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# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

BAKERS, FOOD & ALLIED WORKERS

Year ended:

31<sup>ST</sup> DECEMBER 2014

List no:

55T

Head or Main Office:

STANBOROUGH HOUSE  
GREAT NORTH ROAD  
STANBOROUGH  
WELWYN GARDEN CITY  
HERTFORDSHIRE AL8 7TA

Website address (if available)

[www.bfawu.org](http://www.bfawu.org)

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

Yes	<input type="checkbox"/>
-----	--------------------------

No	<input checked="" type="checkbox"/>
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*(Click the appropriate box)*

General Secretary:

RONNIE DRAPER

Telephone Number:

01707 260150

Contact name for queries  
regarding

ADRIAN STEWART

Telephone Number:

01707 260150

E-mail:

[info@bfawu.org](mailto:info@bfawu.org)

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

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

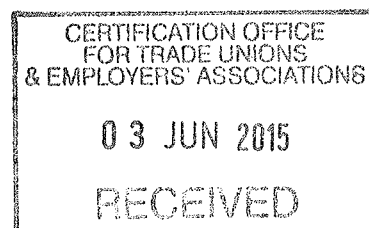
The address to which returns and other documents should be sent are:

For Unions based in England and Wales:

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

For Unions based in Scotland:

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



*(Revised February 2011)*

**BAKERS, FOOD & ALLIED WORKERS' UNION  
OFFICIALS AT 31<sup>ST</sup> DECEMBER 2014**

<b>Name</b>	<b>Position</b>	<b>Location</b>
Mr R Draper	General Secretary	-
Mr I Hodson	National President	-
Ms Sarah Wooley	Executive Council member	Female Rep
Ms Apryl Walcott- Chow	Executive Council member	Youth Rep
Ms Mandy Ambrose	Executive Council member	Region 1
Mr Vincent Payne	Executive Council member	Region 1
Mr J Newman	Executive Council member	Region 2
Mr J Moore	Executive Council member	Region 2
Ms J Barnwell	Executive Council member	Region 3
Mr Lucasz Bemka	Executive Council member	Region 3
Mr Paul McGarry	Executive Council member	Region 3
Mr J Fox	Executive Council member	Region 4
Mrs J Owens	Executive Council member	Region 4
Mr J Fitzpatrick	Executive Council member	Region 4
Ms P McCarthy	Executive Council member	Region 5
Mr J Knapper	Executive Council member	Region 5
Ms L Dinning	Executive Council member	Region 5
Mr M McHugh	Executive Council member	Region 5
Mr D Byrne	Executive Council member	Region 6
Mr John Halliday	Executive Council member	Region 7

# 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					
FEMALE					
<b>TOTAL</b>	19,134	710	385		A <del>20,229</del> 20,299

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

0
19,844

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

## OFFICERS IN POST

(see note 12)

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

## RETURN OF CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
EC Member Female Rep	Ms H England	Ms Sarah Wooley	June 2014
EC Member Youth Rep	Ms R Mullen	Ms Apryl Walcott-Chow	June 2014
EC Member Region 1	Mr N Grazette	Ms Mandy Ambrose	June 2014
EC Member Region 1	Mr C John	Mr Vincent Payne	June 2014
EC Member Region 3	Mr G Purewal	Mr Lucasz Bemka	June 2014
EC Member Region 3	Mr R Wainwright	Mr Paul McGarry	June 2014
EC Member Region 7	Mr N Mullen	Mr John Halliday	June 2014

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)

	£	£
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		2,692,396
<b>From Members:</b> Other income from members (specify)		
<b>Total other income from members</b>		
<b>Total of all income from members</b>		2,692,396
<b>Investment income (as at page 12)</b>		2,040
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	572,276	
<b>Total of other income (as at page 4)</b>		572,276
	<b>TOTAL INCOME</b>	<b>3,266,712</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		173,055
<b>Administrative expenses (as at page 10)</b>		2,544,581
<b>Federation and other bodies (specify)</b>		
IUF, UITA, IUL and EFFATT	31,940	
GFTU	18,118	
TUC	54,477	
Sundry affiliations	5,466	
Irish Union	47,434	
<b>Total expenditure Federation and other bodies</b>		157,435
<b>Taxation</b>		
	<b>TOTAL EXPENDITURE</b>	<b>2,875,071</b>
Surplus (deficit) for year		391,641
Amount of general fund at beginning of year		846,337
Amount of general fund at end of year		1,237,978

