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# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	FDA	
Year ended:	31 DECEMBER 2012	
List no:	327	
Head or Main Office:	8 LEAKE STREET LONDON SE1 7NN	
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	DAVE PENMAN	
Telephone Number:	020 7401 5555	
Contact name for queries regarding the completion of this return:	EMMA BROOKS	
Telephone Number:	020 7401 5555	
E-mail:	<a href="mailto:emma@fda.org.uk">emma@fda.org.uk</a>	

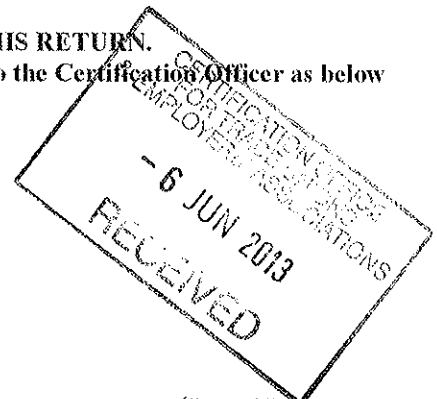
**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

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)

# 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	8,481	152	-	272	<b>8,905</b>
FEMALE	8,816	145		144	<b>9,106</b>
TOTAL	17,297	297	-	416	<b>A 18,010</b>

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

	146
Number of members at end of year contributing to the General Fund	17,695

## 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
GENERAL SECRETARY	J BAUME	D PENMAN	2 JULY 2012

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:

FROM: Jonathan Baume

TO: Executive Committee



REF NO: FDEC 034/12

DATE: 15 May 2012

**FOR INFORMATION**

**FDA EXECUTIVE COMMITTEE 2012 - 2013**

**President (to 31 May 2013)**

Jeffrey Brice

ARC North East

**Administrators, Economists and Accountants (to 31 May 2013)**

Mike Buckley  
Jenny Dibden  
David Howdon  
Lorimer Mackenzie  
John McCullagh  
Colin Myerscough  
Peter Stephens  
Russell Yates

DWP  
DWP  
DWP  
Scottish Government  
MoD  
MoJ  
BIS  
Home Office

**ARC (to 31 May 2014)**

Graham Black  
Terry Cook  
Martin Fletcher  
\*Gareth Hills  
\*Tony Wallace

ARC London  
ARC London  
ARC London  
ARC Bristol  
ARC Nottingham



**CPS (to 31 May 2013)**

Ann Crighton  
Guy Davies  
Sue Gethin  
Roland Zollner

CPS London  
CPS Devon & Cornwall  
CPS Avon & Somerset  
CPS Merseyside

**Legal Section (to 31 May 2014)**

Lesley Owen  
Tom Wood

Land Registry  
Defra

**MiP (to 31 May 2014)**

David Cain  
\*Stephen Heard

**Procurator Fiscal (to 31 May 2014)**

Fiona Eadie

**HMI Schools (England & Wales) (to 31 May 2014)**

David Anstead

**HMIE Scotland (to 31 May 2013)**

David Watt

**Northern Ireland Senior Officers (to 31 May 2013)**

Laura McPolin

**Culture (to 31 May 2014)**

\*Tim Padfield

National Archives

**Statisticians (to 31 May 2014)**

Tim Knight

DWP

**DSA (to 31 May 2013)**

Louise de Sousa

(\* Denotes new member)

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members: Contributions and Subscriptions</b>		3,263,843
<b>From Members: Other income from members (specify)</b>		
 <b>Total other income from members</b>		-
<b>Total of all income from members</b>		3,263,843
<b>Investment income (as at page 12)</b>		18,743
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)	115,348	
Income from any other sources (as at page 4)	16,699	
 <b>Total of other income (as at page 4)</b>		132,047
	<b>TOTAL INCOME</b>	<b>3,414,633</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		27,358
<b>Administrative expenses (as at page 10)</b>		3,113,555
<b>Federation and other bodies (specify)</b>		
Refer attached accounts	52,091	
 <b>Total expenditure Federation and other bodies</b>		52,091
<b>Taxation</b>		794
	<b>TOTAL EXPENDITURE</b>	<b>3,193,798</b>
	Surplus (deficit) for year	220,835
	Amount of general fund at beginning of year	863,005
	Amount of general fund at end of year	1,083,840

