Registered number: 00030157

# THE ROYAL COLLEGE OF MIDWIVES

## (A Company Limited by Guarantee)

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2025

SATURDAY
*AFAFLMPD*
A8 12/09/2026 #51
COMPANIES HOUSE

**THE ROYAL COLLEGE OF MIDWIVES**
**(A Company Limited by Guarantee)**

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | Benedicta Obiageri Agbagwara-Osuji<br>Keelie Lorraine Barrett (resigned 20 January 2025)<br>Daren Kim Davies (resigned 1 September 2025)<br>Melissa Davis<br>Cherylene Dougan<br>Sarah Louise Jones (resigned 1 September 2025)<br>Nerys Elaine Kirtley (resigned 1 September 2025)<br>Barbara Christine Kuypers<br>Angharad Oyler<br>Rehana Richens (resigned 1 September 2025)<br>Declan Marius Symington<br>Shani Woodbridge (resigned 11 November 2025)<br>Eileen Bridget Dack (appointed 1 September 2025)<br>Carla Jones-Charles (appointed 1 September 2025)<br>Wanda Janina Warrington (appointed 1 September 2025)<br>Wendy Matthews (appointed 1 September 2025) |
| **Registered number** | 00030157 |
| **Registered office** | 10-18 Union Street<br>London<br>SE1 1SZ |
| **Independent auditors** | Goodman Jones LLP<br>Chartered Accountants & Statutory Auditor<br>1st Floor Arthur Stanley House<br>40-50 Tottenham Street<br>London<br>W1T 4RN |
| **Bankers** | Unity Trust Bank plc<br>PO Box 7193<br>Planetary Road<br>Willenhall<br>WV1 9DG |
| **Solicitors** | Thompsons Solicitors<br>Congress House<br>Great Russell Street<br>London<br>WC1H 3LW |

THE ROYAL COLLEGE OF MIDWIVES
(A Company Limited by Guarantee)

CONTENTS


| | Page |
|---|---|
| Group Strategic Report | 1 - 13 |
| Directors' Responsibilities Statement | 14 |
| Independent Auditors' Report | 15 - 17 |
| Consolidated Statement of Comprehensive Income | 18 |
| Consolidated Balance Sheet | 19 - 20 |
| Company Balance Sheet | 21 - 22 |
| Consolidated Statement of Cash Flows | 23 |
| Consolidated Analysis of Net Debt | 24 |
| Notes to the Financial Statements | 25 - 46 |

# GROUP STRATEGIC REPORT
# FOR THE YEAR ENDED 31 DECEMBER 2025

## Introduction

The Royal College of Midwives is the professional association and trade union for midwives and maternity support workers (MSW) in the UK. Membership is discretionary and we work with our members to support them to be the best midwife or MSW they can be. We do this through the provision of guidance, support and advice on professional development, as well as representation should they need it.

As the voice of the midwifery community, we use our influence to bring about positive change in maternity care. We do this through our relationships with politicians and policy-makers, those who commission and run services, and those who set professional standards. We are a critical friend to these bodies, ensuring the voices of our members are heard at every level.

0300 303 0444
info@rcm.org.uk

RCM London
10-18 Union Street
London SE1 1SZ

RCM Scotland
37 Frederick Street
Edinburgh EH2 1EP

RCM Northern Ireland
4 College House
Citylink Business Park
Belfast BT12 4HQ

RCM Wales
Unit 13b Drake Walk
Brigantine Place
Atlantic Wharf
Cardiff CF10 4AN

## DIRECTORS' REPORT

As the members of the Royal College of Midwives (RCM) Board (the directors under company law), we are pleased to present our report for the year ended 31 December 2025. The RCM is governed by the RCM Board.

## PRINCIPAL ACTIVITIES

The RCM is a membership organisation, the objectives of which are to promote and advance the art and science of midwifery, and to promote the effectiveness and protect the interests of its members. The Royal College of Midwives Trust (RCMT) is a subsidiary of the RCM and is registered as a charity to promote and advance the art and science of midwifery and the effectiveness of midwives. RCM Trust Trading Company Limited conducts business and donates its profits to the RCMT. RCM Information Services Limited conducts business and donates its profits to the RCMT.

## THE ROLE OF THE RCM BOARD

The RCM Board is responsible for the overall direction and control of the RCM. This includes ensuring that the RCM is efficient, effective, properly managed, supervised and accountable. The board provides long-term vision, ensures clarity of purpose, and protects the reputation and values of the RCM. It directs and controls its chief executive officer (CEO), Gill Walton, in leading the RCM to the board's vision. The board is the guardian of the RCM's assets and is responsible for ensuring that legal and regulatory requirements are met.

## RCM BOARD MEMBERS

All members of the RCM Board are practicing midwives or maternity support workers who have been elected by members of the RCM. They are non-executive and receive no payment.
Members served for the entire year except where indicated otherwise.

Barbara Kuypers – Chair (stepped down as Chair, September 2025)
Keelie Barrett - Vice chair (stepped down January 2025)
Benedicta Agbagwara-Osuji
Dee Davies (stepped down July 2025) Melissa Davis Vice Chair (stepped down September 2025 and appointed Chair)
Cherylene Dougan
Wanda Warrington (joined September 2025)
Sarah Jones (stepped down September 2025)
Nerys Kirtley (stepped down September 2025)
Angharad Oyler
Yana Richens (stepped down September 2025)
Declan Symington (appointed Vice Chair September 2025)
Shani Woodbridge (stepped down November 2025)
Wendy Matthews (joined September 2025)

## APPOINTMENT OF RCM BOARD MEMBERS

The RCM is a membership organisation whose board members are elected to office by members of the RCM. The board identifies the competencies required, and RCM members offering themselves for election are assessed by an independently chaired panel.

RCM members who are interested in developing the competencies required for board membership can visit our website, www.rcm.org.uk/board. Here, they will find detailed information about the commitment that board membership entails.

## RCM BOARD MEETINGS

The RCM Board met six times during the year, one of which was an induction meeting to introduce incoming members to each other and discuss their roles with the outgoing members. The overall attendance of board members was 78.5%.

## RCM BOARD PERFORMANCE

## RCM BOARD COMMITTEES

Board members serve on committees of the RCM Board. Members served for the entire year except where indicated.

## AUDIT AND RISK COMMITTEE OF THE RCM BOARD

This committee oversees financial reporting; reviews the effectiveness of risk management, internal controls, compliance systems, and internal auditing; selects for appointment internal and external auditors; assesses the performance of the external auditor; develops and implements policy on the engagement of the external auditor to provide non-audit services; and reports to the board, including, where appropriate, making recommendations. The members during the year were:

Tony Scott (stepped down March 2025)
Amna Rehman (officially started March 2025)
Shani Woodbridge (stepped down November 2025)
Keelie Barrett (stepped down January 2025)
Melissa Davis (stepped down September 2025)
Declan Symington (joined June 2025)
Wendy Matthews (joined September 2025)
Bridget Dack (joined September 2025)

The committee held three meetings during the year and the overall attendance of members was 83.3%.

## BOARD MEMBERSHIP, PERFORMANCE AND THE DEVELOPMENT COMMITTEE OF THE RCM BOARD

This committee deals with matters relating to membership of the RCM Board (including succession planning and arrangements for the assessment and election of candidates) and arrangements for evaluating the performance of the RCM Board, its members and its committees. The members during the year were:

Benedicta Agbagwara-Osuji (stepped down September 2025)
Declan Symington (stepped down September 2025)
Cher Dougan
Melissa Davis (Chair from September 2025)
Barbara Kupers (chair until September 2025)
Wanda Warrington (joined September 2025)

The committee held four meetings during the year and the overall attendance of members was 83.3%.