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
Political Fund administration charge	20,000	
Sundry commissions	788	
VAT recoveries	50,813	
CCFA receipts	174,740	
Fee sharing with solicitors	17,180	
Profit on disposal of investments	127,405	
Legal Income	181,350	
<b>TOTAL OTHER INCOME</b>		<b>572,276</b>
<b>TOTAL OF ALL OTHER INCOME</b>		<b>572,276</b>

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues	78,453	<b>brought forward</b>	55,640
		Education and Training services	
		Shop steward and other courses	34,918
		Health and safety education	34,713
Representation – Non Employment Related Issues	(54,244)	Negotiated Discount Services	
Communications			
Foodworker	31,431	Salary Costs	
Advisory Services			
		Other Benefits and Grants (specify)	
		Funeral grants	3,600
Dispute Benefits		Sundry grants	2,912
		Free card grants	2,400
		Sickness benefits	38,872
Other Cash Payments			
<b>carried forward</b>	55,640	<b>Total (should agree with figure in General Fund)</b>	173,055

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	BENEVOLENT FUND	£	£
<b>Income</b>			
	From members		6,168
	Investment income (as at page 12)		-
	Other income (specify)		-
		<b>Total other income as specified</b>	
		<b>Total Income</b>	
<b>Expenditure</b>			
	Benefits to members		
	Benevolent grants		2,777
	Conference guests		1,040
	Administrative expenses and other expenditure (as at page 10)		869
		<b>Total Expenditure</b>	4,686
		<b>Surplus (Deficit) for the year</b>	1,482
		<b>Amount of fund at beginning of year</b>	18,555
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	20,037
		<b>Number of members contributing at end of year</b>	5,213

FUND 3		Fund Account	
Name:	SOCIAL FUND	£	£
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Donations	576	
	Sundry income	150	
		<b>Total other income as specified</b>	726
		<b>Total Income</b>	726
<b>Expenditure</b>			
	Benefits to members		100
	Administrative expenses and other expenditure (as at page 10)		702
		<b>Total Expenditure</b>	802
		<b>Surplus (Deficit) for the year</b>	(76)
		<b>Amount of fund at beginning of year</b>	1,953
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	1,877
		<b>Number of members contributing at end of year</b>	0







(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>	
		<b>£</b>	<b>£</b>
<b>Income</b>	Members contributions and levies		80,360
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total income		80,360
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Contributions to Labour parties, election funds etc.		25,820
	Administration expenses in connection with political objects (specify)		
	Conference Expenses		8,089
	Publications		6,045
	Collections, commissions etc		6,400
	Ballot		17,179
	Sundry expenses		42,565
	Non-political expenditure		
	Total expenditure		106,098
	Surplus (deficit) for year		(25,738)
	Amount of political fund at beginning of year		28,444
	Amount of political fund at the end of year (as Balance Sheet)		2,706
	Number of members at end of year contributing to the political fund		19,134
	Number of members at end of the year not contributing to the political fund		1,095
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		0