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

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
Recharges to Security Services	115,348	
<b>TOTAL FEDERATION AND OTHER BODIES</b>		115,348
<b>Other income</b>		
PSM – advertising and subscription income	5,745	
Sale of diaries and member services	7,086	
Fast stream annual event		
Housing Association income	3,868	
<b>TOTAL OTHER INCOME</b>		16,699
<b>TOTAL OF ALL OTHER INCOME</b>		132,047

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	27,358
Legal fees	27,358	Education and Training services	
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications		Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
<b>carried forward</b>	27,358	<b>Total (should agree with figure in General Fund)</b>	27,358

(See notes 24 and 25)

<b>FUND 2</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>SECTION AND BRANCH FUNDS</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Net increase in year	85,185	
	<b>Total other income as specified</b>		85,185
	<b>Total Income</b>		
<b>Expenditure</b>			
	Benefits to members		
	Net decrease in year		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		85,185
	<b>Amount of fund at beginning of year</b>		547,795
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		632,990
	<b>Number of members contributing at end of year</b>		

<b>FUND 3</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>JOINT VENTURE FUND</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Share of joint venture surplus	280,554	
	<b>Total other income as specified</b>		280,554
	<b>Total Income</b>		280,554
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		280,554
	<b>Amount of fund at beginning of year</b>		1,342,395
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		1,622,949
	<b>Number of members contributing at end of year</b>		6,320









# 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		1,640,914
Salaries and Wages included in above	£1,205,509	
Auditors' fees		4,300
Legal and Professional fees		49,807
Occupancy costs		359,823
Stationery, printing, postage, telephone, etc.		301,389
Expenses of Executive Committee (Head Office)		32,278
Expenses of conferences		23,417
Other administrative expenses (specify)		
PSM production costs		97,533
Annual membership cards		10,562
Member products		15,063
Bank charges and subscription collection costs		6,615
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		51,858
Management team restructuring costs		
Outgoings on land and buildings (specify)		
Loss on sale of investments		3,231
Section rebates		516,765
	<b>Total</b>	3,113,555
Charged to:	General Fund (Page 3)	3,113,555
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	<b>Total</b>	3,113,555





**BALANCE SHEET as at** 31 DECEMBER 2012

(see notes 47 to 50)

Previous Year		£	£
234,030	<b>Fixed Assets</b> (at page 14)		161,240
	<b>Investments</b> (as per analysis on page 15)		
325,345	Quoted (Market value £ 797,051)		386,171
500	Unquoted		500
325,845	<b>Total Investments</b>		386,671
	<b>Other Assets</b>		
	Loans to other trade unions		
701,268	Sundry debtors		626,415
1,313,632	Cash at bank and in hand		2,594,239
	Income tax to be recovered		
	Stocks of goods		
440,083	Others (specify) Section Funds		632,990
2,454,983	<b>Total of other assets</b>		3,853,644
3,014,858	<b>TOTAL ASSETS</b>		4,401,555
693,430	General Fund (Account 1)		1,083,840
440,083	Section & Branch Funds (Account 2)		632,990
1,058,124	Joint Venture Fund (Account 3)		1,622,949
(1,298,000)	Pension Deficit (Account 4)		(1,081,000)
	Political Fund (Account )		
	Revaluation Reserve		
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
834	Tax payable		626
185,594	Trade creditors		124,290
320,988	Accrued expenses		441,351
1,298,000	Provisions – Pension liability		1,081,000
315,805	Other liabilities – due to Managers in Partnership		495,509
3,014,858	<b>TOTAL LIABILITIES</b>		4,401,555
	<b>TOTAL ASSETS</b>		4,401,555

