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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	Equity
Year ended:	31 December 2016
List no:	069T
Head or Main Office:	Guild House Upper St Martin's Lane London WC2H 9EG
Website address (if available)	
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:	Christine Payne
Telephone Number:	020 7379 6000
Contact name for queries regarding	Duncan Smith
Telephone Number:	020 7670 0230
E-mail:	dsmith@equity.org.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 2017)

officersname of officer at 31
december 2016name of officer at 1
january 2016

president

malcolm sinclair

malcolm sinclair

vice-president

maureen beattie

charlotte cornwell

vice-president

ian barritt

ian barritt

honorary treasurer

bryn evans

bryn evans

maureen beattie was appointed an officer on 6 July 2016

charlotte cornwell ceased to hold office on 6 July 2016

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	20,085	214	51	407	20,757
FEMALE	20,460	218	45	361	21,084
TOTAL	40,545	432	96	768	A 41,841

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

314

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

41,841

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:

N/a

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

N/a

and names:

N/a

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		5,264,035
From Members: Other income from members (specify)		
Visiting artists	-	
Total other income from members		-
Total of all income from members		5,264,035
Investment income (as at page 12)		2,063,538
Other Income		
Income from Federations and other bodies (as at page 4)	1,722,702	
Release of unknown funds	800,333	
Total of other income (as at page 4)		2,523,035
	TOTAL INCOME	9,850,608
EXPENDITURE		
Benefits to members (as at page 5)		1,054,757
Administrative expenses (as at page 10)		5,917,087
Federation and other bodies (specify)		
Trades Union Congress	110,836	
F.I.A	53,500	
Others	11,895	
Total expenditure Federation and other bodies		176,231
Actuarial loss on the pension scheme		2,596,000
Taxation		295,794
	TOTAL EXPENDITURE	10,039,869
		(189,261)
		7,200,160
		7,010,899
Surplus (deficit) for ye		(189,261)
Amount of general fund at beginning of ye		7,200,160
Amount of general fund at end of ye		7,010,899

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		
Educational Recording Agency	1,296,110	
Services Sound and Vision Corporation	16,000	
Non- distributable cable re-transmission monies	48,366	
Advertising	26,433	
Facility payments (recorded media department)	22,750	
Contribution to costs / US film studios	153,776	
Sponsorship	16,401	
Film & TV distribution charge	15,005	
Miscellaneous	40,181	
Reimbursement of audit fees for royalty project	80,366	
Agent information service	7,314	
TOTAL OTHER INCOME		1,722,702
Release of unknown funds		800,333
TOTAL OF ALL OTHER INCOME		2,523,035

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	597,186
Professional Fees	3,750	Education and Training services	
Legal – contractual disputes	190,974	Training	946
Legal – variety barring claim	130,000	Organising for success	-
Representation – Non Employment Related Issues			
Legal - defamation	-	Negotiated Discount Services	
		Public liability insurance	127,196
Communications			
Diaries	33,977		
Equity Magazine	161,838		
Insurance booklet	1,840	Salary Costs	-
New member guides	1,975		
Newspaper cutting services	1,135		
Networking events	58		
Website	48,310		
Equity DVD	975	Other Benefits and Grants (specify)	
		Funeral Benefits	19,310
Dispute Benefits	-	Accident and Backstage Insurance	279,344
		Theatre Awards	9,092
		Bursaries	2,000
		Campaigning	19,433
		Tennis Tournaments	250
Other Cash Payments			
Special Royalty Projects	20,379		
Other	1,975		
carried forward	597,186	Total (should agree with figure in General Fund)	1,054,757

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Benevolent Fund	£	£
Income			
	From members	-	-
	Investment income (as at page 12)	-	-
	Other income (specify)	-	-
	Donations	34,517	-
	Transfers	47,684	-
	Total other income as specified		82,201
	Total Income		82,201
Expenditure			
	Benefits to members	21,720	-
	Administrative expenses and other expenditure (as at page 10)	-	-
	Total Expenditure		21,720
	Surplus (Deficit) for the year		60,481
	Amount of fund at beginning of year		345,625
	Amount of fund at the end of year (as Balance Sheet)		406,106
	Number of members contributing at end of year		n/a