## CEO PERFORMANCE AND THE REMUNERATION COMMITTEE OF THE RCM BOARD

This committee has responsibilities in relation to the performance management of the CEO and the executive team. It also advises the RCM Board on the remuneration and policy for reimbursing the CEO's expenses. The members during the year were:

Dee Davies (chair until stepped down July 2025)
Carla Jones-Charles (Chair joined September 2025)
Shani Woodbridge (stepped down September 2025) Barbara Kuypers
Melissa Davis (joined September 2025)

The committee held four meetings during the year and the overall attendance of members was 83.3%.

## INVESTMENT COMMITTEE

This committee, on behalf of the board, manages the RCM's investments in accordance with the approved investment policy.

Keelie Barrett (chair until stepped down January 2025)
Sarah Jones (stepped down July 2025)
Chris Truman
Angharad Oyler (Chair as of January 2025) Benedicta
Agbagwara-Osuji
Wendy Matthews (joined September 2025)
Cher Dougan (joined September 2025)

The committee held four meetings during the year and the overall attendance of members was 83.3%.

The committee is supported by Ben Seager-Scott, Chief Investment Officer, Mazars, and Jeremy Barker, client director, Cazenove Schroders.

## STATEMENT OF THE RCM BOARD'S RESPONSIBILITIES

The RCM Board members are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the RCM Board to prepare financial statements for each financial year in accordance with the Generally Accepted Accounting Practice (UK Accounting Standards) and applicable law.

Under company law the RCM Board must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the company and of its net profit/loss for that period.

In preparing these financial statements, the RCM Board is required to do the following:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any materialdepartures disclosed and explained in the financial statements
- Prepare the financial statements on the going-concern basis unless it is inappropriate topresume that the company will continue to operate

The RCM Board is responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company, and that are sufficient to enable the board to ensure that the financial statements comply with the Companies Act 2006. The board is also responsible for safeguarding the assets of the company and, hence, for taking reasonable steps to enable the prevention and detection of fraud and other irregularities.

Insofar as each member of the RCM Board at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each RCM Board member has taken all of the steps that they should have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

## AUDITOR

Goodman Jones LLP has indicated its willingness to be reappointed as statutory auditor.

By order of the RCM Board

Melissa Davies Melissa Davis

Chair

Date 11-09-26

## GROUP STRATEGIC REPORT (CONTINUED)
## FOR THE YEAR ENDED 31 DECEMBER 2025

The RCM is one of the oldest midwifery associations in the world, having been established in 1881. It supports midwives, maternity support workers, maternity care assistants and student midwives through the provision of professional guidance and workplace representation. It operates as both a professional body and a trade union, with affiliation to both the International Confederation of Midwives and the Trades Union Congress.

2025 started with the launch of the new RCM strategy for RCM 'By your side, throughout your career'. This was the culmination of six months of engagement with members across the UK about their priorities. Our members told us that these three areas were the most important to them, and our work throughout 2025 has been to develop and deliver on these:

- **Improve your working life**
    - We will represent, negotiate and campaign for fair terms and conditions that mean you are properly valued in your working lives.
    - We will lobby and negotiate for improved workplace cultures to ensure you are respected in your working lives.
    - We will provide evidence-based professional guidance to our members to support you in your working lives.

- **Amplify your voice**
    - We will use the platform we have as a respected professional association to bring about positive change by developing new policy solutions based on your experiences to amplify your voice.
    - We will provide a platform for you to amplify your voice and bring about positive change by influencing local, regional and national decision-makers.
    - We will campaign for greater midwifery representation at executive board level in NHS Trusts and Health Boards and work to increase engagement at all levels within workplaces to accelerate positive change and amplify your voice.

- **Build our midwifery community**
    - We will encourage and support the sharing of ideas within and across RCM branches and networks to build our midwifery community.
    - We will provide platforms and channels for midwives, student midwives, MSWs and MCAs to come together to build our midwifery community.
    - We will work to build an inclusive environment that represents our members and those in their care and ensure that equality, diversity and inclusion are at the heart of every part of the RCM to build our midwifery community.

**Improve your working life**

- The RCM has campaigned hard for meaningful pay change for our members. In September, the RCM took a historic decision to withdraw from the NHS Pay Review Body process for 2026/27, given the lack of progress on NHS pay reform for over a decade, that has had a significant impact on our hardworking members. The RCM has instead pursued direct, meaningful negotiations as the only way to bring about reform. RCM welcomed improvements to the National Minimum Wage, but highlighted that this has only increased the need for structural pay reform.

- Improving the situation for our student members, addressing their needs for support, concerns around student finance and the need for jobs for newly qualified midwives has been an ongoing concern. The RCM used one of its motions at the 2025 TUC Congress to shine a light on the ongoing challenges facing student and newly-qualified midwives. Financial hardship while

studying midwifery, the accrual of significant debt, juggling childcare with clinal placement and the uncertainty of not finding full-time employment upon graduation are among the key challenges. RCM called for the forgiveness of maintenance loans after three years of service in the NHS, specific to the country in which they qualified amongst other goals.

- In August, RCM was successful in securing a 'graduate guarantee' for newly qualified midwives in England. Whilst we recognised the limitations in the funding and temporary nature of this guarantee, it was a really significant step forward in setting a principle that all newly qualified midwives should be able to expect employment as a midwife on completion of their course. In Scotland, an RCM report on student finance and round table with decision makers led to agreement of a Government review of student finance. Practical work to support students has continued, including the student network development of guidance for improving interview experience with the Scotland ECM Network and a commitment obtained from Heads of Midwifery to continue working with them to support this.

- The RCM has campaigned hard to improve the position of maternity support workers/maternity care assistants across the UK. 2025 saw a number of significant achievements for them. In March, changes were secured in England related to banding and securing backpay for members. This has resulted in significant wins for their banding and secured backpay. In November on Maternity Support Workers Day, RCM Cymru celebrated a long-awaited deal bringing pay rises for MSWs in Wales. In Northern Ireland, after a long campaign, it was confirmed HSC midwives and maternity support workers will receive the promised pay rise, fully backdated to April 2025. This comes after RCM continued to pressure the Northern Ireland Executive for action on the 'utterly unfair' and 'completely demoralising' situation where Northern Ireland staff were left without a pay uplift agreed for their colleagues in England and Wales and the broken promise to maintain pay parity with Agenda for Change.

- The RCM has also supported a range of individual midwives, MSWs and student members to improve their working lives. For example, in Auugst, the RCM secured workplace adjustments for a neurodivergent midwife that made a huge difference to her working life. The RCM welcomed the introduction of a free rehabilitation programme to support midwives and MSWs with musculoskeletal disorders. A midwife with RSI secured a £171k personal injury settlement with RCM support. In Wales, after RCM work, workforce directors committed to improving-NHS workforce support for those returning from maternity leave and continuation of breastfeeding.

- Members across the UK have benefited from RCM support and representation. Other wins include a maternity pay overpayment due to Trust admin errors being waived following RCM intervention, alongside £30k of overpayments for other members. RCM intervention assisted a member with their job reevaluation, from a band 7 to a band 8a together with backpay for three years. These changes have made thousands of pounds worth of difference to our members and helped our members achieve fairness in their working life. An RCM steward in Southend's work on payroll and tax advice and support has resulted in money back in members' pockets, demonstrating the importance of local work across the RCM community in supporting members.

- The RCM has produced a range of new guidance to support our members in their practice and called for further change to support high quality care. In May, RCM responded to research from SANDS around how concerns about baby movements during pregnancy are addressed in maternity care, sharing a learning report led by baby loss charity SANDS and King's College London. RCM supported work led by the Royal College of Obstetricians and Gynaecologists on brain injury piloting the Avoiding Brain Injury in Childbirth (ABC) programme, together with The

Healthcare Improvement Studies (THIS) Institute at the University of Cambridge. RCM has undertaken work to support midwives and MSWs with the support of women and families who have experienced birth trauma, and prepared a series of support materials and guidance around Birth Conversations. RCM produced a midwives' guide to migrant charging with Maternity Action to support midwives in their work in this area. The Perinatal mental health roadmap was launched and will guide members both to improve care and campaign for further investment.