## 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		105,462	805,994			911,456
Additions			19,885			19,885
Disposals						
Revaluation/Transfers						
At end of year		105,462	825,879			931,341
<b>Accumulated Depreciation</b>						
At start of year		53,551	664,692			718,243
Charges for year		10,546	41,312			51,858
Disposals						
Revaluation/Transfers						
At end of year		64,097	706,004			770,101
<b>Net book value at end of year</b>						
		41,365	119,875			161,240
<b>Net book value at end of previous year</b>						
		51,911	141,302			193,213



# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

<b>QUOTED</b>	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
As per attached accounts	386,171	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	386,171	
Market Value of Quoted Investment	797,051	
<b>UNQUOTED</b>		
Equities		
Unity Trust plc	500	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	500	
Market Value of Unquoted Investments	500	

# 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 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	3,263,843		3,263,843
From Investments	18,743		18,743
Other Income (including increases by revaluation of assets)	827,796		827,796
<b>Total Income</b>	4,110,382		4,110,382
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	3,193,798		3,193,798
<b>Funds at beginning of year</b> (including reserves)	1,342,195		1,342,195
<b>Funds at end of year</b> (including reserves)	2,258,779		2,258,779
<b>ASSETS</b>			
Fixed Assets			161,240
Investment Assets			386,671
Other Assets			3,853,644
		<b>Total Assets</b>	4,401,555
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	2,142,776
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			2,258,779

# 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.

Refer attached accounts

# ACCOUNTING POLICIES


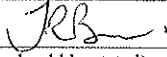
(see notes 74 and 75)

Refer attached accounts

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>DAVID PENMAN</u> Date: <u>3/6/13</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>J R BRICE</u> Date: <u>3 JUN 2013</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)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

# AUDITOR'S REPORT

(see notes 81 to 86)

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

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

REFER TO ATTACHED ACCOUNTS

# AUDITOR'S REPORT (continued)

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Signature(s):

*N. Nabarro*

--

Name(s):

NABARRO

--

Profession(s) or Calling(s):

CHARTERED ACCOUNTANTS &  
REGISTERED AUDITORS

--

Address(es):

3 - 4 GREAT MARLBOROUGH ST  
LONDON  
W1F 7HH

--

Date:

*4 June 2013.*

--

Contact name and telephone number:

C P MASON  
020 7437 8157

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

FDA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012



**FDA**

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012		2011	
	£	£	£	£
<b><u>INCOME</u></b>				
Members' Subscriptions		3,263,843		3,201,710
Affiliated Associations Subscriptions		115,348		110,043
Bank Interest received	2,478		2,452	
Dividends and Other Interest Received	16,265		19,667	
	<u>18,743</u>		<u>22,119</u>	
<u>Less:</u> Corporation Tax thereon	794		866	
		<u>17,949</u>		<u>21,253</u>
Miscellaneous Receipts - PSM		5,745		2,277
- Income from Diaries		7,086		7,083
- Income from Member Services		-		-
- Other		3,868		11,394
		<u>3,413,839</u>		<u>3,353,760</u>
<b><u>EXPENSES</u></b>				
Branch Expenses	18,663		23,945	
Section Rebates and Additional Support	516,765		646,428	
HQ Staffing inc. Training & Recruitment Costs	1,325,973		1,092,336	
Superannuation Contributions	314,941		308,746	
Printing & Stationery	7,238		9,079	
Advertising, Information & Publications	18,467		21,776	
Postage & Delivery	8,786		6,613	
Communications, including Website costs	30,376		25,984	
Meetings & Hospitality inc. associated Travel & Subsistence	118,933		91,943	
Recruitment Initiatives incl. Fast Stream Annual Event	38,520		15,359	
Affiliation & Membership Fees	52,091		49,298	
Audit Fee	4,300		3,960	
Legal & Professional Fees	77,165		178,195	
C.C.S.U. Call			(10,786)	
Honoraria, Gifts & Donations	947		673	
Campaign and Ballot Fund	68,687		77,818	
Delegate Conference	23,417		21,620	
Depreciation	51,858		73,209	
Office Rent, Rates & Services	359,823		394,480	
PSM Production Costs	97,533		89,524	
Member Products	15,063		18,608	
Equipment Hire, Leasing & Maintenance	4,688		7,938	
Computer Costs	18,362		19,540	
Bank Charges & Subscription Collection Costs	6,615		7,636	
Annual Membership Cards	10,562		10,536	
		<u>3,189,773</u>		<u>3,184,458</u>
<b><u>SURPLUS OF EXPENDITURE OVER INCOME</u></b>		<u>224,066</u>		<u>169,302</u>
<u>Add:</u> (Loss) on sale of Investments (net)	(3,231)		273	
<u>Less:</u> Corporation Tax thereon	-		-	
		<u>(3,231)</u>		<u>273</u>
<b><u>TRANSFERRED (FROM)/TO ACCUMULATED FUND</u></b>		<u>220,835</u>		<u>169,575</u>