FUND 3		Fund Account	
Name:	Legal Defence Costs	£	£
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		200,000
	Amount of fund at the end of year (as Balance Sheet)		200,000
	Number of members contributing at end of year		n/a

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	Industrial Disputes	£	£
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		100,000
	Amount of fund at the end of year (as Balance Sheet)		100,000
	Number of members contributing at end of year		n/a

FUND 5		Fund Account	
Name:	Revaluation Reserve	£	£
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		4,230,287
	Amount of fund at the end of year (as Balance Sheet)		4,230,287
	Number of members contributing at end of year		n/a

(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		3,503,109
Salaries and Wages included in above	£2,548,580	
Auditors' fees		23,150
Legal and Professional fees		392,608
Occupancy costs		444,270
Stationery, printing, postage, telephone, etc.		390,899
Expenses of Executive Committee (Head Office)		27,528
Expenses of conferences		79,009
Other administrative expenses (specify)		
Grants		58,165
Organising expenses		308,613
Annual report		19,340
Elections and ballots		38,494
Rule change referendum		13,618
Other Outgoings		
Interest payable:		
Pension scheme)		250,000
Depreciation		145,286
Irrecoverable VAT		222,998
Outgoings on land and buildings (specify)		-
Other outgoings (specify)		-
Total		5,917,087
Charged to:	General Fund (Page 3)	5,917,087
	Fund (Account 2)	-
	Fund (Account 3)	-
	Fund (Account 4)	-
Total		5,917,087

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Pension Contribution s £	Benefits		Total £
				Description	Value £	
Elected Council Members	-	-	-	-	-	-
President	-	-	-	-	-	-
General Secretary	107,650	-	-	None	-	107,650

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			112,160
Dividends (gross) from:			
Equities (e.g. shares)			473,475
Interest (gross) from:			
Government securities (Gilts)			-
Mortgages			-
Local Authority Bonds			-
Bank and Building Societies (interest received net paid)			(1,088)
Other investment income (specify)			
Other			11
Profit on sale of investments			192,303
Unrealised (gain) on investments			1,286,677
		Total investment income	2,063,538
		Credited to:	
		General Fund (Page 3)	2,063,538
		Fund (Account 2)	-
		Fund (Account 3)	-
		Fund (Account 4)	-
		Fund (Account)	-
		Fund (Account)	-
		Political Fund	-
		Total Investment Income	2,063,538

BALANCE SHEET as at 31 December 2016

(see notes 47 to 50)

Previous Year		£	£
6,671,916	Fixed Assets (at page 14)		6,598,857
	Investments (as per analysis on page 15)		
12,032,390	Quoted (Market value £13,639,628)	13,639,628	
-	Unquoted	-	
12,032,390	Total Investments		13,639,628
	Other Assets		
-	Loans to other trade unions		-
644,716	Sundry debtors		983,072
6,037,136	Cash at bank and in hand		7,416,502
-	Income tax to be recovered		-
-	Stocks of goods		-
-	Others (specify)		-
6,681,852	Total of other assets		8,399,574
25,386,158	TOTAL ASSETS		28,638,059
-	Fund (Account 2)		-
-	Fund (Account 3)		-
-	Fund (Account 4)		-
-	Superannuation Fund (Account)		-
-	Political Fund (Account)		-
-	Revaluation Reserve		-
	LIABILITIES		
-	Amount held on behalf of central trade union political fund		-
-	Loans: From other trade unions		-
-	Loans: Other		-
(1,032,044)	Subscriptions received in advance		(998,966)
(2,017,097)	Sundry creditors		(3,153,401)
(4,712,000)	Pension liability		(7,421,000)
(645,912)	Provisions		(909,730)
(4,903,033)	Amounts collected for distribution		(4,207,670)
-	Other liabilities		-
(13,310,086)	TOTAL LIABILITIES		(16,690,767)
12,076,072	TOTAL ASSETS		11,947,292

