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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

Unite the Union

Year ended:

31 December 2017

List no:

795T

Head or Main Office:

Unite House
128 Theobald's Road
Holborn
London
WC1X 8TN

Website address (if available)

www.unitetheunion.org

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

Yes

No

X

(Click the appropriate box)

General Secretary:

Len McCluskey

Telephone Number:

020 7611 2500

Contact name for queries regarding

Ed Sabisky

Telephone Number:

020 7611 2500

E-mail:

Ed.Sabisky@unitetheunion.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
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

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



(Revised February 2011)

APPENDIX 1

EXECUTIVE COUNCIL – 31 DECEMBER 2017

ABACHOR Suzanne	REILLY Alan
ADAMS Lindsey	ROSENTHAL Simon
AGYEMANG-PREMPEH Kwasi	RUDDOCK Stan
ALLAM Julian	RYAN Maggie
ALLDAY Richard	SEAMAN Tony
ASHWORTH Tracey	SHEPHERD June
BANKS Dick	SMITH Dave
BENTHAM Roy	SMITH Ken
BOWEN Cliff	STANSFIELD Alan
BRAMBLE Marilyn	STEWART Jane
CADMAN Chris	STILL Joyce
CASEY Mick	STOTT Nigel
CASSIDY Eddie	SULLIVAN Fran
COOPER John	SURAYA Jasmin
COXHILL Tracy	TATEM Fiona
CROZIER Ann	TAYLOR Jayne
DAVISON Tim	THOMAS Mark
DOUGLAS Jenny	THOMPSON Stephen
DURKIN Neil	TURNER Howard
ELLIOT Jennifer	VERMA Neelam
ENTWISTLE Phil	WELSH Paul
FARRELL Michael	WILLIAMS Dave
GAMBLE Jim	WISEMAN Phil (Observer)
GIBSON Noel	WOOD Mark
GILL Jas	WOODHOUSE Tony
GILLESPIE Kelly	
GILLIGAN Wendy	
GREEN Andy	
HAWORTH Alexandra	
HAYES Ruth	
HIBBERT Steve	
JACKSON Dawn	
JONES Andy	
KNOWLES Barry	
LANIGAN Trudy	
MARSDEN Philippa	
MATTHEWS Susan	
McGOVERN Sean	
MITCHELL James	
MITCHELL Tam	
MOLONEY Therese	
MORRIS Frank	
MUNA Suzanne	
MURPHY Tom	
OSBORNE Kate	
PEARSON Tony	
PERCIVAL Howard	
PISANI Joe	

APPENDIX 1 CONTINUED

EXECUTIVE COUNCIL – Joined 2017

Joined 1st January 2017

FARRELL Michael
GAMBLE Jim
GILLESPIE John (Observer)
JONES Andy
SEAMAN Tony (Observer)
SPIERS Bill (Observer)
STANSFIELD Alan

Joined 1st May 2017

ABACHOR Suzanne
BENTHAM Roy
BOWEN Cliff
CASEY Mick
COXHILL Tracy
CROZIER Ann
DAVISON Tim
DURKIN Neil
GIBSON Noel
GILLESPIE Kelly
HAWORTH Alexandra
HAYES Ruth
JACKSON Dawn
LANIGAN Trudy
MARSDEN Philippa
MATTHEWS Susan
PERCIVAL Howard
PISANI Joe
REILLY Alan
RUDDOCK Stan
SMITH Dave
TATEM Fiona
THOMPSON Stephen
VERMA Neelam

APPENDIX 1 CONTINUED

EXECUTIVE COUNCIL – Left 30th April 2017

BRAMBLE Marilyn (Observer)
BRENNAN Paula (Observer)
BURR Paula
COLEMAN Danny
DEMPSEY Ged
FORBES Mick
GILLESPIE, John (observer)
HOLMES Brian
KHALIQ Ansaar
LYON Mark
McALLISTER Dawn
McLEOD Jackie
MILLER Steve
MONCKTON Ivan
OWENS Sharon
PLEASANTS Brenda
SIMPSON Bryan
SPIERS Bill (Observer)
STOREY John
TAJ Mohammed
TOLMIE Agnes
WHITNALL Dave
WILSON Dennis
WOOD Frank

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	927,302	29,158	16,182	8,873	981,515
FEMALE	306,344	8,509	7,709	6,431	328,993
TOTAL	1,233,646	37,667	23,891	15,304	A 1,310,508

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

47,781
1,164,134

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
See Appendix 1			

State whether the union is:

a. A branch of another trade union?

Yes No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£'000	£'000
INCOME		
From Members: Contributions and Subscriptions		158,821
From Members: Other income from members (specify)		
Total other income from members		-
Total of all income from members		158,821
Investment income (as at page 13)		7,931
Other Income		
Income from Federations and other bodies (as at page 4)	-	
Income from any other sources (as at page 4)	105,789	
Total of other income (as at page 4)		105,789
	TOTAL INCOME	272,541
EXPENDITURE		
Benefits to members (as at page 5)		18,094
Administrative expenses (as at page 11)		126,266
Federation and other bodies (specify)		
Affiliations	6,285	
Grants and donations	840	
Total expenditure Federation and other bodies		7,125
Taxation		200
	TOTAL EXPENDITURE	151,685
Surplus (deficit) for year		120,856
Amount of general fund at beginning of year as restated		164,358
Amount of general fund at end of year		285,214

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£'000	£'000
Federation and other bodies		
Other income	-	
	-	
	-	
	-	
	-	
	-	
TOTAL FEDERATION AND OTHER BODIES		-
Other income		
Insurance premium equivalent	1,603	
Validation fee	1,803	
Affinity / sundry income	1,263	
Pension scheme actuarial gain	101,120	
	-	
	-	
TOTAL OTHER INCOME		105,789
TOTAL OF ALL OTHER INCOME		105,789