FDA

BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
ACCUMULATED FUND	2		1,083,840		863,005
SECTION AND BRANCH FUNDS	3		632,990		547,795
SHARE OF MiP JOINT VENTURE	4		1,622,949		1,342,395
<b>FUNDS EXCLUDING PENSION LIABILITY</b>			3,339,779		2,753,195
PENSION DEFICIT	5		(1,081,000)		(1,411,000)
<b>FUNDS AFTER PENSION LIABILITY</b>			2,258,779		1,342,195
<b><u>REPRESENTED BY:</u></b>					
INVESTMENTS	6		386,671		321,323
FIXED ASSETS	7		161,240		193,213
<b>CURRENT ASSETS</b>			547,911		514,536
Section and Branch Funds	3	632,990		547,795	
Debtors & Prepayments		626,415		708,765	
Cash on Deposit, at Bank and in Hand		2,594,239		1,940,462	
			3,853,644		3,197,022
<b>LESS: CURRENT LIABILITIES</b>					
Sundry Creditors		1,061,776		958,363	
<b>NET CURRENT ASSETS</b>			2,791,868		2,238,659
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>			3,339,779		2,753,195
<b>PENSION LIABILITY</b>			(1,081,000)		(1,411,000)
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>			2,258,779		1,342,195

Approved by:

..... President, Executive Committee

..... General Secretary

..... Hon. Treasurer

19 April 2013

## FDA

### RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 1999 requires the FDA to prepare financial statements for each financial year which give a true and fair view. In preparing these financial statements the FDA is required to:

- keep proper accounting records in respect of the transactions and the assets and liabilities of the Union;
- establish and maintain a satisfactory system of control of the Union's accounting records, cash holding and all receipts and remittances;
- ensure that such records are maintained so as to give a true and fair view of the state of affairs of the Union and to explain its transactions;
- prepare an annual return for the Certification Officer giving a true and fair view of the Revenue Account and Balance Sheet; and
- provide members with a statement of income and expenditure for the year.

The maintenance and integrity of the FDA website is the responsibility of the FDA's officers. The work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

## FDA

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2012

##### 1. ACCOUNTING POLICIES

- (a) The financial statements of the Union have been prepared under the historical cost convention.
- (b) Funds held by sections and branches have been incorporated in the financial statements based upon the latest reported information.
- (c) Depreciation is provided at rates estimated to reduce book value to realisable value on disposal. The rates used are as follows:
- |                              |                           |
|------------------------------|---------------------------|
| Office furniture & equipment | 33 1/3%                   |
| Website development costs    | 33 1/3%                   |
| Computer hardware & software | 33 1/3%                   |
| Leasehold improvements       | remaining period of lease |
- (d) Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line over the period of the lease.
- (e) Grants received towards the cost of tangible fixed assets are applied to reduce the cost of the asset and depreciation is calculated on the cost so reduced. Revenue grants are credited to the income and expenditure account so as to match them with the expenditure to which they relate.
- (f) The FDA does not account for its share of the net income arising from the joint venture with Managers in Partnership in the income and expenditure account because Managers in Partnership is considered to be a section of the FDA. The FDA's cumulative share of the net receipts is included in the balance sheet.