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Leasehold £	Freehold £				
Cost or Valuation						
At start of year	-	6,495,457	676,634	-	-	7,172,091
Additions	-	-	72,227	-	-	72,227
Disposals	-	(115,440)	(49,101)	-	-	(164,541)
At end of year	-	6,380,017	699,760	-	-	7,079,777
Accumulated Depreciation						
At start of year	-	195,645	304,530	-	-	500,175
Charges for year	-	35,602	109,684	-	-	145,286
Disposals	-	(115,440)	(49,101)	-	-	(164,541)
At end of year	-	115,807	365,113	-	-	480,920
Net book value at end of year	-	6,264,210	334,647	-	-	6,598,857
Net book value at end of previous year	-	6,299,812	372,104	-	-	6,671,916

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED		All Funds Except Political Funds £	Political Fund £
	Equities (e.g. Shares)	12,262,121	-
	Government Securities (Gilts)	1,377,507	-
	Other quoted securities (to be specified)		
	TOTAL QUOTED (as Balance Sheet)	13,639,628	-
	Market Value of Quoted Investment	13,639,628	-
UNQUOTED	Equities	-	-
	Government Securities (Gilts)	-	-
	Mortgages	-	-
	Bank and Building Societies	-	-
	Other unquoted investments (to be specified)	-	-
	TOTAL UNQUOTED (as Balance Sheet)	-	-
	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?		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 type="checkbox"/>	NO <input checked="" type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	5,264,035	-	5,264,035
From Investments	2,063,538	-	2,063,538
Other Income (including increases by revaluation of assets)	2,605,236	-	2,605,236
Total Income	9,932,809	-	9,932,809
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	(10,061,589)	-	(10,061,589)
Funds at beginning of year (including reserves)	12,076,072	-	12,076,072
Funds at end of year (including reserves)	11,947,292	-	11,947,292
ASSETS			
	Fixed Assets		6,598,857
	Investment Assets		13,639,628
	Other Assets		8,399,574
		Total Assets	28,638,059
LIABILITIES		Total Liabilities	(16,690,767)
NET ASSETS (Total Assets less Total Liabilities)			11,947,292

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

1 number of members

male	20,757	20,173
female	21,084	20,278
	41,841	40,451

2 income related to members and other performers

educational recording agency (era)	1,296,110	1,276,080
services sound and vision corporation	16,000	16,000
non-distributable cable re-transmission monies (b)	48,366	63,604
donations to the benevolent fund	34,517	15,316
transfer to the benevolent fund (a)	47,683	68,094
	£1,442,676	£1,439,094

(a) bbc ex-gratia monies received from becs as undistributable are placed in the benevolent fund.

(b) monies relating to 2013 and 2014 received late

3 investment income

bank interest	16,958	31,689
interest paid on royalty monies distributed	-18,046	nil
interest and dividends received from investments	473,475	464,382
other	11	nil
	£472,398	£496,071

4 rental income

rental income	58,690	43,271
rebilled services	53,470	43,100
	£112,160	£86,371

5 other income

advertising	18,100	25,467
advertising on the website	8,333	8,333
contribution to costs / us film studios	153,776	70,612
facility payments (recorded media department)	22,750	22,750
film & tv distribution charge	15,005	10,523
industry information service	7,314	6,900
legal recoveries (collective conditional fee agreement)	7,900	11,325
merchandise	102	137
reimbursement of audit fees for royalty project	80,366	nil
sale of contract forms	11	24
sponsorship	16,401	10,676
other	32,169	26,598

£362,227 **£193,345**

6 staff costs

salaries	2,548,580	2,472,619
provision for holiday pay	2,000	4,000
national insurance	287,440	278,094

pension contributions	749,725	723,415
frs 102 adjustment (refer note 28)	-137,000	-111,000
pension charge calculated in accordance with frs 102	612,725	612,415

pension scheme regulatory levy	14,084	12,411
recruitment	17,998	13,239
training	15,991	13,117
welfare	4,291	4,451