**Amplify your voice**

- In July, RCM held a first-of-its-kind summit on maternity and neonatal safety, together with the Royal College of Obstetricians and Gynaecologists (RCOG) as part of its work with the Progress in Partnership group. At the summit, the Health Secretary was asked how he planned to tackle the maternity safety crisis in England. The summit, chaired by Sunday Times Health Editor Shaun Lintern, was aimed at Chief Executives and Chairs of NHS Trusts, Boards, and Integrated Care Boards to support them in addressing the safety crisis facing maternity and neonatal care. During the summit delegates also heard from experts in the field and from teams around the country who presented solutions that are already improving outcomes for women and families. Sir Jeremy Hunt, former Health Secretary and now chair of the All-Party Parliamentary Group (APPG) on Patient Safety gave the closing keynote address.

- Work continued across the year to amplify the voice of members in relation to the workforce crisis facing maternity. This included taking members to meet MPs and tell their story. Media work included highlighting concerning changes in the workforce, with a slowdown in workforce growth in data published n December. RCM highlighted that midwives are 'exhausted, overstretched and burnt out', paving the way for the launch of the 2026 campaign on Safe Staffing.

- Ongoing support for the All Party Parliamentary Group on maternity was provided, encouraging partnership and improvement and providing opportunities for members' voices to be heard in Parliament. At other APPGs, RCM supported members to make their voices heard, including bringing an MSW member to speak movingly about baby loss and bereavement care.

- In Northern Ireland, an event for workplace representatives and branch officers was held in Stormont. Our activists had a tour of Stormont and learned about the history and current structure along with the NI Executive's timetable for business. Members met with the chair and deputy chair of the health committee, Philip Mc Guigan and Danny Donnelly, for a good discussion on working in maternity care. Members' concerns about recording and filming in the workplace were heard, leading to a fresh position statement to support members. It proved a really useful opportunity for our activists to talk to key politicians and get their voices heard.

- RCM continued to amplify the voice of members as part of various reviews in the quality of maternity care. In Wales, the Swansea Bay conference in November highlighted the importance of listening to staff and investing in maternity services. The launch of the independent investigation in England gave the RCM the opportunity to highlight the workforce improvements needed to improve maternity care. It was announced that the RCM would be able to help shape the Government's Maternity and Neonatal Taskforce and secured midwifery representation on this. In Scotland, the Cabinet Secretary for Health & Social Care, Neil Gray, announced the establishment of a new Scottish Maternity & Neonatal Taskforce, following the publication of the Health Improvement Scotland (HIS) report of its inspection of the Royal Infirmary of Edinburgh

and a BBC Disclosure programme. RCM highlighted concerns that the review's scope was limited to hospital based care, and said that years of underinvestment, persistent workforce shortages and the loss of specialist and educator roles have left services increasingly fragile and overstretched. RCM has continued to call for action and investment rather than further delay in the work of reviews across the UK.

- The position of midwifery educators and students and failures of the NMC to protect them andthe public was publicised in November and RCM continues to amplify the voice of our membersin education.

- On perinatal mental health, alongside the launch of the perinatal mental health roadmap, RCMbacked a Parliamentary Bill to push for better mental health care and support for membersdelivering this.

- RCM has continued to amplify members' voices on action against inequality of outcomes forwomen and families using maternity services. A spotlight was put on this by the 2025MBRRACE-UK report, Saving Lives, Improving Mothers' Care, into maternal deaths during andimmediately following pregnancy between 2021 and 2023, which highlighted the disparity andincrease in deaths.

**Build our community**

- One of the major highlights of the year was the 2025 RCM Conference. Among 1182 members,the conference saw the highest ever attendance of maternity support workers. For the first time,RCM hosted workshops, following member feedback, which were really popular to helpmembers stay up to date with current practice and the work of the RCM in amplifying membervoice to decision-makers. Members were delighted to hear from our Patron HRH The PrincessRoyal. For the first time, we had 'silent disco' workshops and regional/national receptions, whichwere available to all members.

- Scotland's Cabinet Secretary for Health, Neil Gray committed to accelerate action on maternityworkforce challenges as he addressed the RCM's SMiLe Conference in November. The SMiLeConference once *again showcased the strength, passion and professionalism across Scotland'smaternity services and how* much stronger we are when we come together and work collectively.The conference also celebrated excellence within the profession through the CelebratingSuccess Awards.

- RCM ran our third year of our popular Syndeo leadership programme with 90 attendees. Thisproduces results – RCM was delighted to hear of midwives successfully gaining promotionsfollowing the skills and learning they gained from the course and the partnerships they built withcolleagues across country. Our leadership offer to members was further strengthened by awebinar with the European Space Centre which provided members an enjoyable insight as partof looking at how their leadership can be taken forward. We continue to hold a series ofwebinars to help members with their ongoing learning and practice, including on the latestdevelopments in the UK's vaccine programme. Professional team support was also provided forthe RCM's leadership programme jointly with Jersey and Guernsey to build membership support in the Channel Islands. A further 290 activists attended courses, strengthening our community and their learning.

- The launch of RCM Cymru at the National Eisteddfod helped build our community of Welsh speaking members.

- For the first time, RCM offered a training day specifically for MSWs and their activists, which was very well received and a step forward in developing our MSW community.

- In September, we launched the RCM Digital Midwives Network across all four countries, which has already played a role in sharing innovations across all of our membership

- Visits from our Patron HRH Princess Royal included a visit to Anuerin Bevan Health Board, providing royal recognition for the RCM Cymru Silver accreditation. This celebrated our work on equality, diversity, and cultural competence in partnership with Diverse Cymru.

**Other key performance indicators**

INVESTMENT POWERS, POLICY AND PERFORMANCE

The RCM has wide investment powers and delegates the management of the investment portfolio of the RCM Board to its fund managers.

The Investment Committee of the RCM Board prepared the investment policy, which was approved by the RCM Board. The policy sets out the investment philosophy and objective, and how this will be achieved. The objective is to maintain and grow the real capital value of the investments over the long term, while providing a suitable level of income to support activities. The long-term objective for the portfolio is to achieve a return by way of income and the capital growth of CPI plus 4% per annum after fees (updated in October 2022). The Board adopted a balanced, medium-risk investment strategy. The portfolio is primarily invested in equities with diversification through exposure to fixed income, property, commodities and absolute return funds. The RCM does not directly invest in companies involved in arms manufacture, tobacco, alcohol, breast milk substitutes or fossil fuels.

The Board reviews the investment portfolio regularly with the fund managers, comparing performance against the benchmark and periodically reviewing the appropriateness of the benchmark. Overall, the investment performance has approximately mirrored the market and the benchmark during the year.

The benchmark comprises the following:

- 20% UK equities, measured by the FTSE All Share Index
- 45% Overseas developed market equities, measured by the MSCI World ex UK Index
- 5% Overseas emerging market equities, measured by the MSCI Emerging Markets Index
- 5% Guilts, measured by the FTSE Gov't All Stocks
- 5% Corporate bonds, measured by BofA non Gilts
- 10% property, measured by the IPD UK Pooled
- 2% commodities, measured by the Rogers Intl Commodity Index
- 6% absolute return, measured by SONIA+2%

2% cash, measured by SONIA

The movement of the RCM's investments during the year is shown in note 11 to the accounts.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The RCM is committed to adopting best practice in identifying, evaluating and cost-effectively controlling risks to ensure they are eliminated or reduced to an acceptable level. Certain risks will always exist and cannot be eliminated, but action can be put in place to minimise the likelihood of that risk occurring and its potential impact.