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£'000		£'000
Representation – Employment Related Issues		brought forward	11,873
Legal representation	979	Education and Training services	
		-	2,259
Representation – Non Employment Related Issues		Negotiated Discount Services	
		n/a	-
Communications			
Journals and publications	722	Salary Costs	
		n/a	-
Advisory Services			
n/a	-	Other Benefits and Grants (specify)	
		Incapacity	1,505
Dispute Benefits		Accident and fatality	137
-	10,172	Funeral	498
		Driver care	1,124
		Care Xpress	480
		Convalescence	196
		Superannuation	22
Other Cash Payments			
carried forward	11,873	Total (should agree with figure in General Fund)	18,094

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	AEEU Section Members Superannuation Fund	£'000	£'000
Income			
	From members		-
	Investment income (as at page 13)		24
	Other income (specify)		
	Total other income as specified		-
	Total Income		24
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		24
	Amount of fund at beginning of year		1,119
	Amount of fund at the end of year (as Balance Sheet)		1,143
	Number of members contributing at end of year		-

FUND 3		Fund Account	
Name:	MSF Section Craft Members Superannuation Fund	£'000	£'000
Income			
	From members		-
	Investment income (as at page 13)		-
	Other income (specify)		
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		54
	Amount of fund at the end of year (as Balance Sheet)		54
	Number of members contributing at end of year		-

FUND 4		Fund Account	
Name:	Printing Machine Branch	£'000	£'000
Income			
	From members		-
	Investment income (as at page 13)		-
	Other income (specify)		
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		-
	Amount of fund at the end of year (as Balance Sheet)		-
	Number of members contributing at end of year		-

FUND 5		Fund Account	
Name:	Branch Funds	£'000	£'000
Income			
	From members		1,152
	Investment income (as at page 13)		5
	Other income (specify)		
	Other income	1,475	
	Branch surplus	(136)	
	Total other income as specified		1,339
	Total Income		2,496
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		(1,918)
	Total Expenditure		(1,918)
	Surplus (Deficit) for the year		4,414
	Amount of fund at beginning of year		26,312
	Amount of fund at the end of year (as Balance Sheet)		30,726
	Number of members contributing at end of year		209,804

FUND 6		Fund Account	
Name:	Plate Preparers Superannuation Fund	£'000	£'000
Income			
	From members		-
	Investment income (as at page 13)		-
	Other income (specify)		
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		73
	Amount of fund at the end of year (as Balance Sheet)		73
	Number of members contributing at end of year		-

FUND 7		Fund Account	
Name:	Litho Printers Superannuation Fund	£'000	£'000
Income			
	From members		-
	Investment income (as at page 13)		-
	Other income (specify)		
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		82
	Amount of fund at the end of year (as Balance Sheet)		82
	Number of members contributing at end of year		-

FUND 8		Fund Account	
Name:	TGWU Section Members Superannuation Fund	£'000	£'000
Income			
	From members		-
	Investment income (as at page 13)		-
	Other income (specify)		
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		63
	Amount of fund at the end of year (as Balance Sheet)		63
	Number of members contributing at end of year		-

FUND 9		Fund Account	
Name:	BAeSSA	£'000	£'000
Income			
	From members		-
	Investment income (as at page 13)		-
	Other income (specify)		
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 11)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		427
	Amount of fund at the end of year (as Balance Sheet)		427
	Number of members contributing at end of year		-

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£'000	£'000
Income	Members contributions and levies		8,082
	Investment income (as at page 13)		-
	Other income (specify) Other income	-	
	Total other income as specified		-
	Total Income		8,082
Expenditure			
	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify) Affiliation fees		6,111
	Benefit Expenditure		328
	Administration expenses in connection with political objects (specify) Political Fund Expenditure		1,199
	Non-political expenditure		-
	Total Expenditure		7,638
	Surplus (Deficit) for the year		444
	Amount of political fund at beginning of year		14,465
	Amount of political fund at the end of year (as Balance Sheet)		14,909
	Number of members at end of year contributing to the political fund		1,095,716
	Number of members at end of the year not contributing to the political fund		214,792
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		71,827

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union	
		£'000	£'000
Income	Contributions and levies collected from members on behalf of central political fund		-
	Funds received back from central political fund		-
	Other income (specify) Other income	-	
	Total other income as specified		-
	Total Income		-
Expenditure			
	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify) Affiliation fees		-
	Benefit Expenditure		-
	Administration expenses in connection with political objects (specify) Political Fund Expenditure		-
	Non-political expenditure		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount held on behalf of trade union political fund at beginning of year		
	Amount remitted to central political fund		
	Amount held on behalf of central political fund at end of year		-
	Number of members at end of year contributing to the political fund		-
	Number of members at end of the year not contributing to the political fund		-
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		-

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

(see notes 32 and 33)

Administrative Expenses		£'000
Remuneration and expenses of staff		69,733
Salaries and Wages included in above	£ 53,457,000	
Auditors' fees		287
Legal and Professional fees		1,961
Occupancy costs		3,316
Stationery, printing, postage, telephone, etc.		3,489
Expenses of Executive Committee (Head Office)		324
Expenses of conferences		2,151
Other administrative expenses (specify)		
Non industrial ballots		1,545
Expenses of committees / exe councils		3,235
Branch and regional costs		168
Payments to regions and branches		11,595
Motor vehicle costs excl. depreciation		1,225
IT costs excl. depreciation		765
Sundry expenses		7,401
Bank charges		338
Non-recurring items		(1,586)
Other Outgoings		
Interest payable:		
Depreciation		7,885
Taxation		-
Outgoings on land and buildings (specify)		
Maintenance and repairs		2,798
Other outgoings (specify)		
Pension adjustment		7,718
	Total	124,348
Charged to:	General Fund (Page 3)	126,266
	Branch Funds (Fund 5)	(1,918)
	Total	124,348