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>	
		<b>£</b>	<b>£</b>
<b>Income</b>	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
	Total other income as specified		
	Total income		
<b>Expenditure</b>	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)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		1,287,421
Salaries and Wages included in above	£981,826	
Movement in Defined Benefit Pension liability		693,000
Auditors' fees		44,879
Legal and Professional fees		26,746
Occupancy costs		158,458
Stationery, printing, postage, telephone, etc.		78,156
Expenses of Executive Committee (Head Office)		323,649
Expenses of conferences		68,133
Other administrative expenses (specify)		
Computer expenses		147,442
Branch secretaries expenses		121,102
Collection commission		90,657
Office cleaning and sundries (including Benevolent and Social Fund)		24,016
Promotion		1,403
Professional services		3,025
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		16,341
Depreciation		34,727
Taxation		
Other outgoings (specify)		
VAT on above expenses		119,997
<b>Total</b>		<b>3,239,152</b>
Charged to:		
General Fund (Page 3)		2,544,581
Benevolent Fund (Fund 2)		869
Social Fund (Fund 3)		702
Pension Fund (Fund 4)		693,000
<b>Total</b>		<b>3,239,152</b>

# ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Pension Contributions s £	Benefits		Total £
				Description	Value £	
General Secretary	46,362	5,300	7,834	Car	7,441	67,002
National President	46,362	5,300	7,834	Medical	65	65,604
				Car	6,043	
				Medical	65	
<b>Members of Executive committee:</b>						
N Mullen	174					174
G Purewell	331					331
J Fitzpatrick	164					164

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			2,040
Dividends (gross) from:			
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
		Total investment income	2,040
Credited to:			
		General Fund (Page 3)	2,040
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Political Fund	
		Total Investment Income	2,040

# BALANCE SHEET as at 31/12/2014

(see notes 47 to 50)

Previous Year		£	£
110,480	<b>Fixed Assets</b> (at page 14)		107,695
	<b>Investments</b> (as per analysis on page 15)		
968,165	Quoted (Market value £ 1,171,800)		1,095,570
42,115	Unquoted		42,115
1,120,760	<b>Total Investments</b>		1,245,380
	<b>Other Assets</b>		
	Loans to other trade unions		
442,613	Sundry debtors		631,774
189,815	Cash at bank and in hand		254,848
	Stocks of goods		
185,130	Others (specify): Contributions receivable		131,693
	<b>Total of other assets</b>		
1,938,318	<b>TOTAL ASSETS</b>		2,263,695
846,337	General Fund (Account 1)		1,237,978
18,555	Benevolent Fund (Fund 2)		19,458
1,953	Social Fund (Fund 3)		1,877
(2,779,000)	Pension Fund (Fund 4)		(3,472,000)
28,444	Political Fund (Account 1)		2,706
	Revaluation Reserve		
(1,883,711)	<b>Total Funds</b>		(2,209,981)
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
1,043,029	Sundry creditors		1,001,676
	Accrued expenses		
2,779,000	Provisions – Pension scheme deficit		3,472,000
	Other liabilities		
3,822,029	<b>TOTAL LIABILITIES</b>		4,473,676
1,938,318	<b>TOTAL ASSETS</b>		2,263,695

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
<b>Cost or Valuation</b>						
At start of year	211,611	33,884	411,481	48,637		705,613
Additions			20,944	10,999		31,943
Disposals				(31,718)		(31,718)
Revaluation/Transfers						
At end of year	211,611	33,884	432,425	27,918		705,838
<b>Accumulated Depreciation</b>						
At start of year	126,338	24,562	395,597	48,636		595,133
Charges for year	5,118	848	17,763	1,375		25,104
Disposals				(22,094)		(22,094)
Revaluation/Transfers						
At end of year	131,456	25,410	413,360	27,917		598,143
<b>Net book value at end of year</b>	80,155	8,474	19,065	1		107,695
<b>Net book value at end of previous year</b>	85,273	9,322	15,884	1		110,480

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)		
Government Securities (Gilts)		
Other quoted securities (to be specified)		
City Asset Managed Funds	895,570	
Investec Bank FTSE 100 3 Year deposit plan	200,000	
TOTAL QUOTED (as Balance Sheet)	1,095,570	
Market Value of Quoted Investment	1,171,800	
<b>UNQUOTED</b>		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
ACC Bank Term deposit account	41,815	
Other unquoted investments (to be specified)		
Loans	300	
TOTAL UNQUOTED (as Balance Sheet)	42,115	
Market Value of Unquoted Investments	42,115	



# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		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)		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	2,698,564	80,360	2,778,924
From Investments	2,040		2,040
Other Income (including increases by revaluation of assets)	573,002		573,002
<b>Total Income</b>	3,273,606	80,360	3,353,966
<b>EXPENDITURE</b> (including decreases by revaluation of			
<b>Total Expenditure</b>	3,574,138	106,098	3,680,236
<b>Funds at beginning of year</b> (including reserves)	(1,912,155)	28,444	(1,883,711)
<b>Funds at end of year</b> (including reserves)	(2,212,687)	2,706	(2,209,981)
<b>ASSETS</b>			
	Fixed Assets		107,695
	Investment Assets		1,137,685
	Other Assets		1,018,315
		<b>Total Assets</b>	2,263,695
<b>LIABILITIES</b>		<b>Total Liabilities</b>	(4,473,676)
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			(2,209,981)

# 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.

See attached notes

**1. Accounting policies**

The following accounting policies have been applied consistently in dealing with the items that are considered material in relation to the Union's accounts.

- a) The financial statements have been prepared under the historical cost convention.
- b) Income and Expenditure is accounted for on the accruals basis, provision being made for contributions receivable for the period to 31st December, but not received by the year end and also for other accrued income and expenditure.
- c) Fixed assets are depreciated over their estimated useful life in equal annual instalments:

Freehold property	Fifty years from the date of purchase or valuation
Leasehold property	Forty years
Motor cars	Two years
Office furniture and equipment and computer equipment	Two and a half years
- d) Fixed Assets Investments are valued at the lower of cost and net realisable value.
- e) Pension costs (see note 6)
- f) Operating lease rentals are charged on a straight line basis over the lease term.
- g) Income received under the collective conditional fee agreements (CCFAs) is included in the accounts in full on legal defence and compensation claims settled in the Union's favour. The Union accounts for costs and disbursements as incurred and for refunded disbursements as received. Full provision is made for potential legal costs on continuing cases against income received under the CCFAs where the income exceeds the legal costs incurred under the agreements in accordance with the terms of the agreement.

A review of the reserve will be carried out on a regular basis and a transfer to the Union's general fund will be made where the income received under the CCFAs on a year by year basis is considered to be in excess of any estimated costs (based on the Union's past experience) that might arise on any outstanding legal cases.
- h) Government Grants received are netted off against the direct expenditure incurred on each of the projects. In the case of the Union Learning Fund, a grant has been provided to cover the full cost of the project. In the case of the Union Modernisation Fund the union operates a matched funding approach where 50% of the costs of the project are funded by the union. The cost to the union of this project is shown on the working expenses schedule (Schedule III).
- i) Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the surplus or deficit for the year.
- j) Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities.

**2. Fixed Assets**

All freehold property is stated at cost less depreciation to date.

Movements on fixed assets are disclosed in Schedule IV.

**3. The Irish Union**

The Union is associated with the Bakers, Food and Allied Workers' Union in the Republic of Ireland. The accounts for the Irish Union are not consolidated, as this Union remains a separate legal entity. The Irish Union accounts for its own transactions, assets and liabilities, and submits audited statutory accounts to the Certification Officer of the Republic of Ireland.

#### 4. Contingent Liabilities

As at the year end it is estimated that the Union was administering 1,303 (2013: 1,221) legal cases on behalf of its members. For cases lodged up until March 2013 cases continue to be handled on behalf of members on a conditional fee agreement. For cases lodged after this date the union is no longer entitled to notional insurance refunds although may receive legal income in relation to cases successfully dealt with by the acting solicitor.

In relation to the former conditional fee agreement, the Union was indemnified against the costs of lost legal cases to the extent that notional insurance refunds exceeded any costs incurred. Where notional insurance refunds exceeded costs incurred in the year, the excess was carried forward as a reserve against the potential cost of cases in progress at the year end. Under the new regime, any legal monies received are recognised in the year earned and no deferral is applied.

