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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	Affinity
Year ended:	31 December 2015
List no:	615T
Head or Main Office:	St John's Terrace 3-7 Ampthill Street Bedford MK42 9EY
Website address (if available)	www.workaffinity.co.uk
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:	Mark V Brown
Telephone Number:	01234 716005
Contact name for queries regarding	Emma Stopford
Telephone Number:	01234 716005
E-mail:	Emma.stopford@workaffinity.co.uk

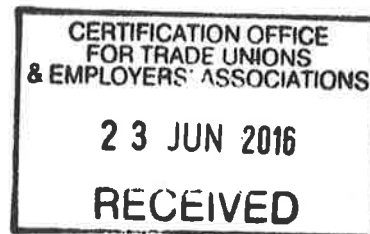
PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.

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

List Of Affinity Officers

Mark Brown	—	General Secretary
Neilson Smith	—	Chairman
Bryan Jackson	—	Deputy Chairman / Treasurer
Peter Munday	—	Vice Chairman

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	12,508	5		272	12,785
FEMALE	20,768	16		451	21,235
TOTAL	33,276	21		723	A 34,020

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

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

	44
	33,216

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

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)

	£	£
INCOME		
From Members: Contributions and Subscriptions		3,192,388
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		
Investment income (as at page 12)		3,073
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	2,380	
Total of other income (as at page 4)		2,380
		3,197,841
	TOTAL INCOME	
EXPENDITURE		
Benefits to members (as at page 5)		131,736
Administrative expenses (as at page 10)		2,935,035
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		
Taxation		1,070
	TOTAL EXPENDITURE	3,067,841
		130,000
Surplus (deficit) for year		
		1,261,538
Amount of general fund at beginning of year		
		1,391,538
Amount of general fund at end of year		

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income Other income	2,387	
TOTAL OTHER INCOME		2,387
TOTAL OF ALL OTHER INCOME		,2,387

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues Consultancy	131,736	brought forward Education and Training services	131,736
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications		Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
carried forward	131,736	Total (should agree with figure in General Fund)	131,736

(See notes 24 and 25)

FUND 2		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 3		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 4		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 5		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 6		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 7		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount of political fund at beginning of year	
		Amount of political fund at the end of year (as Balance Sheet)	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund			

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

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

(see notes 32 and 33)

		£
Administrative Expenses		
Remuneration and expenses of staff		1,860,036
Salaries and Wages included in above	£1,683,611	
Auditors' fees		6,000
Legal and Professional fees		88,244
Occupancy costs		50,430
Stationery, printing, postage, telephone, etc.		339,521
Expenses of Executive Committee (Head Office)		182,026
Expenses of conferences		182,026
Other administrative expenses (specify)		
Bank charges and interest		21,865
General expenses		3,974
Computer costs		95,218
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		5,705
Depreciation		92,184
Taxation		8,076
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Total		
Charged to:	General Fund (Page 3)	2,935,035
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
Total		2,935,035

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contributions £	Other Benefits		
				Description	Value £	
General secretary – Mark Brown	105,500	17,466	11,138	Car benefit	18,000	152,104
General council member – Neilson Smith	17,433	1,381	20,640			39,454
General council member – Peter Munday	16,323	1,711	1,135	Car benefit	3,000	22,169

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			104
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			38
Other investment income (specify)			
Staff loans			2,931
		Total investment income	3,073
Credited to:			
		General Fund (Page 3)	3,073
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	
		Total Investment Income	3,073

BALANCE SHEET as at 31 December 2015

(see notes 47 to 50)

Previous Year		£	£
1,009,269	Fixed Assets (at page 14)		982,678
	Investments (as per analysis on page 15)		
5,149	Quoted (Market value £ 7,822)		5,149
4,700	Unquoted		4,700
9,849	Total Investments		9,849
	Other Assets		
	Loans to other trade unions		
177,305	Sundry debtors		159,506
262,083	Cash at bank and in hand		378,871
1,253	Income tax to be recovered		4,796
82,721	Stocks of goods		43,635
	Others (specify)		
523,362	Total of other assets		582,012
1,542,480	TOTAL ASSETS		1,579,333
1,261,538	Fund (Account)		1,391,538
	Fund (Account)		
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
85,496	Loans: Other		37,703
	Bank overdraft		
	Tax payable		1,070
	Sundry creditors		52,591
102,285	Accrued expenses		96,431
	Provisions		
	Other liabilities		
280,942	TOTAL LIABILITIES		186,725
1,542,480	TOTAL ASSETS		1,579,333