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £'000		Other Fund(s) £'000
Rent from land and buildings	-		-
Dividends (gross) from:			
Equities (e.g. shares)	-		1,602
Interest (gross) from:			
Government securities (Gilts)	-		-
Mortgages	-		-
Local Authority Bonds	-		-
Bank and Building Societies	-		136
Other investment income (specify)			
Unit trusts	-		-
Gain on sale of investments and unrealised gains/(losses) on revaluation of investments	-		6,222
Other fixed income	-		-
	-		7,960
		Total investment income	7,960
		Credited to:	
		General Fund (Page 3)	7,931
		AEEU Section Members Superannuation Fund (Fund 2)	24
		Branch Funds (Fund 5)	5
		Political Fund	-
		Total Investment Income	7,960

BALANCE SHEET as at 31 December 2017

(see notes 47 to 50)

Previous Year Restated		£'000	£'000
154,463	Fixed Assets (at page 15)		166,155
	Investments (as per analysis on page 16)		
63,916	Quoted (Market value £54,785)	54,785	
5,625	Unquoted	5,625	
69,541	Total Investments		60,410
	Other Assets		
-	Loans to other trade unions	-	
17,283	Sundry debtors	13,275	
91,820	Cash at bank and in hand	109,025	
-	Others (specify)	-	
109,103	Total of other assets		122,300
333,107	TOTAL ASSETS		348,865
164,358	General Fund (Page 3)		285,214
1,119	AEEU Section Members Superannuation Fund (Fund 2)		1,143
54	MSF Section Craft Members Superannuation Fund (Fund 3)		54
26,312	Branch Funds (Fund 5)		30,726
73	Plate Preparers Superannuation Fund (Fund 6)		73
82	Litho Printers Superannuation Fund (Fund 7)		82
63	TGWU Section Members Superannuation Fund (Fund 8)		63
427	BAeSSA (Fund 9)		427
14,465	Political Fund (Account 1)		14,909
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
-	Loans: From other trade unions	-	
-	Loans: Other (Bank loans to Branches)	-	
-	Bank overdraft	-	
13,754	Sundry creditors	9,633	
1,100	Provisions	1,300	
111,300	Other liabilities	5,241	
126,154	TOTAL LIABILITIES		16,174
333,107	TOTAL FUNDS AND LIABILITIES		348,865

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £'000	Motor Vehicles £'000	Not used for union business £'000	Total £'000
	Freehold £'000	Leasehold £'000				
Cost or Valuation						
At start of year as restated	168,040	8,342	11,639	9,141	-	197,162
Additions	18,774	1,039	979	1,418	-	22,210
Disposals	(3,043)	-	(2,879)	(853)	-	(6,775)
Revaluation/Transfers	(154)	-	154	-	-	-
At end of year	183,617	9,381	9,893	9,706	-	212,597
Accumulated Depreciation						
At start of year as restated	27,895	1,935	7,793	5,076	-	42,699
Charges for year	4,928	73	1,325	1,559	-	7,885
Disposals	(512)	-	(2,879)	(751)	-	(4,142)
Impairments	-	-	-	-	-	-
Revaluation/Transfers	(85)	-	85	-	-	-
At end of year	32,226	2,008	6,324	5,884	-	46,442
Net book value at end of year	151,391	7,373	3,569	3,822	-	166,155
Net book value at end of previous year as restated	140,145	6,407	3,846	4,065	-	154,463

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £'000	Political Fund £'000
Equities (e.g. Shares)		
Equities	11,488	-
Funds	43,297	-
Government Securities (Gilts)	-	-
	-	-
Other quoted securities (to be specified)	-	-
	-	-
TOTAL QUOTED (as Balance Sheet)	54,785	-
Market Value of Quoted Investment	54,785	-
UNQUOTED		
Equities		
-	5,596	-
	-	-
Government Securities (Gilts)		
Local government	29	-
	-	-
Mortgages	-	-
	-	-
Bank and Building Societies	-	-
	-	-
Other unquoted investments (to be specified)	-	-
	-	-
TOTAL UNQUOTED (as Balance Sheet)	5,625	-
Market Value of Unquoted Investments	-	-

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		<input checked="" type="checkbox"/> YES X	<input type="checkbox"/> NO
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
Unite the Union Trustee Company Ltd	00969191		
Unite the Union Second Trustee Company Ltd	06477198		
UNIFI Nominee Company Ltd	02334993		
MSF Nominee Company Ltd	02435004		
Unite Amicus Section Pension Trustee Ltd	06349044		
AEEU Pensions Trustee Ltd	03597144		
M&P Benefits Ltd	02172923		
Blackhorse HCC Ltd	10313117		
Are the shares which are controlled by the union registered in the names of the union's trustees?		<input checked="" type="checkbox"/> YES X	<input type="checkbox"/> NO
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
MSF Nominee Company Ltd	Roger Lyons- 2 shares held in trust for Unite Amicus Section		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £'000	Political Funds £'000	Total Funds £'000
INCOME			
From Members	159,973	8,082	168,055
From Investments	7,960	-	7,960
Other Income (including increases by revaluation of assets)	107,128	-	107,128
Total Income	275,061	8,082	283,143
EXPENDITURE (including decreases by revaluation of assets)			
Benefit expenditure	18,094	-	18,094
Administrative expenses	124,348	6,111	130,459
Federation & other bodies	7,125	1,527	8,652
Taxation	200	-	200
Total Expenditure	149,767	7,638	157,405
Funds at beginning of year as originally stated (including reserves)	192,488	14,465	206,953
Prior year adjustment	-	-	-
Funds at beginning of year as restated (including reserves)	192,488	14,465	206,953
Funds at end of year (including reserves)	317,782	14,909	332,691
ASSETS			
Fixed Assets			166,155
Investment Assets			60,410
Other Assets			122,300
		Total Assets	348,865
LIABILITIES		Total Liabilities	16,174
NET ASSETS (Total Assets less Total Liabilities)			332,691

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

UNITE THE UNION

ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2017

The accounts have been prepared in accordance with applicable accounting standards, including FRS102 "the Financial Reporting Standard". The specific policies adopted are set out below:

Accounting convention

The accounts are prepared under the historical cost convention.