#### 5. Operating Lease Commitments

The Union is committed to the following annual rentals in the forthcoming year in respect of operating leases which expire within:

	2014			2013		
	£	£	£	£	£	£
	Motor cars	Office equipment	Land and buildings	Motor cars	Office equipment	Land and buildings
One year	6,283			25,393		
One to two years	51,508		6,882	38,702		
Two to five years	46,290	36,075		40,557	36,075	6,882
The charge against income for the year was	112,884	36,075	6,882	106,150	26,404	6,882

#### 6. Pension costs

The Union operates a defined benefit pension scheme (the Bakers, Food and Allied Workers' Union Retirement Benefits Scheme) in the UK. For service up to 31 May 2011, pension benefits are linked to members' final pensionable salaries and service to 31 May 2011 (or date of leaving if earlier). From 1 June 2011, pension benefits are built up on a Career Average Revalued Earnings (CARE) basis, where benefits are linked to members' salaries in each year and increased to retirement broadly in line with inflation.

The most recent formal actuarial valuation was carried out as at 31 December 2012. The results have been updated to 31 December 2014 by a qualified independent actuary. The assumptions used were as follows:

Financial assumptions	Year to 31/12/14	Year to 31/12/13
Discount rate	3.40%	4.50%
Retail prices inflation (RPI)	3.00%	3.30%
Consumer prices inflation (CPI)	2.00%	2.80%
Salary increases	2.00%	2.80%
Rate of increase of pensions in payment (RPI, max 5%)	2.90%	3.20%
Rate of increase for deferred pensioners	3.00%	3.30%
	As at 31/12/14	As at 31/12/13
Expected return on assets	<u>5.8%</u>	<u>6.3%</u>

6. Pension costs (continued)

The overall expected return on assets assumption of 5.80% pa as at 31 December 2014 has been derived by calculating the weighted average of the expected rate of return for each asset class. The following approach has been used to determine the expected rate of return for each asset class:

- fixed interest securities, current market yields
- equities/growth assets, FTSE all share net dividend yield (3.37% pa), plus RPI (3.0% pa), plus an allowance for future dividend growth of 1.4% pa less 0.5% pa for investment expenses
- cash, current Bank of England base rate
- insured assets, in line with the discount rate

Demographic assumptions

Description	Year ended 31/12/14	Year ended 31/12/13
- Mortality (before and after retirement)	S2PA (YoB) with members' ages adjusted up by 1 year, using the CMI 2014 model with a long term annual rate of improvement of 1% per annum	S1PA (YoB) with members' ages adjusted up by 1 year, using the CMI 2011 model with a long term annual rate of improvement of 1% per annum

Life expectations

	Year ended 31/12/14		Year ended 31/12/13	
	Male	Female	Male	Female
Life expectancy for someone aged 65 in 2014	21.2 yrs	23.2 yrs	21.2 yrs	23.5 yrs
Life expectancy at age 65 for an individual aged 45 in 2014	22.5 yrs	24.6 yrs	22.5 yrs	25.0 yrs

Assets

The assets of the scheme are invested in a diversified portfolio

Asset class	Year ended 31/12/14		Year ended 31/12/13		Year ended 31/12/12	
	Mkt value £'000	% of total Scheme assets	Mkt value £'000	% of total Scheme assets	Mkt value £'000	% of total Scheme assets
Equities/Growth Assets	3,774	65%	3,860	68%	3,702	68%
Bonds	1,282	22%	1,170	21%	1,186	22%
Gilts	598	10%	536	9%	542	10%
Cash	34	1%	-	0%	13	0%
Insured assets	83	1%	92	2%	-	0%
	<u>5,771</u>		<u>5,658</u>		<u>5,443</u>	
The actual return on assets over the period was	<u>332</u>		<u>295</u>		<u>310</u>	