£3,503,109 **£3,410,346**

7 **benefits to members**

funeral benefits payable to non life members (a)	19,310	18,365
grants from the benevolent fund	21,720	26,756
benefits and grants	41,030	45,121
diaries	33,977	34,877
equity magazine	161,838	154,247
equity dvd	975	9,955
insurance booklet	1,840	1,124
networking events	58	nil
new member guides	1,975	3,275
newspaper cutting service	1,135	1,034
website	48,310	30,760
communications	250,108	235,272
accident and backstage insurance (a)	279,344	266,945
public liability insurance	127,196	124,072
insurance	406,540	391,017
legal aid / contractual disputes	190,974	255,678
legal aid / defamation (a)	nil	-22,800
legal aid / variety barring claim	130,000	nil
legal aid / personal accident claims (a)	nil	nil
legal aid	320,974	232,878
theatre awards	9,092	8,700
other	1,975	3,001
live performance department	11,067	11,701
special royalty projects	20,379	16,738
recorded media department	20,379	16,738
bursaries to students and young people	2,000	2,000
campaigning	19,433	14,106
conferences	nil	3,065
equity tennis tournament	250	250
professional fees (related to members)	3,750	2,826
organising for success	nil	nil
training	946	3,487
other	26,379	25,734
	£1,076,477	£958,461

(a) deemed provident benefits

The salary costs of staff involved in the provision of benefits to members are included within staff costs (note 6).

8 democratic costs

annual conference	79,009	66,326
annual report / review of the year	19,340	19,315
council election (a)	38,494	nil
council by election	nil	nil
general secretary election	nil	781
national, area and specialist committee elections	nil	52,808
elections	38,494	53,589
rule change referendum	13,618	11,179
	£150,461	£150,409

(a) includes the elections of the Council, President, Appeals and Standing Orders Committees.

9 administrative expenses

advertising and marketing	23,603	22,447
bank charges	41,358	41,219
books and publications	5,245	4,957
computer support	109,363	97,059
costs of distribution	36,251	49,399
general expenses	9,892	7,017
printing, postage & stationery	133,604	138,439
telecommunications	31,583	31,152
	£390,899	£391,689

10 affiliation fees

tuc	110,836	106,752
fia	53,500	48,083
federation of entertainment unions	2,500	2,500
irish congress of trade unions	2,690	2,698
scottish tuc	2,693	2,540
welsh tuc	148	147
trade unions	172,367	162,720
amnesty	120	125
association of british theatre technicians	250	250
bafta	271	430
british copyright council	nil	1,581
justice for columbia	310	300
liberty	431	431
maternity action	120	nil
radio academy	900	900
trades councils and sundry	367	186
unions 21	875	500
welsh association of performing arts	220	210
	£176,231	£167,633

11 grants

actors' centres	15,000	15,000
british association for performing arts medicine	20,000	20,000
council for dance education and training	3,048	3,027
dance uk / healthier dance program	5,292	5,292
drama uk	9,500	9,500
ipat / comic relief	nil	10,000
parents in performing arts	325	2,000
other grants	5,000	200
	£58,165	£65,019

12 organising expenses

organising / staff	70,460	68,093
organising / international	43,372	32,125
organising / retention and recruitment	44,054	30,378
	27,528	23,963
council	54,477	45,854
members	18,433	16,187
general branches	14,263	17,956
variety branches	114,701	103,960
meetings		
motor car expenses	56,645	56,844
commission (5% for subscriptions collected)	3,256	2,197
branch funding	3,653	2,704
	£336,141	£296,301

13 professional costs

amounts paid to auditors / audit	23,150	22,250
amounts paid to auditors / other services	29,667	15,675
legal & professional	300,462	270,248
property management	9,503	19,321
stockbroker management	52,976	49,533
	£415,758	£377,027

14 property and equipment costs

office occupancy (rent, rates, light, heat and cleaning)	288,148	280,890
hire and maintenance of office equipment	114,089	97,022
building maintenance and external repairs	6,584	9,555
decoration and internal repairs	16,046	79,250
insurance	19,403	19,072
	£444,270	£485,789

15 tax

income tax repayable	-2,342	-709
deferred tax	298,136	-8,847
	£295,794	-£9,556

The union is not liable to tax on income from its members. Corporation tax is payable on investment income and chargeable gains but only to the extent that these exceed allowable provident benefits.

16 operating leases

at the end of the year the union had total commitments under non-cancellable operating leases which expire as follows:

within one year	73,438	38,828
within two to five years	120,690	44,567

£194,128 **£83,395**

17 key management

key management compensation of £302,036 was paid in the year (2015 - £291,962).