On 1 January 2017, the Union of Construction, Allied Trades and Technicians (UCATT) amalgamated into Unite. As a consequence, all the assets and liabilities of UCATT were incorporated into Unite. As at 31 December 2016, UCATT had audited net assets of £1,191,000, inclusive of a pension scheme deficit of £6,385,000. In accounting for the amalgamation using merger accounting, the assets and liabilities of Unite have been restated as at 1 January 2016 and at 31 December 2016 together with the transactions in the year to 31 December 2016.

Contributions

Contributions are accounted for on a cash basis adjusted for accrued contributions received in 2018 relating to the prior year.

Expenditure

All expenditure in the accounts is exclusive of VAT where applicable.

Tangible fixed assets

Tangible fixed assets are stated at cost, less depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Any subsequent expenditure is included at the assets' carrying amount when it is probable that future economic benefits associated with the assets will flow to the Union and the costs can be measured reliably.

Depreciation is provided on all tangible fixed assets, except freehold land, to write off the cost less estimated residual value in equal annual instalments over the estimated useful economic lives of the assets. The estimated useful economic lives are as follows:

Land & buildings

Freehold and long leasehold buildings	- 45 years
Fit-out and related property improvements	- 15 years
Short leasehold properties	- Period of lease

Fixtures, fittings and computer equipment

Computer equipment and software	- 3 years
Furniture, fixtures and office equipment	- 10 years

Motor vehicles	- 4 years
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Impairment

Assets are reviewed for impairment whenever events or changes in circumstances, such as planned disposal of properties, indicate that the carrying amount may not be recoverable.

UNITE THE UNION

ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2017

Investments

Investments are stated in the balance sheet on the following basis:

Quoted investments - market value.

Unquoted investments - at original cost or estimated current value as determined by an independent 3rd party.

Investments mainly comprise equities, unit trusts and gilts. These are treated as fixed asset investments due to the permanent nature of the investment fund held by the Union. Any profit or loss on the disposal of investments is the difference between the proceeds of sale and the book value.

Pension costs

The Union operates various defined benefit pension schemes, providing benefits based on final pensionable salaries. The assets of the schemes are held separately from those of the Union.

Pension scheme assets are measured using market values; quoted securities are valued at current bid price. Pension scheme liabilities are measured using a projected unit method, and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The increase in the present value of the assets and liabilities of the defined benefit pension schemes of the Union, expected to arise from employee service in the period, is charged to income and expenditure. Actuarial gains and losses and actual return on scheme assets are recognised in Other Comprehensive Income.

Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate of exchange ruling at that date. The resulting translation differences are dealt with in the Statement of Comprehensive Income.

Corporation tax

Corporation tax is payable on investment income, chargeable gains arising on the disposal of properties and investments and other taxable income, but only to the extent that these exceed expenditure on provident benefits.

Deferred tax

Deferred tax is recognised in respect of all material timing differences which are differences between the taxable profits and total comprehensive income that arises from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Branches and regions

The transactions of the branches and regions during the year are included in the funds as are the net assets held directly by them at the balance sheet date.

Leases

Operating lease rentals are charged to the Statement of Comprehensive Income in equal instalments over the period of the lease.

Members' superannuation funds

The Union operates superannuation funds for certain members. The funds are closed to new entrants. The assets of the funds are recorded separately from those of the General funds of the Union and the superannuation payments and receipts are all included in these funds.

UNITE THE UNION

ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2017

Provisions

Provisions for future expenditure are included in the accounts only where the Union has a present obligation to meet such expenditure.

Accounting estimates

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Union. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

The main areas where judgements and estimates may have a significant effect on the amounts included in the financial statements are:

- Tangible assets – the basis of calculation and assumption used to perform revaluation and useful economic life of assets used in calculating depreciation.
- Investments – the basis of calculation and assumption used for market value.
- The Union reviews non-current assets each year for impairment, in line with accounting standards.
- Contingent liabilities – the inclusion of provisions for potential liabilities where there is an element of uncertainty in the outcome of the cases.
- Defined benefit pension scheme – the actuarial assumptions used in calculating scheme assets and liabilities.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

	2017	<i>Restated</i>
	£'000	2016 £'000
1 Other membership benefits excluding legal		
Incapacity	1,505	945
Accident and fatality	137	64
Funeral	498	530
Superannuation	22	38
Drivercare	1,124	1,287
Legal helpline	480	360
Convalescence	196	164
Educational	2,259	2,143
Journals and publications	726	1,035
	6,947	6,566
2 Political affiliation fees, grants and donations		
The Labour Party:		
Affiliation fees	1,822	2,008
Election grants and donations	2,275	100
Other grants and donations	2,014	753
	6,111	2,861
3 Other affiliation fees, grants and donations		
Trades Union Congress	3,506	3,674
Scottish Trades Union Congress	257	214
Welsh Trades Union Congress	7	7
Irish Congress of Trade Unions	198	195
European Transport Workers' Federation	128	120
International Transport Workers' Federation	429	416
Confederation of Shipbuilding and Engineering Unions	115	111
European Federation of Food, Agriculture and Tourism Trade Unions	82	71
International Union of Food, Agriculture, Hotel, Restaurant, Catering, Tobacco & Allied Workers	234	202
IndustriALL Global Union	486	456
UNI Global Union	534	483
Public Services International	72	64
European Federation of Building & Woodworkers	22	20
Building Workers International	145	36
Other Affiliations	71	118
Grants and Donations	932	544
	7,218	6,731

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

	2017	<i>Restated</i> 2016
	£'000	£'000
4 Investment income and fair value adjustments		
Dividends received	1,602	1,276
Bank and other interest received	136	144
Net fair value adjustment	6,222	9,382
	<u>7,960</u>	<u>10,802</u>
5 Non-operating items	2017	2016
	£'000	£'000
One off property items		
Profit on disposal of properties	(2,182)	(848)
Irrecoverable VAT on purchase and refurbishment of properties	1,176	2,367
Abortive building costs due to project delay	-	2,536
	<u>(1,006)</u>	<u>4,055</u>
Other		
Voluntary redundancy and severance	21	2,453
Unfunded pensions	457	494
Membership reconciliation	-	(6,452)
Consolidation adjustment	(1,919)	3,605
Other	861	-
	<u>(1,586)</u>	<u>4,155</u>
6 Taxation	2017	2016
	£'000	£'000
Corporation tax charge for the year	-	(1,000)
Deferred tax movement (note 12)	200	900
	<u>200</u>	<u>(100)</u>

During the period the Union also suffered irrecoverable VAT of £5.2 million (2016: £5.4 million) arising on expenditure incurred.