6. Pension costs (continued)

History of assets, liabilities, experience gains and losses

	Financial year ending in				
	2014 '000s	2013 '000s	2012 '000s	2011 '000s	2010 '000s
Market value of scheme assets	5,771	5,658	5,443	5,172	5,363
Value of Scheme liabilities	(9,243)	(8,437)	(8,635)	(7,836)	(7,076)
Surplus/(Deficit) in the Scheme	<u>(3,472)</u>	<u>(2,779)</u>	<u>(3,192)</u>	<u>(2,664)</u>	<u>(1,713)</u>
Gains/(losses) arising on Scheme liabilities:					
Due to experience	-	309	-	(201)	166
% of liabilities	0%	4%	0%	(3%)	2%
Due to change of basis	(703)	131	(544)	(392)	(556)
% of liabilities	(8%)	2%	(6%)	(5%)	(8%)
Experience gains/(losses):					
Arising on Scheme assets	(18)	(45)	24	(367)	290
% of assets	(0%)	(1%)	0%	(7%)	5%

The cumulative amount of actuarial gains and losses immediately recognised in the Statement of recognised gains and losses (STRGL) (since 2002) is -£3,801,000.

Future funding obligation

The last actuarial valuation of the scheme was performed by the Actuary for the Trustees as at 31 December 2012. From 1 January 2014, the Union agreed to pay annual contributions of 15.8% of Pensionable salaries for all members less the total amount of member contributions, plus payments of £90,000 pa for a period of 18 years from 1 January 2014 to 31 December 2031 to remove the deficit. The Union expects to pay £220,000 to the Scheme during the accounting year beginning 1 January 2015 before the deduction of the overpaid contributions by the Union prior to 31 December 2014.

7. Reconciliation of Movement in Members' Funds

	2014	2013
	£	£
Member's Funds Brought Forward	(1,883,711)	(2,371,592)
Surplus/(Deficit) on General Fund	391,641	76,927
Movement ((deficit)/surplus) on Pension Fund Reserve	(693,000)	413,000
(Deficit)/surplus on Political Fund	(25,738)	(1,184)
(Deficit)/Surplus on Benevolent Funds	1,482	(843)
(Deficit)/Surplus on North Eastern Social Fund	(76)	(19)
Member's Funds Carried Forward	<u>(2,209,402)</u>	<u>(1,883,711)</u>

# ACCOUNTING POLICIES

(see notes 74 and 75)

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>                    <i>RSDraper</i>                    </u>  Name: RONNIE DRAPER  Date: <u>                    27/5/15                    </u>	Chairman's Signature: <u>                    <i>I Hodson</i>                    </u> (or other official whose position should be stated)  Name: IAN HODSON  Date: <u>                    27/5/15                    </u>
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## CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

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



# AUDITOR'S REPORT

(see notes 81 to 86)

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

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

I. YES/NO

If "No" please explain below.

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

YES/NO

If "No" please explain below.

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

YES/NO

If "No" please explain below.

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

# AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	<i>Kreston Reeves LLP</i>	
Name(s):	KRESTON REEVES LLP	
Profession(s) or Calling(s):	Chartered Accountants, & Statutory Auditors	
Address(es):	Griffin House 135 High Street Crawley West Sussex RH10 1DQ	
Date:	29/5/15	
Contact name and telephone number:	01293 776411	

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BAKERS, FOOD & ALLIED WORKERS' UNION  
FOR THE YEAR ENDED 31ST DECEMBER 2014**

We have audited the financial statements on pages 1 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the Union's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). Our audit work has been undertaken so that we might state to the Union'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 Union and the Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Executive Council and Auditors**

As described on page 16 the Union's Executive Council is responsible for the preparation of the financial statements in accordance with applicable law and accounting standards. It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). We also report to you if, in our opinion, the Treasurer's Report is not consistent with the financial statements, if the Union has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding officials' remuneration and transactions with the Union is not disclosed.

We read the Treasurer's Report and consider the implications for our report if we become aware of any apparent mis-statements within it or inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates made by the Executive Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the Union's affairs as at 31st December 2013 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended).

*Kreston Reeves LLP*

Griffin House  
135 High Street  
Crawley  
West Sussex, RH10 1DQ

**Kreston Reeves LLP**  
Chartered Accountants  
& Statutory Auditors

Date: 29 May 2015