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment	Motor Vehicles	Not used for union business	Total
	Freehold	Leasehold	£	£	£	£
Cost or Valuation						
At start of year	765,000		634,702	488,493		1,888,195
Additions			26,702	50,480		77,812
Disposals			(288,191)	(105,610)		(393,801)
Revaluation/Transfers						
At end of year	765,000		373,213	433,363		806,576
Accumulated Depreciation						
At start of year			591,262	287,664		878,926
Charges for year			27,196	58,385		85,581
Disposals			(288,189)	(87,420)		(375,609)
Revaluation/Transfers						
At end of year			330,269	258,629		588,898
Net book value at end of year	765,000		42,944	174,734		982,678
Net book value at end of previous year	765,000		43,440	200,289		1,009,269

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Shares	5,149	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	5,149	
Market Value of Quoted Investment	7,822	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Contributions to unlisted company limited by guarantee in which the union is a member	4,700	
TOTAL UNQUOTED (as Balance Sheet)	4,700	
Market Value of Unquoted Investments	4,700	

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input checked="" 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 £
INCOME			
From Members	3,192,388		3,192,388
From Investments	3,073		3,073
Other Income (including increases by revaluation of assets)	2,380		2,380
Total Income	3,197,841		3,197,841
EXPENDITURE (including decreases by revaluation of	3,067,841		3,067,841
Total Expenditure	3,067,841		3,067,841
Funds at beginning of year (including reserves)	1,261,538		1,261,538
Funds at end of year (including reserves)	1,391,538		1,391,538
ASSETS			
Fixed Assets			982,678
Investment Assets			9,849
Other Assets			586,806
		Total Assets	1,579,333
LIABILITIES		Total Liabilities	(187,795)
NET ASSETS (Total Assets less Total Liabilities)			1,391,538

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.

CONTRIBUTIONS FROM MEMBERS	2015	2014
Subscriptions	3,259,432	3,486,088
Ancillary services	(67,044)	(113,093)
	£3,192,388	£3,372,995
OTHER OPERATIONS		
Dividends and royalties	2,522	2,956
Vassar Smith Fund administration fee	-	(14,000)
Other Income	-	3,419
	£2,522	£(7,625)
INVESTMENT INCOME		
Interest received on loans	2,931	2,792
	£2,931	£2,792
PREMISES, EQUIPMENT AND STAFF		
Staff remuneration and severance	1,860,036	2,047,508
Rent, rates and maintenance	29,586	32,506
Light and heat	14,655	13,662
Equipment hire	23,148	52,281
	£1,927,425	£2,145,957
ADMINISTRATION		
Printing, stationery and publications	68,633	131,420
Committee and travelling expenses	364,052	443,879
Postage	143,117	182,130
Telephone	104,353	97,122
Computer costs	95,218	39,253
Bank charges and interest	21,865	22,329
Insurance	6,189	5,264
Lease and hire purchase interest	5,705	9,161
Sundry expenses	3,974	2,609
VAT on partial exemption	8,082	14,904
	£821,188	£948,071

DEPRECIATION

Depreciation on tangible fixed assets	85,581	99,277
(Profit)/Loss on disposal	6,603	12,381
	<u>£92,184</u>	<u>£111,658</u>

TAXATION

The Union is not subject to taxation on its normal activities, but is taxable in respect of any profits arising from its trading activities and on its investment income. Provision has been made in the accounts in respect of corporation tax due as follows:

	2015	2014
Current year	1,070	(1,253)
Prior year adjustment	(6)	-
Current tax charge	<u>£1,064</u>	<u>£(1,253)</u>
Factors affecting the tax charge for the year		
(Deficit)/Surplus on ordinary activities before taxation	<u>131,064</u>	<u>(145,845)</u>
(Deficit)/Surplus on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2014 - 20%)	<u>26,213</u>	<u>(29,169)</u>
Effects of :		
Mutual trading	(25,143)	27,916
Other tax adjustments	-	-
	<u>(25,143)</u>	<u>27,916</u>
Current Tax Charge	<u>£1,070</u>	<u>£(1,253)</u>

FIXED ASSETS

	Freehold Property	Computer Equipment	Office Equipment	Motor Vehicles	Furniture & Fittings	Total
COST						
1 January 2015	765,000	421,277	67,138	488,493	146,287	1,888,195
Additions	-	26,702	-	50,480	-	77,182
Disposals	-	(231,745)	(44,987)	(105,610)	(11,459)	(393,801)
31 December 2015	<u>765,000</u>	<u>216,234</u>	<u>22,151</u>	<u>433,363</u>	<u>134,828</u>	<u>806,576</u>
DEPRECIATION						
1 January 2015	-	401,348	57,980	287,664	131,934	878,926
Disposals	-	(231,745)	(44,987)	(87,420)	(11,457)	(375,609)
Charge for year	-	18,245	3,313	58,385	5,638	85,581
31 December 2015	<u>-</u>	<u>187,848</u>	<u>16,306</u>	<u>258,629</u>	<u>126,115</u>	<u>588,898</u>
NET BOOK VALUE						
31 December 2015	<u>765,000</u>	<u>28,386</u>	<u>5,845</u>	<u>174,734</u>	<u>8,713</u>	<u>982,678</u>
31 December 2014	<u>765,000</u>	<u>19,929</u>	<u>9,158</u>	<u>200,829</u>	<u>14,353</u>	<u>1,009,269</u>

The net book value of tangible fixed assets includes **£71,611** (2014 - £126,201) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to **£30,355** (2014 - £36,879) for the year.

INVESTMENTS	2015	2014
Listed investments at cost	5,149	5,149
[Market Value £7,822 (2014 - £9,221)]		
Unlisted investments at cost	4,700	4,700
	<u>£9,849</u>	<u>£9,849</u>
	<u>=====</u>	<u>=====</u>
DEBTORS AND PREPAYMENTS	2015	2014
Prepayments and accrued income	8,798	5,901
Other debtors	155,503	171,404
Corporation tax repayable	-	1,253
	<u>£164,301</u>	<u>£178,558</u>
	<u>=====</u>	<u>=====</u>
	2015	2014
CASH AT BANK AND IN HAND		
Bank current account	378,715	261,920
Cash in hand	156	163
	<u>£378,871</u>	<u>£262,083</u>
	<u>=====</u>	<u>=====</u>
CREDITORS – due within one year	2015	2014
Creditors and accruals	96,431	102,285
Obligations under hire purchase and finance leases	30,641	47,757
Other creditors	52,591	93,161
Corporation tax	1,070	-
	<u>£180,733</u>	<u>£243,203</u>
	<u>=====</u>	<u>=====</u>
CREDITORS – due after more than one year	2015	2014
Obligations under hire purchase and finance leases	7,063	37,739
	<u>£7,063</u>	<u>£37,739</u>
	<u>=====</u>	<u>=====</u>
ACCUMULATED FUND	2015	2014
Balance at 1 January 2015	1,261,538	1,479,630
Prior period adjustment	-	(69,000)
	<u>1,261,538</u>	<u>1,410,630</u>
Balance at 1 January 2015	1,261,538	1,410,630
Surplus/(Deficit) for the year	130,000	(149,092)
	<u>£1,391,538</u>	<u>£1,261,538</u>
	<u>=====</u>	<u>=====</u>

RELATED PARTY TRANSACTIONS

- The Union has made a loan in 2011 of £16,000 and in 2014 an additional loan was granted of £9,000 in respect of purchase of a motor vehicle to Mr Mark Brown, the General Secretary, which bears interest at a commercial rate of 4%. The balance due from Mr Mark Brown at the year-end was **£7,786** (2014: £9,761).
- During the year the Union paid a salary of **£17,433** (2014: £27,800) to Mr Neilson Smith in his capacity as Chairman of the Union.
- Plus Insurance Partners Limited, a company owned and controlled by Emma Stopford, manages and promotes elements of the Union's Free Benefits and Combined Insurance schemes and offers a range of insurance products to the Union's members.