18 tangible fixed assets

freehold land and buildings freehold improvements computer equipment office equipment total

cost or deemed cost

at 1 January 2016	6,290,000	205,457	632,628	44,006	7,172,091
additions	nil	nil	61,556	10,671	72,227
disposals	nil	-115,440	-38,674	-10,427	-164,541
at 31 december 2016	6,290,000	90,017	655,510	44,250	7,079,777

depreciation

at 1 January 2016	53,200	142,445	278,615	25,915	500,175
disposals	nil	-115,440	-38,674	-10,427	-164,541
charge for the year	26,600	9,002	98,159	11,525	145,286
at 31 december 2016	79,800	36,007	338,100	27,013	480,920

net book value

at 31 december 2016	6,210,200	54,010	317,410	17,237	£6,598,857
at 31 december 2015	6,236,800	63,012	354,013	18,091	£6,671,916

the freehold land and buildings were revalued on an open market basis on 1 January 2014 by Keningtons, an independent firm of chartered surveyors. On a historical cost basis the freehold properties would have been valued at original cost of £2,470,941.

19 **investments**

market value at 1 january	12,416,868	12,066,423
realised profits	192,303	29,414
movement in unrealised gains	1,286,677	-90,799
dividends received	473,475	453,351
management fees charged	-61,616	-58,732
other	-1,671	17,211

market value at 31 december	£14,306,036	£12,416,868
------------------------------------	--------------------	--------------------

shown as		
investments	13,639,628	12,032,390
cash with stockbrokers	666,408	384,478

	£14,306,036	£12,416,868
--	--------------------	--------------------

all investments relate to quoted investments on readily accessible markets, primarily the london stock exchange. investments are carried at their fair value. The basis of fair value for quoted investments is equivalent to the market value. Asset sales and purchases are recognised at their transaction value. the main investment risk lies in the combination of uncertain investment markets and volatility in yield. the union manages these risks by retaining expert advisors (Charles Stanley & Co Limited and Adam & Company) and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. the union does not make use of derivatives and similar complex financial instruments.

There are no investments held in companies involved in the production, sale or distribution of armaments and no direct investment in companies that produce tobacco products.

20 **sundry debtors and prepayments**

income tax repayable	1,625	709
season ticket loans to staff	28,882	25,002
sundry debtors	430,427	60,551
prepayments and accrued income	522,138	558,454

	£983,072	£644,716
--	-----------------	-----------------

21 **cash at bank and in hand**

bank deposit accounts	10	1,750,000
bank current accounts	6,733,563	3,883,680
cash in hand	16,521	18,978

	£6,750,094	£5,652,658
--	-------------------	-------------------

included within cash at bank and in hand is £4,207,670 (2015 - £3,569,144) held for distribution to members (refer note 22) and £694,773 (2015 - £470,613) in relation to amounts held under escrow (refer note 23).

22 amounts collected for distribution

monies held for distribution at 1 january	4,903,033	4,155,013
monies received	7,958,039	5,076,321
release unknown funds	-1,333,889	nil
monies distributed	-7,319,513	-4,328,301

monies held for distribution at 31 december	£4,207,670	£4,903,033
---	-------------------	-------------------

analysed as to

monies received between 1995 and 1997 (a)	nil	1,333,889
monies distributable	£4,207,670	3,569,144

	£4,207,670	£4,903,033
--	-------------------	-------------------

(a) Under both written agreements and ad hoc arrangements, the union acts as an intermediary for performers in the entertainment industry for the collection and distribution of payments due to members and some non-members. Since 2007, the Annual Accounts have shown a sum of £1,333,889 held by the union since around 1995-1997 and for which it has been unable to determine the provenance. An application to the High Court was made to determine whether these monies could be used and, if so, in what way. The Court hearing took place on 1 December 2016. The judgment of the Court was that 40% (£533,556) should be divided equally between three charities suggested to the Court - namely the Royal Theatrical Fund, the Royal Variety Charity and Denville Hall Residential Care Home - and that 60% (£800,333) should be retained by the union and spent over time for the general benefit of members of the profession.

23 sundry creditors and accruals

amounts held in escrow	694,773	470,613
trade creditors	774,547	225,470
sundry creditors	502,309	444,797
taxation and social security	277,858	179,411
accruals and deferred income	903,914	696,806

	£3,153,401	£2,017,097
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24 contingent liabilities

The union is involved in a number of legal cases on behalf of members, the outcome of which cannot be determined at this time.