In addition the union paid rates of £3.4m (2016: £2.8m) on its properties.

The union is aware that there may be additional tax due on the disposal of certain properties and investments if they were to dispose of all of these assets in any one particular tax year. However, as the disposal of such will be controlled, no additional provision has been made.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

7 Tangible fixed assets

	Land and buildings £'000	Fixtures, fittings and computer equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation				
At 1 January 2017 as restated	176,382	11,639	9,141	197,162
Reclassification	(154)	154	-	-
Additions	19,813	979	1,418	22,210
Disposals	(3,043)	(2,879)	(853)	(6,775)
At 31 December 2017	192,998	9,893	9,706	212,597
Aggregate depreciation including impairment				
At 1 January 2017 as restated	29,830	7,793	5,076	42,699
Reclassification	(85)	85	-	-
Charge for the year	5,001	1,325	1,559	7,885
Disposals	(512)	(2,879)	(751)	(4,142)
At 31 December 2017	34,234	6,324	5,884	46,442
Net book value				
At 31 December 2017	158,764	3,569	3,822	166,155
At 31 December 2016	146,552	3,846	4,065	154,463

Split of Land and Buildings

	2017 £'000	2016 £'000
Freehold	151,390	140,145
Long Leasehold	7,374	6,407
	158,764	146,552

Included in land and buildings above is £13m of assets in the course of construction for the National Educational and Conference Centre & Hotel in Birmingham.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

8 Investments

	Quoted investments £'000	Unquoted investments £'000	Total £'000
Cost or fair value			
At 1 January 2017 as restated	63,916	5,625	69,541
Additions	28,357	-	28,357
Disposal proceeds	(43,710)	-	(43,710)
Net fair value adjustment	6,222	-	6,222
At 31 December 2017	54,785	5,625	60,410

	Quoted investments £'000	Unquoted investments £'000	Total £'000
Cost or fair value			
At 1 January 2016	54,380	5,633	60,013
Additions	8,571	-	8,571
Disposal proceeds	(8,417)	(8)	(8,425)
Net fair value adjustment	9,382	-	9,382
At 31 December 2016	63,916	5,625	69,541

Included in unquoted investments at 31 December 2017, the Union held 14.6% of the issued share capital of Unity Trust Bank plc.

On 4th August 2016, Unite formed Blackhorse HCC Limited (Co. Reg. No. 10313117), a wholly owned subsidiary, to own and operate the National Education and Conference Centre & Hotel. On 30th March 2017, Unite entered into a back to back long leasehold arrangement with Blackhorse HCC Limited and agreed a Financing Agreement. On the same day, Blackhorse HCC Limited signed a franchise agreement in respect of the hotel portion of the Birmingham project with Starwood EAMA Licence and Services Company BVBA. Starwood, now part of the larger Marriott Group, are amongst the world's largest hotel companies who own, operate and franchise hotels. The hotel portion of the project will be marketed under the 'Aloft' hotel brand.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

9 Debtors and prepayments

	2017 £'000	<i>Restated</i> 2016 £'000
Trade debtors	9,607	9,362
Mortgages	172	171
Other loans	264	268
Other debtors	752	1,215
Prepayments	2,480	6,267
	13,275	17,283

The mortgage is held at an interest rate of 3.25%.

10 Cash at bank and in hand

	2017 £'000	<i>Restated</i> 2016 £'000
General Fund	71,038	54,886
Political Fund	13,099	14,306
Members Superannuation Funds	224	224
Branch	24,664	22,404
	109,025	91,820

11 Creditors: amounts falling due within one year

	2017 £'000	<i>Restated</i> 2016 £'000
Trade creditors	-	848
Other creditors	856	1,875
Social security & other taxes	1,494	1,434
Accruals	7,283	9,597
	9,633	13,754

12 Deferred tax

	2017 £'000	2016 £'000
Opening provision	1,100	200
Movement (note 6)	200	900
Closing provision	1,300	1,100

The Union has included a deferred tax provision in relation to the revaluation of certain assets.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

13 Reserves

a) General Fund analysis

	General Fund £'000	Pension Deficit £'000	Total £'000
Operating surplus	20,056	-	20,056
Other income	7,931	-	7,931
Non-recurring items	(333)	-	(333)
Taxation	(200)	-	(200)
Pension deficit reduction contributions	(12,657)	-	(12,657)
Pension adjustment	-	4,939	4,939
Surplus for the year	14,797	4,939	19,736
As at 1 January 2017	275,658	(111,300)	164,358
Actuarial gain	-	101,120	101,120
At 31 December 2017	290,455	(5,241)	285,214
As at 1 January 2017 as previously stated	267,393	(104,915)	162,478
UCATT merger (note 19)	8,265	(6,385)	1,880
As restated	275,658	(111,300)	164,358
	£'000	£'000	£'000
Operating surplus	34,518	-	34,518
Other income	10,781	-	10,781
Non-recurring items	(550)	-	(550)
Taxation	100	-	100
Pension deficit reduction contributions	(12,538)	-	(12,538)
Pension adjustment	-	7,803	7,803
Surplus for the year	32,311	7,803	40,114
As at 1 January 2016	243,347	(83,231)	160,116
Actuarial loss	-	(35,872)	(35,872)
At 31 December 2016	275,658	(111,300)	164,358
As at 1 January 2016 as previously stated	233,349	(79,551)	153,798
UCATT merger (note 19)	9,998	(3,680)	6,318
As restated	243,347	(83,231)	160,116