BUSINESS REVIEW

During 2015 the closure of branches and contraction in staff numbers maintained the downward trend experienced in earlier years.

The Union's planning over the previous five years had anticipated the direction and pace of technological and organisational change and the inevitable effect on job numbers. Its own change programme continued, designed to ensure that the services to members remained unaffected whilst income and expenditure remained in equilibrium.

It was disappointing, but not surprising, that the Union was unable to reach agreements with Lloyds and TSB on future recognition. Both organisations continued on clearly pre-determined courses of action and proposed recognition arrangements which they knew would be unacceptable to any genuinely independent trade union. Their clear intention was to recognise only unions that were under their control and could not act independently. This followed several years during which the deterioration in the Union's relationship with Lloyds Banking Group had mirrored the decline in the Bank's relationship with its own staff.

At the same time though, its 7 day, 24-hour Advice Line the Union met continuing high levels of demand from members seeking advice on employment rights in a hostile environment. Technological and other changes begun some years earlier allowed the Union to continue to reduce the number of staff employed on administration work so resources could be switched to supporting members in need of information, advice and protection.

Significantly the Union completed work on the settlement of legal action to protect members disadvantaged by Lloyds Banking Group's attempt to force contract changes on members in 2010. The Union is clear that this success, affecting members in both Lloyds and TSB and following a long campaign, was a major factor in those banks refusing to recognise the Union despite it having substantial majority of union members in both Lloyds Bank and TSB. Action continued through the Pensions Ombudsman, to protect members disadvantaged by changes in pension provision in Lloyds Banking Group

Looking ahead to 2016 the Union expected further substantial reductions in staff numbers offset by the growing number of members choosing to retain their membership under the Affinity brand when moving to work for other organisations, including banks.

ACCOUNTING POLICIES

(see notes 74 and 75)

1. ACTIVITIES AND ACCOUNTING POLICIES

(a) Activities

Affinity is the major trade union representing staff working in Lloyds Banking Group and TSB Bank. It also represents members in a wide range of other companies. Its primary function is to provide representation services to these members.

(b) Basis of accounting

The financial statements are prepared on the historical cost basis.

(c) Income

Income represents subscriptions receivable from members during the year, income receivable from investments and monies on deposit, and the surplus arising from the trading activities of the Union.

(d) Fixed assets

Fixed assets are stated at cost less accumulated depreciation with the exception of freehold property which is not depreciated. Freehold land and buildings are maintained and improved such that the residual values of these properties, based on prices prevailing at the time of acquisition, are at least equal to their book values. Having regard to this, it is the opinion of the Union's Officers that depreciation on any such properties as required by Accounting Standards would not be material.

(e) Investments

Investments are stated at the lower of cost and net realisable value.

(f) Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated working life at the following rates:

Freehold property	-	not depreciated
Computers and equipment	-	33% pa on cost
Office equipment	-	20% pa on cost
Motor vehicles	-	25% pa on net book value
Furniture and fittings	-	10% pa on cost

(g) Stock

Stocks comprise stationery and publicity brochures valued by the Union at the cost of production, and store vouchers available for purchase by members, valued at cost.

(h) Leased assets

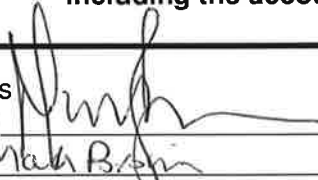
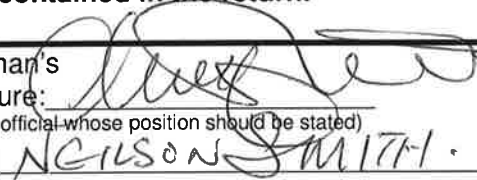
Where assets are financed by leasing agreements that give rights approximating to ownership, the assets are treated as if they had been purchased outright and any finance costs are charged to the income and expenditure account over the purchase period.