25 capital commitments

At the end of the year there were no capital commitments authorised and contracted for (2015 - £nil).

note 27 references the fact that in 2017 the union will take back in house responsibility for distributing all its contractual payments. In light of this, the union will incur significant capital costs concerning IT capacity. As at the date of this report expenditure of £195,034 has been incurred.

26 **provision for liabilities**

balance at 1
january movement during
the year balance at 31
december

funeral benefits payable to life members	445,281	-36,318	408,963
holiday pay	59,000	2,000	61,000
long term compensated absence	60,000		60,000

property revaluation	14,418		14,418
unrealised gains on the investment portfolio	206,104	257,335	463,439
capital losses carried forward	-49,835	33,537	-16,298
funeral benefits payable to life members	-89,056	7,264	-81,792
deferred tax	81,631	298,136	379,767

£645,912 £263,818 **£909,730**

provision for funeral benefits payable to life members

Until 1998, members reaching State retirement age with 21 years' continuous membership were awarded Life Membership where, subject to the payment of a one-off fee payable on a scale ranging between £20 and £40 (depending on the member's age), the life member could enjoy all the benefits of membership with no further subscriptions payable. A provision has therefore been set up to represent the anticipated funeral benefits that will become payable based on the number of life members still in membership, their presumed life expectancy and the current cost of the funeral benefit. This particular category of member ceased in 1998.

British Equity Collecting Society ("BECS")

During the year the Union undertook transactions with "BECS" a company in which various members of Council served as directors.

- In the year ended 31 December 2016 Equity recognised rental income and service charges of £88,244 (2015 - £63,589) due from BECS for the occupancy of offices within Guild House.

- In the year ended 31 December 2016 Equity recognised income of £47,683 (2015 - £68,094) due from BECS relating to BBC Simultaneous European Retransmission (SER) monies that were undistributable.

- In accordance with the terms of the distribution contract which commenced on 1 September 2011, Equity paid royalty monies to BECS amounting to £7,319,513 (inc vat) (2015 - £4,328,301) which are to be distributed to members.

BECS was set up in 1998 to collect statutory payments from foreign collecting societies which Equity, as a trade union, was not permitted to collect. In 2000, Equity asked BECS to distribute the BBC cable retransmission monies on behalf of the Union. Over the years the distributions on behalf of the Union increased so that by 2016 Equity's distributions made up over 75% of BECS' activity. New regulations now require that the work of a Collective Management Organisation (CMO) must be the sole or main purpose of the organisation. Following legal advice, Equity has taken the decision to bring the distribution of monies for which Equity is responsible back in house. From 2017 the distribution of Equity monies to performers will be undertaken by the Union itself; BECS will continue to distribute statutory payments to performers.

Educational Recording Agency ("ERA")

During the year the Union undertook transactions with ERA in which an officer of the Union served as a director. In the year ended 31 December 2016 Equity received licence revenues (x-vat) of £1,296,110 (2015 - £1,276,080).

Grants to related parties

During the year Equity made grants to the British Association for performing arts medicine (2016 - £20,000, 2015 - £20,000), the Council for dance education and training (2016 - £3,048, 2015 - £3,027), the International Performers' Aid Trust (2016 - £nil, 2015 - £10,000) and Drama UK (2016 - £9,500, 2015 - £9,500), where a member of Council or a member of staff serves on the governing body of the organisation.

Pattinson & Brewer solicitors

During the year Equity undertook transactions with Pattinson & Brewer, a firm of solicitors where a relative of an Officer of the Union is an employee. In the year ended 31 December 2016 Equity received invoices for legal services amounting to £428,984 inc vat (2015 - £307,894 inc vat).