##### 2. ACCUMULATED FUND

	2012 £	2011 £
Balance at beginning of the year	863,005	693,430
Surplus for the year	220,835	169,575
Balance at end of year	<u>1,083,840</u>	<u>863,005</u>

##### 3. SECTION AND BRANCH FUNDS

	At start of year £	Surplus/ (Deficit) £	At end of year £
Crown Prosecution Service	19,672	1,039	20,711
Northern Ireland Senior Officers	12,811	2,493	15,304
OFSTED	139,398	15,471	154,869
HMI Wales	26,778	368	27,146
HMI Scotland	46,794	4,812	51,606
Procurators Fiscal Society	57,072	8,757	65,829
DSA	243,883	50,885	294,768
Land Registry	1,387	1,370	2,757
	<u>547,795</u>	<u>85,195</u>	<u>632,990</u>

Included in the funds held by the DSA is an amount of £72,000 held by the FDA on behalf of the DSA.

## FDA

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 4. JOINT VENTURE OPERATIONS

In 2005 the FDA entered into a joint venture with UNISON, known as Managers in Partnership. The partnership provides support for senior managers within the health service.

	2012	2011
	£	£
Partner receipts at beginning of year	1,342,395	1,058,124
Net receipts in year to help offset costs	280,554	284,271
Partner receipts at end of year	1,622,949	1,342,395

There was an amount due to the joint venture at 31 December 2012 of £495,509 (2011 - £420,200), representing the amount of subscriptions received on behalf of the joint venture net of expenses incurred.

#### 5. PENSION LIABILITY

As at 31 December 2012 the FDA operated a pension scheme known as The FDA Retirement Benefits Scheme. The Scheme is a defined benefit scheme and is open to new entrants. A full actuarial valuation was carried out by a qualified independent actuary as at 1 April 2009, on which date the major stock market indices were very low. That valuation has been projected forward by the actuary to the accounting date on a basis compliant with FRS 17.

The major financial assumptions used by the actuary were:

	2012	2011
Discount rate	4.60%	5.00%
Rate of increase in salaries	3.70%*	3.85%*
Rate of revaluation in deferment	2.30%	2.15%
Rate of increase in pensions in payment - pre 1.1.97 service	3.20%	3.35%
Rate of increase in pensions in payment - post 1.1.97 service	2.30%	2.15%
RPI Inflation assumption	3.20%	3.35%
CPI Inflation assumption	2.30%	2.15%
Return on scheme assets	5.30%	5.85%

\* Long term salary increase assumption applying after 2 years (2011 - 3 years).

The assets in the scheme and the expected rate of return as at 31 December 2012 were:

	2012		2011	
	Long term rate of return expected at 31.12.12	Value	Long term rate of return expected at 31.12.11	Value
		£		£
Equities	7.55%	4,116,000	7.75%	3,602,000
Fixed Interest Gilts	2.30%	254,000	2.50%	251,000
Index Linked Gilts	2.30%	1,220,000	2.80%	1,125,000
Corporate Bonds	3.60%	905,000	4.30%	752,000
Cash	1.85%	988,000	2.30%	385,000
Total market value of assets		7,483,000		6,115,000
Present value of scheme liabilities		8,564,000		7,526,000
Deficit in scheme		(1,081,000)		(1,411,000)

**FDA**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

**5. PENSION LIABILITY (continued)**

The movement in the deficit during the year was as follows:

	£	£
Deficit in scheme at beginning of year		(1,411,000)
Movement in year:		
Current service cost	(275,000)	
Past service cost	-	
Contributions	314,000	
	<hr/>	39,000
Net return:		
Expected return on pension scheme assets	362,000	
Interest on pension scheme liabilities	(386,000)	
	<hr/>	(24,000)
Actuarial gain:		
Actual less expected return on scheme liabilities	827,000	
Experience gains/losses arising on scheme liabilities	(125,000)	
Changes in assumptions underlying the present value of the scheme liabilities	(387,000)	
	<hr/>	315,000
Deficit in scheme at end of year		<u>(1,081,000)</u>