As explained in note 19, the results to 31 December 2016 have been amended to reflect the merger with UCATT.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

13 Reserves (continued)

b) General Fund analysis excluding pension deficit

	Central funds £'000	1% fund £'000	Dispute fund £'000	Total £'000
Operating surplus general fund	26,017	(886)	-	25,131
Transfer to 1% fund	(890)	890	-	-
2.5% diverted from branch administration	-	-	3,780	3,780
Ongoing dispute fund payments	-	-	(8,855)	(8,855)
Operating surplus / (deficit) General Fund	25,127	4	(5,075)	20,056
Other income	7,931	-	-	7,931
Non-recurring items	(333)	-	-	(333)
Taxation	(200)	-	-	(200)
Pension deficit reduction contributions	(12,657)	-	-	(12,657)
Surplus / (deficit) for the year	19,868	4	(5,075)	14,797
As at 1 January 2017	237,218	1,255	37,185	275,658
At 31 December 2017	257,086	1,259	32,110	290,455
Funds at 1 January 2017 as previously stated	231,951	1,285	34,157	267,393
UCATT merger (note 19)	8,265	-	-	8,265
As restated	237,218	1,255	37,185	275,658

	Central funds £'000	1% fund £'000	Dispute fund £'000	Total £'000
Operating surplus general fund	32,235	(745)	-	31,490
Transfer to 1% fund	(732)	732	-	-
2.5% diverted from branch administration	-	-	3,608	3,608
Ongoing dispute fund payments	-	-	(580)	(580)
Operating surplus / (deficit) General Fund	31,503	(13)	3,028	34,518
Other income	10,798	(17)	-	10,781
Non-recurring items	(550)	-	-	(550)
Taxation	100	-	-	100
Pension deficit reduction contributions	(12,538)	-	-	(12,538)
Surplus / (Deficit) for the year	29,313	(30)	3,028	32,311
As at 1 January 2016	207,905	1,285	34,157	243,347
At 31 December 2016	237,218	1,255	37,185	275,658
Funds at 1 January 2016 as previously stated	197,907	1,285	34,157	233,349
UCATT merger (note 19)	9,998	-	-	9,998
As restated	207,905	1,285	34,157	243,347

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

13 Reserves (continued)

Included below is an analysis of ongoing dispute fund payments made in the year.

	Total £'000
British Airways Plc	4,099
Argos	1,588
AWE	699
Arriva North West	528
Mears Ltd.	251
Serco (Gov. Services Health)	240
Babcock Marine (Clyde) Limited	220
Capita	215
BMW/ Rolls Royce	200
Birmingham City Council	185
Manchester City Council	147
Fujitsu	143
Other	340
	8,855

14 Commitments under operating leases

At 31 December 2017 the Union's future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings		Other assets	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Expiry date:				
Within one year	156	264	137	-
Between two and five years	234	519	34	-
Over five years	53	91	-	-
	443	874	171	-
Charge for the year	160	160	9	9

The Union's commitments under land and buildings are subject to periodic rent review.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

15 Capital commitments

At 31 December 2017, the Union had capital commitments totaling £43.0 million (2016: £0.7 million), relating to the ongoing refurbishment programme of the Union's properties, principally the construction of the National Education and Conference Centre & Hotel as well as the new West Midland Regional Office on Jennens Road, Birmingham.

16 Key management personnel

Key management personnel compensation of £5.1 million (2016: £4.9 million) was paid in the year, comprising salary, benefits in kind and employer pension contributions. See analysis of salaries for organisers, officers and senior officials for a further breakdown.

Post balance sheet events

In 2018 to date, the Union sold a number of its properties included within its tangible fixed assets as at year end 2017, including the former UCATT headquarters in Clapham, South London and Merrion Square in Dublin. For these properties, Unite has received net sale proceeds of £15.8 million versus their net book value (as at 31st December 2017) of £6.1 million.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

17 Defined benefit pension schemes

The Union operates three defined benefit pension schemes providing service related benefits based on final pensionable salaries. As at 31 December 2017, the Schemes in operation were:

- The Unite Pension Scheme ("UPS")
- Unite Republic of Ireland Pension Scheme ("UROIPS")
- UCATT Officials and Staff Retirement and Death Benefits Scheme

The actuaries to the schemes have provided the following information based on the full valuations (UPS at 30 September 2017) of the schemes to 31 December 2017 and adjusted the results so as to be in line with FRS102

On 31 January 2018 the UCATT scheme was merged into the UPS.

The liabilities have been assessed using the following assumptions.

Financial assumptions:	UPS	UIPS	<i>As restated</i> UPS	<i>As restated</i> UIPS
	Year Ended 31/12/2017	Year Ended 31/12/2017	Year Ended 31/12/2016	Year Ended 31/12/2016
Discount Rate	2.50% pa	2.70% pa	2.70% pa	2.70% pa
Price Inflation - RPI	3.00% pa	3.20% pa	3.20% pa	3.20% pa
- CPI	2.00% pa	2.20% pa	2.20% pa	2.20% pa
- Irish CPI	-	1.75% pa	-	1.75% pa
Salary Increases	3.20% pa	3.20% pa	3.20% pa	3.20% pa
Rate of increase for deferred pensioners	2.00% pa	1.75% pa	2.20% pa	1.75% pa
Rate of increases of pensions in payment				
▪ RPI capped at 2.5% pa	2.30% pa	-	2.20% pa	-

Demographic assumptions are the same as in most recent scheme valuations except that:

- calculations have been carried out using mortality assumptions as set out in the table below.
- 80% of those actives who are age 50 or over and who have beneficial early retirement terms applying to their benefits are assumed to take advantage of those terms and retire at age 60. The rest of the non-pensioners are assumed to retire at Normal Retirement Age.