The RCM is committed to establishing and maintaining a systematic approach to the identifying and managing of risk. Its objectives in doing this are to:

- Ensure that risk management is clearly and consistently integrated and evidenced in theculture of the organisation;
- Manage risk in accordance with best practice;
- Anticipate and respond to changing social, economic, environmental and legislativerequirements;
- Consider compliance with health and safety, insurance and legal requirements as aminimum standard
- Prevent death, injury, damage and losses, and reduce the cost of risk; and
- Inform strategic and operational decisions by identifying risks and their likely impact.

**Principal risks for the RCM are:**

**Impact of ongoing concerns around maternity safety**
The safety of maternity services, both for women and families and the staff that work with them, is an ongoing concern. As one of the leading organisations in maternity care, and the largest professional organisation for midwives and maternity support workers, the RCM has been heavily and actively involved in this area. This has included the preparation and submission of evidence to Select Committee and other inquiries, the reports of which have also included recommendations for RCM action. This undoubtedly has an impact, and creates risk, for the organisation.

**Loss of income from membership and other sources**
Membership subscriptions continue to be the main source of income for the RCM by some way and so any circumstances that put this income under pressure are a significant risk to the organisation. While the RCM firmly believes a sudden loss of members remains unlikely, a sustained fall in membership levels would have a direct impact on the RCM's ability to deliver services to its members.

There is a recognised maternity workforce issue in the UK, predominantly in England, with many midwives speaking of their intention to leave the service. Against this backdrop, 2022 saw the first decline in RCM membership numbers in a decade, a trend which has continued in 2025 though at a significantly reduced rate. We have continued to review what we do and to invest in systems, people and processes to ensure we are as responsive as we can be and are fulfilling the many needs of our members. The RCM is very clear about the need to operate within its means and to focus on working more effectively, more efficiently and in smarter ways and with members at the centre of everything.

**Impact of economic climate on RCM membership and on Maternity Services**
The economic climate is obviously a broad risk but does directly impact on the RCM. RCM membership is a discretionary spend, so any adverse shift in economic conditions may see members terminating their membership because of the financial hardships they are facing.

the RCM continues to engage with its members to ensure it is delivering the products and services they need, we are conscious that the impact of the cost of living crisis may have. The RCM will continue to mitigate for these issues. There is also a broader impact on the ability of the government to fund maternity services and related infrastructure. This in turn reduces the workforces moral and increases the likelihood of members leaving the profession.

## GROUP STRATEGIC REPORT (CONTINUED)
## FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their report and the financial statements for the year ended 31 December 2025.

### Principal activity

The RCM is a membership organisation, the objectives of which are to promote and advance the art and science of midwifery, and to promote the effectiveness and protect the interests of its members. The Royal College of Midwives Trust (RCMT) is a subsidiary of the RCM and is registered as a charity to promote and advance the art and science of midwifery and the effectiveness of midwives. RCM Trust Trading Company Limited conducts business and donates its profits to the RCMT. RCM Information Services Limited conducts business and donates its profits to the RCMT.

### Results and dividends

The loss for the year, after taxation, amounted to £140,080 *(2024 - profit £309,989).*

### Directors

The directors who served during the year were:

Benedicta Obiageri Agbagwara-Osuji
Keelie Lorraine Barrett (resigned 20 January 2025) Daren
Kim Davies (resigned 1 September 2025) Melissa Davis
Cherylene Dougan
Sarah Louise Jones (resigned 1 September 2025) Nerys
Elaine Kirtley (resigned 1 September 2025) Barbara
Christine Kuypers
Angharad Oyler
Rehana Richens (resigned 1 September 2025)
Declan Marius Symington
Shani Woodbridge (resigned 11 November 2025)
Eileen Bridget Dack (appointed 1 September 2025) Carla
Jones-Charles (appointed 1 September 2025) Wanda
Janina Warrington (appointed 1 September 2025) Wendy
Matthews (appointed 1 September 2025)

### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**Auditors**

The auditors, Goodman Jones LLP, will be reappointed in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Melissa Davis

Melissa Davis
Director

Date: 11-09-26

## DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL COLLEGE OF MIDWIVES

### Opinion

We have audited the financial statements of The Royal College of Midwives (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Analysis of Net Debt, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Parent 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 directors with respect to going concern are described in the relevant sections of this report.

### Other information

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL COLLEGE OF MIDWIVES (CONTINUED)

### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

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

### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL COLLEGE OF MIDWIVES (CONTINUED)

### Auditors' 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 Auditors' 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 Group financial statements.

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

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, sector regulations, and UK Tax Legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Auditors' Report.

### Use of our report

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL COLLEGE OF MIDWIVES (CONTINUED)

Martin Bailey

Martin Bailey (Senior Statutory Auditor)
for and on behalf of
**Goodman Jones LLP**
Chartered Accountants
Statutory Auditor
1st Floor Arthur Stanley House
40-50 Tottenham Street
London
W1T 4RN

Date: 11-09-26

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 DECEMBER 2025

| | Note | 2025 £ | *2024 - restated £* |
|---|---|---|---|
| Turnover | | **11,535,394** | *11,300,350* |
| Cost of sales | | **(6,875,926)** | *(6,869,372)* |
| **Gross profit** | | **4,659,468** | *4,430,978* |
| Administrative expenses | | **(5,673,908)** | *(4,912,102)* |
| **Operating loss** | 6 | **(1,014,440)** | *(481,124)* |
| Gains / (losses) on investments | | **598,695** | *630,743* |
| Interest receivable and similar income | 5 | **275,665** | *160,370* |
| **(Loss)/profit before taxation** | | **(140,080)** | *309,989* |
| **(Loss)/profit for the financial year** | | **(140,080)** | *309,989* |
| **Total comprehensive income for the year** | | **(140,080)** | *309,989* |
| **(Loss)/profit for the year attributable to:** | | | |
| Owners of the Parent Company | | **(140,080)** | *309,989* |
| | | **(140,080)** | *309,989* |

There were no recognised gains and losses for 2025 or 2024 other than those included in the consolidated statement of comprehensive income.

The notes on pages 26 to 46 form part of these financial statements.

THE ROYAL COLLEGE OF MIDWIVES
(A Company Limited by Guarantee)
REGISTERED NUMBER:00030157

## CONSOLIDATED BALANCE SHEET
## AS AT 31 DECEMBER 2025

| | Note | | 2025 £ | | *2024 - restated £* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 8 | | **67,885** | | *91,313* |
| Tangible assets | 9 | | **775,077** | | *837,017* |
| Investments | 10 | | **8,338,107** | | *7,624,617* |
| | | | **9,181,069** | | *8,552,947* |
| **Current assets** | | | | | |
| Debtors: amounts falling due within one year | 11 | **512,298** | | *589,919* | |
| Cash at bank and in hand | 12 | **3,305,074** | | *3,965,317* | |
| | | **3,817,372** | | *4,555,237* | |
| Creditors: amounts falling due within one year | 13 | **(1,459,264)** | | *(1,429,176)* | |
| **Net current assets** | | | **2,358,108** | | *3,126,061* |
| **Total assets less current liabilities** | | | **11,539,177** | | *11,679,007* |
| **Provisions for liabilities** | | | | | |
| **Net assets excluding pension asset** | | | **11,539,177** | | *11,679,007* |
| **Net assets** | | | **11,539,177** | | *11,679,007* |
| **Capital and reserves** | | | | | |
| Merger reserve | 14 | | **446,862** | | *427,734* |
| Profit and loss account | 14 | | **11,092,315** | | *11,251,273* |
| **Equity attributable to owners of the Parent Company** | | | **11,539,177** | | *11,679,007* |
| | | | **11,539,177** | | *11,679,007* |

## CONSOLIDATED BALANCE SHEET (CONTINUED)
## AS AT 31 DECEMBER 2025

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Melissa Davis

**Melissa Davis**
Director

Date: 11-09-26

The notes on pages 26 to 46 form part of these financial statements.

