	–	9,272	3,359	13,396
Other comprehensive income	1,351	(63)	1,944	(938)	2,294
Accumulated funds at 31 December 2017	33,695	2,055	99,841	(12,164)	123,427

Statement of financial position as at 31 December 2017

	Note	RCN UK 31 December 2017 £'000	RCN UK 31 December 2016 £'000	RCN Group 31 December 2017 £'000	RCN Group 31 December 2016 £'000
Fixed assets					
Property, plant and equipment	10	20,780	22,903	21,111	23,306
Intangible assets	10.3	–	–	5	8
Long term financial assets	11.1	62,646	57,521	94,962	87,295
Investment in joint venture	5.2	–	–	16	(35)
Total		83,426	80,424	116,094	110,574
Current assets					
Inventory		27	37	27	37
Debtors and prepayments	12	2,128	2,035	3,153	3,045
Short term financial assets	11.2	–	–	1,001	1,000
Short-term deposits	17	21,816	17,735	25,008	22,017
Cash at bank and in hand	17	5,253	92	6,639	1,311
Total		29,224	19,899	35,828	27,410
Creditors – amounts falling due within one year					
Creditors and accrued charges	13.1	(9,111)	(9,133)	(10,299)	(10,712)
Net current assets		20,113	10,766	25,529	16,698
Total assets less current liabilities		103,539	91,190	141,623	127,272
Provisions for liabilities and charges	13.2	(5,955)	(4,845)	(6,032)	(4,950)
Net assets (excluding pension scheme liability)		97,584	86,345	135,591	122,322
Defined benefit pension scheme liability	15.2	(12,164)	(14,585)	(12,164)	(14,585)
Net assets (including pension scheme liability)		85,420	71,760	123,427	107,737
Represented by:					
Revaluation reserve	19	2,055	2,118	2,055	2,118
Accumulated funds	19	95,529	84,227	99,841	88,625
Reserves excluding reserves for charitable purposes and pension liability		97,584	86,345	101,896	90,743
Pension reserve	15.2	(12,164)	(14,585)	(12,164)	(14,585)
Total reserves excluding reserves for charitable purposes		85,420	71,760	89,732	76,158
Reserves for charitable purposes	6.2	–	–	33,695	31,579
Total reserves		85,420	71,760	123,427	107,737

Notes on pages 31 to 55 form part of these financial statements.

The financial statements were approved by Council on 5 April 2018.



Maria Trewern
Chair of Council



David Dawes
Honorary Treasurer



Janet Davies
Chief Executive & General Secretary