Description	Year Ended 31/12/2017	<i>As restated</i> Year Ended 31/12/2016
<u>UPS</u>		
Mortality (Pre and post retirement)	100% S2PMA/S2PPA CMI Model 2015 (1.25%) + 1 year age adjustment	100% S2PA CMI_2014_M/F 1.25% (Year of birth) + 1 year age adjustment
<u>UIPS</u>		
Mortality (Pre and post retirement)	108% of PNML00 with CSO improvements from 2006	108% of PNML00 with CSO improvements from 2006

Analysis of asset values:

As at 31 December	2017 £'000	<i>As restated</i> 2016 £'000
Equities	522,465	467,753
Gilts and Bonds	503,307	497,207
Cash	553	1,375
Diversified growth fund	9,746	7,112
Annuities and other assets	9,400	10,300
Total	1,045,471	983,747

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

17 Defined benefit pension schemes (continued)

The assets recognised in the balance sheet are as follows:

As at 31 December	2017 £'000	<i>As restated</i> 2016 £'000
Market value of assets	1,045,471	983,747
Present value of liabilities	(1,046,911)	(1,090,746)
Deficit in the scheme	(1,440)	(106,999)
Present value of unfunded obligations	(3,801)	(4,301)
Net pension liability	<u>(5,241)</u>	<u>(111,300)</u>

Analysis of changes in the value of the scheme liabilities:

	2017 £'000	<i>As restated</i> 2016 £'000
Value of liabilities at 1 January as restated	(1,090,746)	(931,091)
Current service cost	(12,085)	(8,625)
Interest cost	(29,082)	(33,954)
Past service costs	1,200	-
Member contributions	(4,660)	(4,519)
Benefits paid	41,927	40,617
Actuarial gains/(losses)	46,923	(151,882)
Foreign exchange movement	(388)	(1,292)
Value of liabilities at 31 December	<u>(1,046,911)</u>	<u>(1,090,746)</u>

Analysis of changes in the value of the scheme assets:

	2017 £'000	<i>As restated</i> 2016 £'000
Value of assets at 1 January as restated	983,747	852,202
Actual return on assets excluding interest income	54,000	116,069
Actuarial (losses)/gains	(13)	161
Employer contributions	19,782	20,042
Member contributions	4,660	4,519
Benefits paid	(41,927)	(40,617)
Admin expenses	(1,400)	(1,200)
Interest income	26,267	31,260
Foreign exchange movement	355	1,311
Value of assets at 31 December	<u>1,045,471</u>	<u>983,747</u>

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

17 Defined benefit pension schemes (continued)

Analysis of changes in the value of unfunded obligations:

	2017 £'000	<i>As restated</i> 2016 £'000
Value of liabilities at 1 January	(4,301)	(4,342)
Unpaid interest cost	(110)	(150)
Actuarial gains/(losses)	210	(220)
Benefits paid	400	411
Value of liabilities at 31 December	<u>(3,801)</u>	<u>(4,301)</u>

The Union has provided for other unfunded pension costs payable to certain officials who agreed (in 1995) to take early retirement from the AEEU (now part of Unite). The Union consults actuaries in order to arrive at an estimate of the likely future pension costs payable. Similar provisions exist for GPMU and BIFU.

Amounts recognised in income and expenditure for the year ended 31 December:

	2017 £'000	<i>As restated</i> 2016 £'000
Current service cost	12,085	8,625
Past service cost	(1,200)	-
Employment cost contribution	(7,525)	(7,915)
Admin expenses	1,400	1,200
Net interest charge	2,925	2,844
Total charge to Income and Expenditure	7,685	4,754
Pension deficit reduction contribution	(12,657)	(12,538)
Foreign exchange difference	33	(19)
Total Pension adjustment	<u>(4,939)</u>	<u>(7,803)</u>

Amounts recognised in Statement of Other Comprehensive Income (SOI) for the year ended 31 December:

	2017 £'000	<i>As restated</i> 2016 £'000
Actuarial gains/(losses)	47,133	(152,102)
Actual return on assets less interest	53,987	116,230
Total amount recognised in SOI	<u>101,120</u>	<u>(35,872)</u>

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

17 Defined benefit pension schemes (continued)

Assets, liabilities, experience gains and losses

As at 31 December	<i>As restated</i>			
	2017 £'000	2016 £'000	2015 £'000	2014 £'000
Market value of scheme assets	1,045,471	983,747	837,731	852,297
Value of scheme liabilities	(1,046,911)	(1,090,746)	(912,940)	(939,810)
Deficit in the scheme	<u>(1,440)</u>	<u>(106,999)</u>	<u>(75,209)</u>	<u>(87,513)</u>

At 31 December 2017, the Union had signed an undertaking providing certain property assets as security for future payments owed to the Unite Pension Scheme (UPS), and the UCATT Officials and Staff Retirement and Death Benefit Scheme for a maximum amount of £24.1 million (2016: £24.3 million).

Future Funding

At 1 January 2018, the Union's annual deficit contributions to the schemes totalled £12.8m. However, the UPS has received a preliminary triennial valuation of a £69.7 million surplus as at 30th September 2017. As a result of this draft valuation, and as an interim measure while the valuation is discussed and agreed by both the Trustees and The Pensions Regulator, the Trustees have agreed to suspend the deficit contributions to the UPS scheme from 1 May 2018. Should the valuation be agreed, the total expected deficit contributions in 2018 will fall to £4.4 million.

The valuation of the UPS as required under accounting standards for the year ended 31 December 2017 was a surplus of £40.3 million. However, while discussions are ongoing in relation to the triennial valuation, and following agreement with the actuary, the asset has not been recognised because, as of the date of these accounts, the actuary, Trustees and The Pensions Regulator have not yet formally approved the valuation.