THE ROYAL COLLEGE OF MIDWIVES
(A Company Limited by Guarantee)
REGISTERED NUMBER:00030157

## COMPANY BALANCE SHEET
## AS AT 31 DECEMBER 2025

| | Note | | 2025 £ | | 2024 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 8 | | **67,885** | | *91,313* |
| Tangible assets | 9 | | **775,077** | | *837,017* |
| Investments | 10 | | **7,854,675** | | *7,185,606* |
| | | | **8,697,637** | | *8,113,936* |
| **Current assets** | | | | | |
| Debtors: amounts falling due within one year | 11 | **371,175** | | *557,003* | |
| Cash at bank and in hand | 12 | **2,957,837** | | *3,285,794* | |
| | | **3,329,012** | | *3,842,797* | |
| Creditors: amounts falling due within one year | 13 | **(1,496,209)** | | *(1,292,453)* | |
| **Net current assets** | | | **1,832,803** | | *2,550,344* |
| **Total assets less current liabilities** | | | **10,530,440** | | *10,664,280* |
| **Net assets excluding pension asset** | | | **10,530,440** | | *10,664,280* |
| **Net assets** | | | **10,530,440** | | *10,664,280* |
| **Capital and reserves** | | | | | |
| Merger reserve | 14 | | **446,862** | | *427,734* |
| Profit and loss account brought forward | | **10,217,667** | | *9,997,272* | |
| Loss/(profit) for the year | | **(134,089)** | | *239,273* | |
| Profit and loss account carried forward | | | **10,083,578** | | *10,236,545* |
| | | | **10,530,440** | | *10,664,280* |

## COMPANY BALANCE SHEET (CONTINUED)
## AS AT 31 DECEMBER 2025

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Melissa Davis

**Melissa Davis**
Director
Date: 11-09-26

The notes on pages 26 to 46 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 DECEMBER 2025

| | 2025 £ | *2024 - restated £* |
|---|---|---|
| **Cash flows from operating activities** | | |
| (Loss)/profit for the financial year | **(140,080)** | *449,989* |
| **Adjustments for:** | | |
| Amortisation of intangible assets | **23,428** | *36,574* |
| Depreciation of tangible assets | **61,940** | *63,141* |
| Interest received | **(275,665)** | *(160,370)* |
| Decrease/(increase) in debtors | **229,601** | *(276,483)* |
| (Decrease)/increase in creditors | **(128,606)** | *147,247* |
| Movement in investment valuation | **(598,695)** | *(630,743)* |
| **Net cash generated from operating activities** | **(828,077)** | *(370,645)* |
| **Cash flows from investing activities** | | |
| Purchase of intangible fixed assets | **-** | *(74,058)* |
| Purchase of unlisted and other investments | **(1,838,350)** | *(2,100,305)* |
| Sale of unlisted and other investments | **1,730,519** | *2,100,835* |
| Interest received | **275,665** | *160,370* |
| **Net cash from investing activities** | **167,834** | *86,842* |
| **Net (decrease) in cash and cash equivalents** | **(660,243)** | *(283,803)* |
| Cash and cash equivalents at beginning of year | **3,965,317** | *4,249,120* |
| **Cash and cash equivalents at the end of year** | **3,305,074** | *3,965,317* |
| **Cash and cash equivalents at the end of year comprise:** | | |
| Cash at bank and in hand | **3,305,074** | *3,965,317* |
| | **3,305,074** | *3,965,317* |

The notes on pages 26 to 46 form part of these financial statements.

## CONSOLIDATED ANALYSIS OF NET DEBT
## FOR THE YEAR ENDED 31 DECEMBER 2025

| | At 1 January 2025 £ | Cash flows £ | At 31 December 2025 £ |
|---|---|---|---|
| Cash at bank and in hand | 3,965,317 | (660,243) | 3,305,074 |
| Debt due within 1 year | (133,479) | 133,479 | - |
| | 3,831,838 | (526,764) | 3,305,074 |

The notes on pages 26 to 46 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 1. General information

The Royal College of Midwives ("RCM") is a company limited by guarantee, registered in England & Wales under company number 30157, with no share capital. The RCM is registered as a trade union at 15 Mansfield Street, London, W1G 9NH and its registered office address is 10-18 Union Street, London, SE1 1SZ.

The liability of members under the guarantee is limited to £1, and at the balance sheet date there were 48,568 (2024: 48,568) members.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The financial statements have been prepared in Sterling, the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

#### 2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the RCM and its subsidiary, the Royal College of Midwives Trust ("RCMT") whose objects are the promotion of midwifery and promotion of the professional education of midwives..

The RCM is a corporate member of the RCMT and appoints all of the Trustees of RCMT. The financial statements of RCMT also include RCM Trust Trading Company Limited (a wholly-owned subsidiary company of the RCMT that carries out commercial activities to generate funds for RCMT), and RCM Information Services Limited (a wholly-owned subsidiary company of the RCMT that carries out commercial activities to generate funds for RCMT).

RCM has taken advantage of the exemption under Section 408 of the Companies Act 2006 in not presenting its own statement of financial activities in these statements.

## 2. Accounting policies (continued)

### 2.3 Branches

The Consolidated Statement of Comprehensive Income includes:

- Income and expenditure of headquarters;
- Income and expenditure incurred by 173 (2023: 114) branches; and
- Amounts received at headquarters from branches that have not submitted accounts.

At the balance sheet date, the total amount of cash at bank and in hand as shown on the Group Balance Sheet of £3,343,082 (2024: £3,965,317) includes £340,759 (2024: £434,021) held by branches.

### 2.4 Going concern

Having reviewed the financial position and future plans, the RCM Board reasonably expects that the company has adequate resources to continue its activities for the foreseeable future. Accordingly, the Board continues to adopt the going concern basis in preparing the financial statements. Further information is provided in the Strategic Report.

### 2.5 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.

### 2.6 Expenditure

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

All expenditure is inclusive of any irrecoverable VAT.

### 2.7 Operating leases

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

## 2. Accounting policies (continued)

### 2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

| | | | |
|---|---|---|---|
| Computer software and CRM | - | 3 | years |

### 2.9 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:

The estimated useful lives range as follows:

| | | | |
|---|---|---|---|
| Freehold building | - | 50 | years |
| Furniture and office equipment | - | 5 | years |
| *Computer equipment* | - | 3 | years |
| Intangible assess CRM | - | 3 | years |

### 2.10 Valuation of 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.

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.11 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

## 2. Accounting policies (continued)

### 2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.14 Pensions

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 are 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.

### 2.15 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Balance Sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

**Other financial assets**

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less

**2. Accounting policies (continued)**

**2.15 Financial instruments (continued)**

impairment.

**Impairment of financial assets**

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

**Basic financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other creditors, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

## 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates, and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The directors have identified the following significant judgements, estimates, or assumptions:

Defined Benefit Pension Scheme
The RCM recognises its liability to its defined benefit pension scheme, which involves a number of estimations as disclosed in note 16.