The Union operates a career average revalued earnings defined benefit pension scheme. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The most recent actuarial valuation was carried out as at 6 april 2015. The results have been updated to 31 december 2016 by a qualified independent actuary. The assumptions used were as follows:

significant actuarial assumptions

discount rate	2.6%	3.8%
rpi inflation	3.3%	3.2%
cpi inflation	2.2%	2.2%

life expectancies (years)

for a male aged 65 in 2016	23.1	23.2
for a female aged 65 in 2016	24.2	24.4
at age 65 for a male aged 45 in 2016	24.3	24.5
at age 65 for a female aged 45 in 2016	25.6	25.8

assets

the fair value of the assets of the scheme are invested as follows

equities	11,958	9,044
bonds	8,407	6,660
gilts	nil	558
property	2,090	2,290
cash	150	1,037
annuities	1,057	1,251

	£23,662	£20,840
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total return on assets	£3,040	£445
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reconciliation to the statement of financial position

market value of assets	23,662	20,840
present value of defined benefit obligation	-31,083	-25,552

pension liability recognised in the statement of financial position	-£7,421	-£4,712
--	----------------	----------------

reconciliation of scheme assets and defined benefit obligation (dbo)	assets	dbo	total	2015
at 31 december	20,840	-25,552	-4,712	-5,924
benefits paid	-769	769	0	0
employer contributions	623		623	631
current service cost		-486	-486	-520
amounts recognised in income and expenditure (note 6)	623	-486	137	111
administration expenses	-72		-72	-73
interest income / (cost)	788	-966	-178	-213
amounts recognised as pension adjustments	716	-966	-250	-286
actuarial gains / (losses)		-4,848	-4,848	1,674
return on assets excluding interest income	2,252		2,252	-287
amounts recognised in other comprehensive income	2,252	-4,848	-2,596	1,387
at 31 december	23,662	-31,083	-£7,421	-£4,712

future funding obligation

The last actuarial valuation of the Scheme was performed by the Scheme Actuary for the Trustees as at 6 april 2015. This valuation revealed a funding shortfall of £2,000,000. The Union agreed to pay contributions of 12.6% of members' pensionable salaries each year, as well as 7% of members' pensionable salaries in respect of the salary sacrifice arrangement. In respect of the deficit in the scheme as at 6 April 2015, the union has agreed to pay an additional 6.2% of members' pensionable salaries plus £10,000 each year. The Union expects to pay £700,000 to the scheme during the accounting year beginning 1 january 2017.

irregularity statement

Under section 32A (6A) of the Trade Unions & Labour Relations (Consolidation) Act 1992, we are obliged to publish the following statement: A member who is concerned that some irregularity may be occurring, or has occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct. The member may raise any such concern with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police. Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of the rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice.

ACCOUNTING POLICIES

(see notes 74 and 75)

basis of accounts

The accounts are prepared in accordance with applicable accounting standards including FRS 102 "the Financial Reporting Standard" applicable in the UK and Republic of Ireland.

subscriptions

Subscriptions are shown in the accounts on the basis of cash received during the membership year ended 31 December and which relates to that calendar year.

other income

Receipts which are non-contractual and not received on predetermined dates are accounted for on an arising basis.

fixed assets and depreciation

freehold land and buildings are stated at deemed cost at 1 January 2014. this equates to the fair value as determined by an independent valuation specialist. all other fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, except freehold land, on a straight line basis, at rates estimated to write off the cost, less estimated residual value, of each asset as follows:

freehold land	nil
freehold buildings	1%pa
freehold improvements	20%pa
lift	10%pa
computer equipment	33%pa
membership system software	10%pa
mobile telephones	33%pa
fixed telephones	20%pa
office equipment	20%pa

Assets which were fully depreciated at 1 January 2016 have been eliminated from these accounts.

pension contributions

The Union operates a career average revalued earnings defined benefit pension scheme. Under FRS 102 the operating costs of providing benefits, the service costs, and the interest cost and expected return on assets are included in comprehensive income in the period in which they arise. A full actuarial valuation was carried out at 6 April 2015 and the results updated to 31 December 2016 by a qualified independent actuary. The actuarial gains and losses from the pension scheme are recognised in other comprehensive income. the key financial assumptions which underpin the liability, notably the discount rate, are shown in note 28.

operating leases

Rental payments in respect of operating leases are charged to the statement of comprehensive income on a straight line basis..

expenditure

expenditure is accounted for on an accruals basis and shown exclusive of value added tax (where applicable).

value added tax

Value added tax is only partially recoverable. The non-recoverable element is shown separately in the statement of comprehensive income.

investments

Investments are stated at fair value, which is determined by reference to the quoted market price at the reporting date. Movements in the fair value of investments are included in the statement of comprehensive income.