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

18 Amalgamation with UCATT

On 1 January 2017, the Union of Construction, Allied Trades and Technicians (UCATT) amalgamated into Unite. As a consequence, all the assets and liabilities of UCATT were incorporated into Unite. As at 31 December 2016, UCATT had audited net assets of £1,191,000, inclusive of a pension scheme deficit of £6,385,000. In accounting for the amalgamation using merger accounting, the assets and liabilities of Unite have been restated as at 1 January 2016 and at 31 December 2016 together with the transactions in the year to 31 December 2016.

	Year ended 31-Dec-16 as previously stated £'000	Effect of UCATT amalgamation excl ROI £'000	As restated Year ended 31-Dec-16 £'000
Income	173,215	4,671	177,886
Expenditure	(133,424)	(6,693)	(140,117)
Operating surplus	39,791	(2,022)	37,769
Investment income and fair value adjustments	10,482	320	10,802
Non recurring items	(4,141)	(14)	(4,155)
Branch administration surplus	136	-	136
Taxation	100	-	100
Surplus/(deficit) excluding pension deficit reduction	46,368	(1,716)	44,652
Less pension deficit reduction contributions	(12,538)	-	(12,538)
Surplus/(deficit) for the year before pension adjustments	33,830	(1,716)	32,114
Pension scheme adjustments	7,732	71	7,803
Surplus/(deficit) for the year	41,562	(1,645)	39,917
Pension schemes actuarial (losses)	(33,096)	(2,776)	(35,872)
Total comprehensive income/(expense) for the year	8,466	(4,421)	4,045

UNITE THE UNION

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

18 Amalgamation with UCATT (continued)

	As at 1-Jan-16 as previously stated £'000	Effect of UCATT amalgamation excl ROI £'000	As at 1-Jan-16 as restated £'000	As at 31-Dec-16 as previously stated £'000	Effect of UCATT amalgamation excl ROI £'000	As at 31-Dec-16 as restated £'000
Tangible fixed assets	145,344	6,624	151,968	148,182	6,281	154,463
Investments	57,903	2,110	60,013	67,783	1,758	69,541
	203,247	8,734	211,981	215,965	8,039	224,004
Current assets	88,041	1,698	89,739	107,686	1,417	109,103
Current liabilities	(14,893)	(488)	(15,381)	(12,526)	(1,228)	(13,754)
Net current assets	73,148	1,210	74,358	95,160	189	95,349
Net assets excluding pension schemes' deficit	276,395	9,944	286,339	311,125	8,228	319,353
Provision for deferred tax	(200)	-	(200)	(1,100)	-	(1,100)
Defined benefit pension schemes' deficit	(79,551)	(3,680)	(83,231)	(104,915)	(6,385)	(111,300)
Net assets	196,644	6,264	202,908	205,110	1,843	206,953
Represented by: Funds	196,644	6,264	202,908	205,110	1,843	206,953

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

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>Len McCluskey</u> Name: <u>Len McCluskey</u> Date: <u>14.06.18</u>	Director of Finance's Signature: <u>[Signature]</u> Name: <u>Ed Sabisky</u> Date: <u>14.06.18</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			
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES			
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES			
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES			
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES			
A MEMBER'S STATEMENT IS: (see Note 80)			TO FOLLOW	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES			
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)			NO	

AUDITOR'S REPORT

(see notes 81 to 86)

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

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

YES

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

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

If "No" please explain below.

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

See below:

AUDITOR'S REPORT (section one)

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF UNITE THE UNION

Opinion

We have audited the financial statements of Unite the Union (the 'Union') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Union's affairs as at 31 December 2017, and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Use of our report

This report is made solely to the members of the Union as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the members of the Union those matters we are required to state to them in an independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Union and the members of the Union as a body, for our work, for this report, or for the opinion we

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

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

Other information

The Executive Council is responsible for the other information. The other information comprises the information included in the Report of the General Secretary, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- The Union has not kept proper accounting records.
- The accounts are not in agreement with the books of account.
- We have not received all the information and explanations we need for our audit.
- We have nothing to report to you in respect of the above matters.

Responsibilities of the Executive Council

As explained more fully in the Statement of the Executive Council's Responsibilities, the Executive Council is 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 Executive Council determines 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 Executive Council is responsible for assessing the Union'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 Union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Signature(s) of auditor or auditors:

Moore Stephens LLP

Name(s):

Moore Stephens LLP

Profession(s) or Calling(s):

Chartered Accountants

Address(es):

150 Aldersgate Street
London
EC1A 4AB

Date:

14 June 2018

Contact name and telephone number:

Gareth Jones
0207 509 9000

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

MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

made in accordance with section 24ZD of the
Trade Union and Labour Relations (Consolidation) Act 1992.

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

YES

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

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

MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

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

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

YES

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

YES

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

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

MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

made in accordance with section 24ZD of the
Trade Union and Labour Relations (Consolidation) Act 1992.

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

YES

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

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

MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

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

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YES

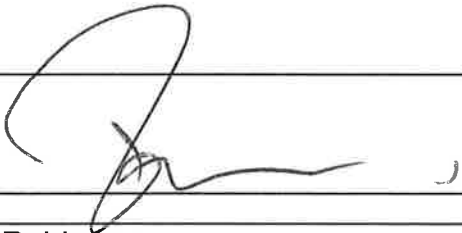
2. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

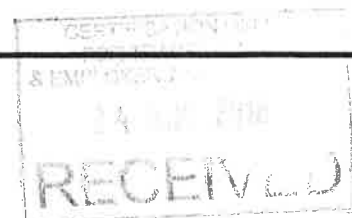
YES

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

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

MEMBERSHIP AUDIT CERTIFICATE (continued)

Signature of assurer	
Name	Ian Robinson
Address	Electoral Reform Services Ltd The Election Centre 33 Clarendon Road London N8 0NW
Date	16/07/2018
Contact name and telephone number	Ian Robinson, Director and Head of Quality Control 020 8365 8909



UNITE