## 4. Income

| | 2025 | *2024 - restated* |
|---|---|---|
| | £ | £ |
| Membership subscriptions | **10,531,864** | *10,348,819* |
| Donations and legacies | **16,866** | *20.000* |
| Commercial partnership income | **152,819** | *103,791* |
| Project income | **291,511** | *103,202* |
| Other income | **31,370** | *87,800* |
| MIDIRS | **171,605** | *133,199* |
| Journal/website income | **-** | *99,795* |
| Ovid | **338,999** | *373,050* |
| | **11,535,394** | *11,320,350* |

## 5. Interest receivable

| | 2025 | *2024* |
|---|---|---|
| | £ | £ |
| Other interest receivable | **275,665** | *160,370* |
| | **275,665** | *160,370* |

## 6. Operating loss

The operating loss is stated after charging:

| | 2025 £ | 2024 £ |
|---|---|---|
| Fees payable to company's auditors | **51,540** | *49,000* |
| Other operating lease rentals | **145,000** | *145,000* |
| Depreciation and amortisation | **85,368** | *99,715* |

Fees payable to the company's auditors comprise £40,950 (2024: £39,000) for audit services and £10,500 (2024: £10,000) for non - audit services.

## 7. Employees

Staff costs were as follows:

| | Group 2025 £ | Group 2024 £ | Company 2025 £ | Company 2024 £ |
|---|---|---|---|---|
| Wages and salaries | **5,077,710** | *5,102,716* | **4,807,746** | *4,842,203* |
| Social security costs | **580,586** | *525,389* | **580,586** | *525,389* |
| Cost of defined contribution scheme | **1,217,630** | *1,241,267* | **1,217,630** | *1,241,267* |
| | **6,875,926** | *6,869,372* | **6,605,962** | *6,608,859* |

The average monthly number of employees, including the directors, during the year was as follows:

| | Group 2025 No. | Group 2024 No. | Company 2025 No. | Company 2024 No. |
|---|---|---|---|---|
| Professional | **92** | *94* | *83* | *86* |

The total cost incurred in respect of key management personnel for the year was £671,934 (2024: £700,465), inclusive of pension benefits. No other employee benefits were paid.

In 2022, an additional pension liability of £4,500,000 was accrued against an unrecognised pension asset and was, therefore, not recorded on the balance sheet. There has been no movement in this accrual in either the current or prior years.

## 8. Intangible assets

### Group

| | Computer software £ |
|---|---|
| **Cost** | |
| At 1 January 2025 | **952,689** |
| At 31 December 2025 | **952,689** |
| **Amortisation** | |
| At 1 January 2025 | **861,376** |
| Charge for the year | **23,428** |
| At 31 December 2025 | **884,804** |
| **Net book value** | |
| At 31 December 2025 | **67,885** |
| *At 31 December 2024* | *91,313* |

## 8. Intangible assets (continued)

### Company

| | Computer software £ |
|---|---|
| **Cost** | |
| At 1 January 2025 | **952,689** |
| At 31 December 2025 | **952,689** |
| **Amortisation** | |
| At 1 January 2025 | **861,376** |
| Charge for the year | **23,428** |
| At 31 December 2025 | **884,804** |
| **Net book value** | |
| At 31 December 2025 | **67,885** |
| *At 31 December 2024* | *91,313* |

## 9. Tangible fixed assets

### Group

| | Freehold property £ | Leasehold improvements and equipment £ | Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 January 2025 | **155,000** | **1,173,487** | **1,328,487** |
| At 31 December 2025 | **155,000** | **1,173,487** | **1,328,487** |
| **Depreciation** | | | |
| At 1 January 2025 | **62,051** | **429,419** | **491,470** |
| Charge for the year on owned assets | **1,921** | **60,019** | **61,940** |
| At 31 December 2025 | **63,972** | **489,438** | **553,410** |
| **Net book value** | | | |
| At 31 December 2025 | **91,028** | **684,049** | **775,077** |
| *At 31 December 2024* | *92,949* | *744,068* | *837,017* |

**Company**

| | Freehold property £ | Long-term leasehold property £ | Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 January 2025 | **155,000** | **1,173,487** | **1,328,487** |
| At 31 December 2025 | **155,000** | **1,173,487** | **1,328,487** |
| **Depreciation** | | | |
| At 1 January 2025 | **62,051** | **429,419** | **491,470** |
| Charge for the year on owned assets | **1,921** | **60,019** | **61,940** |
| At 31 December 2025 | **63,972** | **489,438** | **553,410** |
| **Net book value** | | | |
| At 31 December 2025 | **91,028** | **684,049** | **775,077** |
| *At 31 December 2024* | *92,949* | *744,068* | *837,017* |

The net book value of land and buildings may be further analysed as follows:

| | 2025 £ | *2024 £* |
|---|---|---|
| Freehold | **91,028** | *92,949* |
| Long leasehold | **684,049** | *744,068* |
| | **775,077** | *837,017* |

## 10. Fixed asset investments

### Group

| | Listed investments £ | Other fixed asset investments £ | Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 January 2025 | **7,466,527** | **158,090** | **7,624,617** |
| Additions | **1,838,350** | **-** | **1,838,350** |
| Disposals | **(1,814,246)** | **-** | **(1,814,246)** |
| Revaluations | **684,591** | **4,797** | **689,388** |
| At 31 December 2025 | **8,175,222** | **162,887** | **8,338,109** |

### Company

| | Listed investments £ | Other fixed asset investments £ | Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 January 2025 | **7,034,497** | **151,109** | **7,185,606** |
| Additions | **1,744,968** | **-** | **1,744,968** |
| Disposals | **(1,727,473)** | **-** | **(1,727,473)** |
| Revaluations | **645,137** | **6,437** | **651,574** |
| At 31 December 2025 | **7,697,129** | **157,546** | **7,854,675** |

*162,380*
*47,503*
*338,538*

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. Debtors

| | Group 2025 £ | *Group 2024 £* | Company 2025 £ | *Company 2024 £* |
|---|---|---|---|---|
| Trade debtors | **285,051** | *193,478* | **114,687** | *30,100* |
| Amounts owed by group undertakings | | *-* | **69,842** | *194,880* |
| Other debtors | **74,198** | *37,904* | **62,242** | *33,125* |
| Prepayments and accrued income | **153,049** | *358,537* | **124,404** | *298,898* |
| | **512,298** | *589,919* | **371,175** | *557,003* |

### 12. Cash and cash equivalents

| | Group 2025 £ | *Group 2024 £* | Company 2025 £ | *Company 2024 £* |
|---|---|---|---|---|
| Cash at bank and in hand | **3,305,074** | *3,965,317* | **2,957,837** | *3,285,794* |
| | **3,305,074** | *3,965,317* | **2,957,837** | *3,285,794* |

### 13. Creditors: Amounts falling due within one year

| | Group 2025 £ | *Group 2024 £* | Company 2025 £ | *Company 2024 £* |
|---|---|---|---|---|
| Trade creditors | **322,664** | *348,937* | **300,559** | *337,908* |
| Amounts owed to group undertakings | **6,846** | *530* | **323,621** | *162,909* |
| Other taxation and social security | **143,316** | *129,914* | **143,316** | *129,914* |
| Other creditors | **518,125** | *477,376* | **518,125** | *477,906* |
| Accruals and deferred income | **468,313** | *472,418* | **210,588** | *184,347* |
| | **1,459,264** | *1,429,176* | **1,496,209** | *1,292,453* |

## 14. Reserves

### Other reserves

| Reserves | Balance b/fwd at 1 January 2025 £ | Movement in the period £ | Revaluation £ | Balance c/fwd at 31 December 2025 £ |
|---|---|---|---|---|
| **Specific Funds** | | | | |
| Headquarters' specific fund | 142,564 | (888) | 13,245 | 154,921 |
| Headquarters' benevolent fund | 6,283 | - | - | 6,283 |
| **Total Specific Funds** | **148,847** | **(888)** | **13,245** | **161,204** |
| **General Funds** | | | | |
| Headquarters | 6,602,426 | (756,749) | 679,050 | 6,524,727 |
| Branches | 427,734 | (74,488) | | 353,246 |
| **Total General Funds** | **7,030,160** | **(831,237)** | **679,050** | **6,877,973** |
| **Pension Fund Reserve** | **4,500,000** | - | - | **4,500,000** |
| **Total Funds** | **11,679,007** | **(832,125)** | **692,295** | **11,539,177** |

RCM worked with Cavell Nurses Trust ("CNT") since 2018 to improve the efficiency and performance of the Benevolent Fund. CNT administered the fund on behalf of the RCM under a management fee arrangement. In this time, a number of improvements were made to the speed of our service, the amount of support we were able (jointly) to give to midwives and MSWs facing financial hardship and the customer service we were able to deliver. Throughout this process, RCM and CNT worked to a common objective: to increase the number of midwives and MSWs we were able to support.