**6. INVESTMENTS**

<b>Holding Description</b>	<b>Cost</b>	<b>Market Value</b>
	£	£
8,000 Alliance Trust plc	10,624	30,024
5,000 BNY MFM Newton Asian Inc Fund	6,389	9,032
82,000 BNY MFM Newton Bridge Fund Inc.	143,077	162,827
25,000 BNY MFM Newton Falcon Fund Inc.	48,963	53,660
6,500 BNY MFM Newton Real Return Inc.	13,332	18,298
13,000 Edinburgh Dragon Trust Plc	4,525	34,840
9,300 Edinburgh Investment Trust Plc	19,509	47,523
400 Findlay Park Plc American Smaller Companies	8,015	13,492
19,810 Henderson Investment European Growth	14,459	51,229
53,536 Invesco Perpetual UK Smaller Companies	16,888	91,033
6,000 Polar Capital Technology Trust Plc Ordinary shares	5,404	21,810
1,200 Polar Capital Technology Trust Plc Sub shares	93	93
1,379 Royal Dutch Shell Plc	6,292	29,993
9,500 Scottish Mortgage Investment Trust Plc	19,368	71,440
4,300 TR European Growth Trust	3,496	14,620
12,490 TU Fund Managers British Trust	49,680	64,142
500 Unity Trust Plc	500	500
16,500 Witan Investment Trust Plc	16,057	82,995
	<hr/>	
	<u>386,671</u>	<u>797,551</u>

**FDA**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

**7. FIXED ASSETS**

	Office Furniture & Equipment £	Computer Hardware & Software £	Leasehold Improve-ents £	Website £	TOTAL £
<b><u>COST</u></b>					
At beginning of year	301,597	375,585	105,462	128,812	911,456
Additions	-	19,885	-	-	19,885
Disposals	-	-	-	-	-
At end of year	<u>301,597</u>	<u>395,470</u>	<u>105,462</u>	<u>128,812</u>	<u>931,341</u>
<b><u>DEPRECIATION</u></b>					
Brought Forward	196,585	344,779	53,551	123,328	718,243
Charge for year	20,935	18,383	10,546	1,994	51,858
Eliminated on disposal	-	-	-	-	-
At end of year	<u>217,520</u>	<u>363,162</u>	<u>64,097</u>	<u>125,322</u>	<u>770,101</u>
<b><u>NET BOOK VALUES</u></b>					
At beginning of year	<u>105,012</u>	<u>30,806</u>	<u>51,911</u>	<u>5,484</u>	<u>193,213</u>
At end of year	<u>84,077</u>	<u>32,308</u>	<u>41,365</u>	<u>3,490</u>	<u>161,240</u>

**8. LEASING COMMITMENTS**

The Union leases its Headquarters at a current annual rental of £215,660 plus VAT. The lease expires in 2016.

**9. CONTINGENT LIABILITIES**

The Union is involved in ongoing legal cases in behalf of its members, the outcomes of which are inevitably uncertain. Provision has been made for the estimated unbilled costs where the Union considers that they may not be totally recovered.

## **REPORT OF THE AUDITORS TO THE MEMBERS OF THE FDA**

We have audited the financial statements on pages 1 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

This report is made solely to the members as a body. Our work has been undertaken so that we may state to the Union's members those matters that we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 THE FDA AND THE AUDITORS**

As described on page 3 the FDA is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

### **OPINION ON THE FINANCIAL STATEMENTS**

In our opinion the financial statements give a true and fair view of the state of the Union's affairs as at 31 December 2012 and of its transactions for the year ended on that date.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

- adequate records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

**NABARRO**  
Statutory Auditor  
& Chartered Accountants

3 & 4 Great Marlborough Street  
London  
W1F 7HH

24 April 2013



**FDA**

**SCHEDULE OF AFFILIATIONS AND MEMBERSHIPS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

Trades Union Congress

Scottish Trades Union Congress

Wales Trades Union Congress

Irish Congress of Trade Unions

Public Services International

European Federation of Public Service Unions

Liberty

Day Care Trust

Civil Service Pensioners Alliance

National Pensioners Convention

Campaign for Freedom of Information