All other leases are operating leases, and the annual rentals are charged to the income and expenditure account on a straight line basis over the lease term.

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature:  Name: <u>Mark Brown</u> Date: <u>16th Jun 2016</u>	Chairman's Signature:  (or other official whose position should be stated) Name: <u>NEILSON SMITH</u> Date: <u>16.6.2016</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 type="checkbox"/>	NO	<input checked="" type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input checked="" type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

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

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

YES/NO

If "No" please explain below.

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

YES/NO


If "No" please explain below.

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

YES/NO

If "No" please explain below.

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

Signature(s) of auditor or auditors:		
Name(s):	Croucher Needham (Essex) LLP	
Profession(s) or Calling(s):	Chartered Certified Accountants	
Address(es):	Market House 10 Market Walk Saffron Walden Essex, CB10 1JZ	
Date:	21 June 2016	
Contact name and telephone number:	Paul Tucker, 01799521301	

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

EVERY TRADE UNION IS REQUIRED BY LAW TO COMPLETE THIS RETURN. THE REFUSAL OR WILFUL NEGLIGENCE TO PERFORM THIS DUTY IS A CRIMINAL OFFENCE.

GUIDANCE ON COMPLETION

PLEASE READ THESE NOTES CAREFULLY AS YOU COMPLETE THE FORM. IF YOU ARE UNSURE ABOUT ANY ASPECT OF THE FORM PLEASE CONTACT THE CERTIFICATION OFFICE FOR ADVICE.

GENERAL

1. Unless the union has been authorised to make its annual return to another date, this return must be made to 31 December and sent to the Certification Officer as soon as possible, **and at any event before 1 June.**
2. As long as the period is the same and there is no reduction in the amount of information supplied, a union incorporated under the Companies Act may submit with the return a copy of its accounts prepared under the Companies Act providing pages 1,2,9,11,16,17,19,20 and 21 of the return are completed. Where the Companies Act return does not provide all the information sought in this return the additional information should be provided as appropriate. A separate Auditor's Report must always nevertheless be provided and signed on pages 20 and 21 of the return. The summary sheet on page 17 must also be completed.
3. The accounts must, in accordance with the Act, give a true and fair view of the matters to which they relate.
4. The accounts and AR21 of a trade union working through branches (i.e. not a federation of autonomous bodies) should include the transactions, assets and liabilities of **all the branches.**
5. Any negative values should be clearly indicated by placing the entry in brackets.

AUDITOR'S REPORT (continued)

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AFFINITY

We have audited the financial statements of Affinity for the year ended 31 December 2015, which comprise the income and expenditure account, balance sheet, cashflow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the union's members, as a body. Our audit work has been undertaken so that we might state to the union's members those matters we are required to state to them in an 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 officers and auditors

The Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 require the union's officers to keep proper accounting records which give a true and fair view of the state of affairs of the union and explain its transactions, to establish and maintain a satisfactory system of control of the accounting records, cash holding and all the receipts and remittance and to prepare an annual return for the Certification Office giving a true and fair view of the revenue account and balance sheet and provide members of the union with a statement of income and expenditure for the year.

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 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 fraud or error. This includes an assessment of whether the accounting policies are appropriate to the union'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. In addition, we read all the financial and non-financial information in the Annual Return to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.

Opinion on 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 2015 and its transactions for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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 and the Trade Union Reform and Employment Rights Act 1993 require us to report to you if, in our opinion:

- proper books of account have not been kept by the union in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the union in accordance with the requirements of the legislation;
- the revenue account to which our report relates, and the balance sheet are not in agreement with the books of account of the union;
- we have not obtained all the information and explanations necessary for the purposes of our audit.

CROUCHER NEEDHAM (ESSEX) LLP
CHARTERED CERTIFIED ACCOUNTANTS
REGISTERED AUDITOR

Market House
10 Market Walk
Saffron Walden
Essex
CB10 1JZ