In 2021 the Executive proposed that RCM Trust should consider transferring the entire Benevolent Fund to CNT to secure its long-term future and its sustainability. The Executive team have used the Charity Commissioner's checklist to work through the strengths, weaknesses, opportunities and threats associated with this proposal. The Executive also explored the legal requirements, reputational risks, and benefits to the RCM and its members. The RCM Trust formally agreed to asset transfer and most of the Benevolent Fund assets were transferred to Cavell Nurses Trust on 23 November 2022. The funds transferred have been ring-fenced for the benefit of midwives, students midwives, and MSWs only. The RCM did not close the Benevolent Fund as a charity and has kept Unity bank accounts with a holding of £1. This is to allow RCM to receive any future donations/ legacies made to the RCM BF.

## 15. Pensions

The RCM operates a defined benefit scheme in the UK. This is a separate trustee-administered fund that holds the pension scheme assets to meet long-term pension liabilities. A full actuarial valuation is being carried out at 31 March 2023 and the preliminary results have been updated to 31 December 2025 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below. Note the surplus in both the current and prior years is not considered a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102. There is a difference between accounting and actuarial valuation.

This most recent actuarial valuation showed a surplus of £751,000. The RCM has agreed with the trustees that it will pay 26.1% of pensionable pay in respect of the cost of accruing benefits, death in service benefits and expenses. In addition, the RCM will pay any levies to the Pension Protection Fund. Member contributions are payable in addition at the rate of 7% of pensionable pay.

The English High Court ruling in Lloyds Banking Group Pension Trustees Limited v Lloyds Bank pie and others was published on 26 October 2018, and held that UK pension schemes with Guaranteed Minimum Pensions (GMPs) accrued from 17 May 1990 must equalise for the different effects of these GMPs between men and women. The case also gave some guidance on related matters, including the methods for equalisation.

The trustees of the scheme will need to obtain legal advice covering the impact of the ruling on this scheme, before deciding with the employer on the method to adopt. An allowance for the additional liabilities as a result of this ruling is included within the defined benefit obligation.

The defined benefit cost for the fiscal year ending on the 31 December 2025 does not include any past service cost arising following a High Court case on 20 November 2022 which ruled that transfers out of the Plan, between 17 May 1990 and 28 October 2018, need to be revisited and equalised for GMP (if applicable), given that the impact of this ruling is assumed to be immaterial to the scheme.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

| | | Plan Name | | The Pension Scheme for the Royal College of Midwives | |
|---|---|---|---|---|---|
| | | Country | | UK | |
| | | | | 000s | 000s |
| | | Financial year ending on | | 31/12/2025 | 31/12/2024 |
| | Currency information | | | | |
| | | Reporting currency | | GBP | GBP |
| | | | | | |
| A. | Change in defined benefit obligation | | | | |
| | 1. | Defined benefit obligation at end of prior year | | 27,464 | 29,095 |
| | 2. | Cost (excluding interest) | | | |
| | | a. Change arising from employee service in reporting period | | 356 | 390 |
| | | b. (Gain) / loss on curtailments / changes / introductions | | - | - |
| | | c. (Gain) / loss on settlements | | - | - |
| | 3. | Interest expense | | 1,463 | 1,378 |
| | 4. | Cash flows | | | |
| | | a. Benefit payments from plan assets | | (1,733) | (1,489) |
| | | b. Benefit payments from employer | | - | - |
| | | c. Settlement payments from plan assets | | - | - |
| | | d. Settlement payments from employer | | - | - |
| | | e. Participant contributions | | 325 | 332 |
| | | f. Administrative expenses included in the DBO | | - | - |
| | | g. Taxes included in the DBO | | - | - |
| | | h. Insurance premiums for risk benefits | | - | - |
| | 5. | Other significant events | | | |
| | | a. additional pension liability | | - | - |
| | | b. Increase (decrease) due to plan combinations | | - | - |
| | 6. | Remeasurements | | | |
| | | a. Effect of changes in assumptions | | (733) | (2,355) |
| | | b. Effect of experience adjustments | | 1,761 | 113 |
| | 7. | Effect of changes in foreign exchange rates | | - | - |
| | 8. | **Defined benefit obligation at end of year** | | **28,903** | **27,464** |
| | | | | | |
| B. | Change in fair value of plan assets | | | | |
| | 1. | Fair value of plan assets at end of prior year | | 34,120 | 35,058 |
| | 2. | Interest income | | 1,860 | 1,677 |
| | 3. | Cash flows | | | |
| | | a. Total employer contributions | | | |
| | | (i) Employer contributions | | 1,215 | 1,240 |

| | | | | | |
|---|---|---|---|---|---|
| | | (ii) Employer direct benefit payments | | - | - |
| | | (iii) Employer direct settlement payments | | - | - |
| | | b. Participant contributions | | 325 | 332 |
| | | c. Benefit payments from plan assets | | (1,733) | (1,489) |
| | | d. Benefit payments from employer | | - | - |
| | | e. Settlement payments from plan assets | | - | - |
| | | f. Settlement payments from employer | | - | - |
| | | g. Administrative expenses paid from plan assets | | (400) | (307) |
| | | h. Taxes paid from plan assets | | - | - |
| | | i. Insurance premiums for risk benefits | | - | - |
| | 4. | Other significant events | | | |
| | | a. Increase (decrease) due to effect of any business combinations / divestitures / transfers | | - | - |
| | | b. Increase (decrease) due to plan combinations | | - | - |
| | 5. | Remeasurements | | | |
| | | a. Return on plan assets (excluding interest income) | | 69 | (2,391) |
| | 6. | Effect of changes in foreign exchange rates | | - | - |
| | 7. | **Fair value of plan assets at end of year** | | **35,456** | **34,120** |
| | | | | | |
| C. | **Change in asset ceiling** | | | | |
| | 1. | Asset ceiling at end of prior year | | 6,656 | 5,963 |
| | 2. | Interest income | | 366 | 286 |
| | 3. | Remeasurements | | | |
| | | a. Changes in asset ceiling (excluding interest income) | | (469) | 407 |
| | 4. | Effect of changes in foreign exchange rates | | - | - |
| | 5. | **Asset ceiling at end of year** | | **6,553** | **6,656** |
| | | | | | |
| D. | **Amounts recognized in the statement of financial position** | | | | |
| | 1. | Defined benefit obligation | | 28,903 | (27,464) |
| | 2. | Fair value of plan assets | | 35,456 | 34,120 |
| | 3. | **Funded status** | | **(6,553)** | **(6,656)** |
| | 4. | Effect of asset ceiling | | 6,553 | 6,656 |
| | 5. | **Net defined benefit liability (asset)** | | - | - |
| | | | | | |
| E. | **Cost relating to defined benefit plans** | | | | |
| | 1. | Cost (excluding interest) | | | |
| | | a. Change arising from employee service in reporting period | | 356 | 390 |
| | | b. Change arising from employee service in reporting period to reimbursement rights | | | |
| | | c. (Gain) / loss on curtailments / changes / introductions | | - | - |
| | | d. (Gain) / loss on settlements | | - | - |