designated reserves

Designated reserves represent amounts set aside from members' funds for specific purposes. This gives a more accurate picture of members' funds available as a reserve against fluctuating income, or to spend on new activities.

branches

The Union operates a number of branches throughout the country which hold money for their local operating purpose. expenses incurred by the branches are reimbursed by the Union and included in the accounts. the funds of the branches are part of the Union's funds; however due to the immaterial amounts involved they are not included within the balance sheet.

contribution to costs

as part of Equity's enforcement of performers' contractual payments arising from the Cinema Films Agreement, the element of monies payable by studios based in the USA which contribute to Equity's costs incurred and to be incurred are recognised over four years or the life of the project if longer..

provision for holiday pay

a liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and is carried forward to future periods.

provision for funeral benefits payable to life members

Provisions for funeral benefits payable to life members are measured at the estimated expenditure required to settle the obligation, based on the most reliable evidence available at the reporting date. Provisions are discounted to their present values, where the time value of money is material.

deferred tax

deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

branches

The Union operates a number of branches throughout the country which hold money for their local operating purpose. expenses incurred by the branches are reimbursed by the Union and included in the accounts. the funds of the branches are part of the Union's funds; however due to the immaterial amounts involved they are not included within the statement of financial position.


judgements and key sources of uncertainty

the preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

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>	Chairman's Signature: <u></u> (or other official whose position should be stated)
Name: <u>CHRISTINE PAYNE</u>	Name: <u>BRYN EVANS</u> ^{HONORARY} _{TREASURER}
Date: <u>25/05/2017</u>	Date: <u>25/05/2017</u>

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 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 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"/>
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)	YES	<input 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)

AUDITOR'S REPORT (section one)

See attached

Signature(s) of auditor or auditors:

Moore Stephens LLP

Name(s):

Philip Clark
MOORE STEPHENS LLP

Profession(s) or Calling(s):

Chartered Accountant

Address(es):

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Date:

25 MAY 2017

Contact name and telephone number:

Philip Clark 0207 509 9305

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

Independent auditor's report to the members of Equity

We have audited the financial statements of Equity for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the union's members, as a body, in accordance with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992. 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 Equity Council and auditor

As explained more fully in the Statement of Equity Council's Responsibilities, the Council 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 statement

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeprivate.

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 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures within the form ar21 of officers' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Moore Stephens LLP

Moore Stephens LLP

Chartered Accountants and Statutory Auditor

London

26 May 2017

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 NO

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/NO

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

YES/NO

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 ASSURANCE CERTIFICATE

EQUITY

In the opinion of Popularis Ltd,

- (a) Equity's system for compiling and maintaining the register of the names and addresses of its members is satisfactory for the purposes of complying with the union's duties under section 24(1) throughout the reporting period, and
- (b) in Popularis' opinion, Popularis has obtained the information and explanations which were considered necessary for the performance of its functions.

In determining the report, Popularis

- (a) Had a right of access at all reasonable times to the register of the names and addresses of the union's members and to all other documents which the assurer considers may be relevant to whether the union has complied with any of the requirements of section 24(1), and
- (b) Was entitled to require from the union's officers, or the officers of any of its branches or sections, such information and explanations as the assurer considers necessary for the performance of the assurer's functions.

Equity has provided access at reasonable times to the register of members and other documents necessary to fulfil our function as Membership Assurer.

Popularis has been appointed as Independent Scrutineer for Equity ballots and elections for a number of years. In that time, it has inspected the membership register under the terms of the statutes, and a statement has been included in the Independent Scrutineer's report in accordance with current statutes.

Assessment of compliance with the section 24 duty

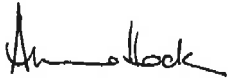
Popularis conducted a technical check of records in the membership register.

Popularis Ltd has undertaken checks covering:

- how Equity collects data from new joiners;
- how Equity reminds members about keeping records up-to-date using both paper and electronic means;

- the ease with which members can notify changes on line and in writing;
- the procedures for a member to resign their membership;
- the procedures for a member to be removed from the register for non payment of subscriptions;
- the procedures for a member to be removed from the register in accordance with Rule Book requirements
- the accuracy of address information using Royal Mail guidance
- the accuracy of postcode information using Royal Mail guidance

Certified by:



Anne Hock
Popularis Ltd
25th May 2017