| | | | | | |
|---|---|---|---|---|---|
| | | **e. Total cost** | | 356 | 390 |
| | 2. | Net interest cost | | | |
| | | a. Interest expense on DBO | | 1,463 | 1,378 |
| | | b. Interest (income) on plan assets | | (1,860) | (1,677) |
| | | c. Interest (income) on reimbursement rights | | - | - |
| | | d. Interest expense on effect of (asset ceiling) | | 366 | 286 |
| | | **e. Total net interest cost** | | (31) | (13) |
| | 3. | Remeasurements of Other Long Term Benefits | | - | - |
| | 4. | Administrative expenses and/or taxes (not *reserved within* DBO) | | 400 | 307 |
| | 5. | **Cost relating to defined benefit plans included in P&L** | | 725 | 684 |
| | | | | | |
| E.6 | 6. | Remeasurements (recognized in other comprehensive income) | | - | - |
| | | a. Effect of changes in assumptions | | 733) | (2,355) |
| | | b. Effect of experience adjustments | | 1,761 | 113 |
| | | c. (Return) on plan assets (excluding interest income) | | (69) | 2,391 |
| | | d. (Return) on reimbursement rights (excluding interest income) | | - | - |
| | | e. Changes in asset ceiling (excluding interest income) | | (469) | 407 |
| | | **f. Total remeasurements included in OCI** | | 490 | 556 |
| | | | | | |
| | 7. | **Total cost related to defined benefit plans recognized in P&L and OCI** | | 1,215 | 1,240 |
| | | | | | |
| F. | **Net defined benefit liability (asset) reconciliation** | | | | |
| | 1. | Net defined benefit liability (asset) | | - | - |
| | 2. | *Cost relating to defined benefit plans included in* P&L | | 725 | 684 |
| | 3. | Total remeasurements included in OCI | | 490 | 556 |
| | 4. | Other significant events | | | |
| | | a. Net transfer in/(out) (including the effect of any business combinations/divestitures) | | - | - |
| | | b. Amounts recognized due to plan combinations | | - | - |
| | 5. | Cash flows | | | |
| | | a. Employer contributions | | (1,215) | (1,240) |
| | | b. Employer direct benefit payments | | - | - |
| | | c. Employer direct settlement payments | | - | - |
| | 6. | Credit to reimbursements | | - | - |
| | 6. | Effect of changes in foreign exchange rates | | - | - |
| | 7. | **Net defined benefit liability (asset) as of end of year** | | - | - |
| | | | | | |
| | | | | | |
| | | | | | |

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 DECEMBER 2025

| | | | | | |
|---|---|---|---|---|---|
| **G.** | **Defined benefit obligation** | | | | |
| | 1. | Defined benefit obligation by participant status | | | |
| | | a. Actives | | 8,751 | 6,253 |
| | | b. Vested deferred | | 3,865 | 5,894 |
| | | c. Retirees | | 16,267 | 15,317 |
| | | **d. Total** | | **28,903** | **27,464** |
| | | | | | |
| **H.** | **Plan assets** | | | | |
| | 1. | Fair value of plan assets | | | |
| | | a. Cash and cash equivalents | | 1,514 | 1,564 |
| | | b. Equity instruments | | 7,814 | 7,070 |
| | | c. Debt instruments | | 12,041 | 11,613 |
| | | d. Real estate | | | |
| | | e. Other | | 14,087 | 13,873 |
| | | **f. Total** | | **35,456** | **34,120** |
| | 2. | Amount invested in entity's own financial instruments | | | |
| | | a. Equity instruments | | - | - |
| | | b. Debt instruments | | - | - |
| | | c. Real estate | | - | - |
| | | d. Other | | - | - |
| | | e. Total | | - | - |
| | 3. | Actual return on plan assets | | 1,929 | (714) |
| | | | | | |
| **I.** | **Significant actuarial assumptions** | | | | |
| | *Weighted-average assumptions to determine defined benefit obligation* | | | | |
| | | Discount rate | | 5.60% | 4.80% |
| | | Salary increase rate | | 2.95% | 3.15% |
| | | Price inflation rate (RPI) | | 2.95% | 3.15% |
| | | Price inflation rate (CPI) | | 2.65% | 2.85% |
| | | Post-retirement mortality assumption | | 94% (males) and 96%(females) of the standard tables S3PxA,H Year of Birth, no age rating projected using CMI_2024 converging to 1.25% p.a. | 91% (males) and 94%(females) of the standard tables S3PxA,H Year of Birth, no age rating projected using CMI_2023 converging to 1.25% p.a. |
| | | Assumed life expectancy on retirement at age 65 | | | |
| | | Retiring today (member age 65) | | 20.0 (M) / 23.3 (F) | 19.9 (M) / 23.1 (F) |
| | | Retiring in 20 years (member age 45 today) | | 21.4 (M) / 24.8 (F) | 21.3 (M) / 24.6 (F) |
| | | | | | |

| | | | | |
|---|---|---|---|---|
| | *Weighted-average assumptions to determine cost relating to defined benefit plans* | | | |
| | Discount rate | | 5.50% | 4.80% |
| | Salary increase rate | | 3.15% | 3.15% |
| | Price inflation rate (RPI) | | 3,15% | 3,15% |
| | Price inflation rate (CPI) | | 2.85% | 2.75% |
| | Post-retirement mortality assumption | | 91% (males) and 94% (females) of the standard tables S3PxA, Year of Birth, no age rating projected using CMI_2023 converging to 1.25% p.a. | 91% (males) and 94% (females) of the standard tables S3PxA, Year of Birth, no age rating projected using CMI_2022 converging to 1.25% p.a.. |
| | Assumed life expectancy on retirement at age 65 | | | |
| | Retiring today | | 19.9 (M) / 23.1 (F) | 20.0 (M) / 23.1 (F) |
| | *Retiring in 20 years* | | 21.3 (M) / 24.6 (F) | 21.3 (M) / 24.6 (F) |
| | | | | |
| J. | Sensitivity analysis | | | |
| | *Present value of defined benefit obligation* | | | |
| | Discount rate - 25 basis points | | 30,643 | 29,164 |
| | Discount rate + 25 basis points | | 27,332 | 25,930 |
| | Price inflation rate - 25 basis points | | 28,441 | 26,923 |
| | Price inflation rate + 25 basis points | | 29,588 | 28,154 |
| | Post-retirement mortality assumption - 1 year age rating | | 29,762 | 28,320 |

## 16. Commitments under operating leases

At 31 December 2025 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | **Group 2025** £ | *Group 2024* £ | **Company 2025** £ | *Company 2024* £ |
|---|---|---|---|---|
| Not later than 1 year | **145,000** | *145,000* | **145,000** | *145,000* |
| Later than 1 year and not later than 5 years | **580,000** | *580,000* | **580,000** | *580,000* |
| Later than 5 years | **1,413,750** | *1,558,750* | **1,413,750** | *1,558,750* |
| | **2,138,750** | *2,283,750* | **2,138,750** | *2,283,750* |

## 17. Subsidiary undertakings and related party transactions

The RCM is the ultimate parent entity of the RCM Group, which includes the wholly-owned subsidiaries The Royal College of Midwives Trust, RCM Trust Trading Company Limited, and RCM Information Services Limited. The individual financial statements of all entities are consolidated within these group financial statements as disclosed in note 2.2. All subsidiaries are incorporated and registered in England & Wales, and consolidated financial statements are available from RCM's registered office address (as noted on page 1). The principal activities of the subsidiairies is included in note 2.2.

RCM has taken advantage of the exemptions available under FRS102 paragraph 33.1A not to disclosure transactions and balances with wholly-owned group members.

## 18. Prior year adjustment

The financial statements of the Company's subsidiary, The Royal College of Midwives Trust, have restated its comparative figures to reflect donation income that was received in the current year but should have been recognised in the previous year. The impact of this adjustment is that unrestricted income and unrestricted reserves carried forward in the prior year have increased by £20,000.