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# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	Unity	
Year ended:	31 December 2012	
List no:	C79T	
Head or Main Office:	Hillcrest House Garth Street Hanley Stoke on Trent ST1 2AB	
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:	H Hockaday	
Telephone Number:	01782 272755	
Contact name for queries regarding	Sue Carter	
Telephone Number:	01782 272755	
E-mail:	suecarter@unitytheunion.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  
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	2638	39	0	0	2677
FEMALE	1480	27	0	0	1507
TOTAL	4118	66	0	0	A 4184

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

30
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Number of members at end of year contributing to the General Fund

4184
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## 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		H Hockaday	1 January 2012
NEC Member	L Sherwin		1 August 2012
NEC Member		P Fawdry	1 May 2012
NEC Member		J Eardley	10 October 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:

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
From Members: Contributions and Subscriptions		436,870
From Members: Other income from members (specify)		
<b>Total other income from members</b>		
<b>Total of all income from members</b>		436,870
<b>Investment income (as at page 12)</b>		192,787
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)	0	
Income from any other sources (as at page 4)	<u>96,736</u>	
		96,736
<b>Total of other income (as at page 4)</b>		96,736
		<b>TOTAL INCOME</b>
		726,393
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		45,550
<b>Administrative expenses (as at page 10)</b>		730,727
<b>Federation and other bodies (specify)</b>		
GTFU fees	3,605	
TUC affiliation fees	11,129	
Grants to other societies and charitable donations	623	
<b>Total expenditure Federation and other bodies</b>		15,357
<b>Taxation</b>		714
		<b>TOTAL EXPENDITURE</b>
		792,348
<b>Surplus (deficit) for year</b>		(65,955)
<b>Amount of general fund at beginning of year</b>		5,137,353
<b>Amount of general fund at end of year</b>		5,075,825

**Note – Reconciliation of general fund balance**

Fund at beginning of year	£5,137,353
Deficit in year	(£65,955)
Depreciation based on revalued assets	£7,427
Actuarial loss on defined benefit pension	<u>(£3,000)</u>
Fund at end of year	<u>£5,075,825</u>

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

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
Surplus on disposal of investments	72,470	
Management charge to political fund	250	
Pension Finance Income	(27,000)	
Hire of meeting rooms	2,639	
Unity Resource Centre Income	<u>48,377</u>	96,736
<b>TOTAL OTHER INCOME</b>		96,736
<b>TOTAL OF ALL OTHER INCOME</b>		96,736

## ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues Legal and professional	31,787	<b>brought forward</b> Education and Training services Retirement seminars	34,330 4,835
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications		Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits		Retirement grants	2,885
		Death grants	3,500
Other Cash Payments			
Unemployment	768		
Industrial injury	1,775		
<b>carried forward</b>	34,330	<b>Total (should agree with figure in General Fund)</b>	45,550

(See notes 24 and 25)

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

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

(See notes 24 and 25)

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

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

(See notes 24 and 25)

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

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



(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		16,398	
	Investment income (as at page 12)			
	Other income (specify)			
	Total other income as specified		-	
	Total income		16,398	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify) Labour Party affiliation fees		3,500	
	Local Labour Party fees, expenses, donations and meetings		1,395	
	Administration expenses in connection with political objects (specify) Management expenses		250	
	Non-political expenditure			
		Total expenditure		5,145
		Surplus (deficit) for year		11,253
		Amount of political fund at beginning of year		74,810
		Amount of political fund at the end of year (as Balance Sheet)		86,063
		Number of members at end of year contributing to the political fund		3,889
		Number of members at end of the year not contributing to the political fund		295
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		228	

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)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		422,831
Salaries and Wages included in above	£255,516	
Auditors' fees		22,273
Legal and Professional fees		26,639
Occupancy costs		38,183
Stationery, printing, postage, telephone, etc.		48,810
Expenses of Executive Committee (Head Office)		53,938
Expenses of conferences		7,799
Other administrative expenses (specify)		
Motor expenses		4,595
Sundry (including insurance £6,651)		10,871
Repairs and renewals		35,686
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts) -- bank charges		1,726
Mortgages		
Other loans		
Depreciation (including loss on disposal of £4,352)		48,212
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Local expenses		7,655
Bad debts written off		1,509
	<b>Total</b>	730,727
Charged to:	General Fund (Page 3)	730,727
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	<b>Total</b>	730,727

# ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contribution s £	Other Benefits		
				Description	Value £	
General Secretary – H Hockaday	47,551	5,528	17,592	Car, fuel, healthcare	12,016	82,687
Divisional Officer – J Huson	34,059	3,667	17,592	Car, fuel, healthcare	8,111	63,429
Divisional Officer – D Wood	34,067	3,668	0	Car, fuel, healthcare	4,213	41,948
NEC member – L Huson	2,918	165	0	-	0	3,083
Trustee – W Grieveson	1,896	34	0	-	0	1,930
Trustee – N Hickson	2,236	107	0	-	0	2,343
General President – T Dawkins MBE	3,412	199	0	-	0	3,611
NEC member – S Morris	2,046	80	0	-	0	2,126
NEC member – S Yates	1,849	94	0	-	0	1,943
NEC member – R Hodson	1,820	106	0	-	0	1,926
NEC member – K Birks	1,788	101	0	-	0	1,889
NEC member – K Dovey	2,083	94	0	-	0	2,177
NEC member – L Sherwin	584	57	0	-	0	641
NEC member – P Fawdry	1,555	96	0	-	0	1,651
NEC member – J Eardley	1,452	89	0	-	0	1,541

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			75,620
Dividends (gross) from:			
Equities (e.g. shares)			91,971
Interest (gross) from:			
Government securities (Gilts)			1,117
Mortgages			
Local Authority Bonds			
Bank and Building Societies			24,079
Other investment income (specify)			
			192,787
Total investment income			192,787
Credited to:			
		General Fund (Page 3)	192,787
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Political Fund	
Total Investment Income			192,787

**BALANCE SHEET as at** 31 December 2012

(see notes 47 to 50)

Previous Year		£	£
2,026,882	<b>Fixed Assets</b> (at page 14)		2,000,158
	<b>Investments</b> (as per analysis on page 15)		
2,121,605	Quoted (Market value £ 2,568,723)		2,114,602
200,200	Unquoted		200,200
	<b>Total Investments</b>		4,314,960
	<b>Other Assets</b>		
	Loans to other trade unions		
145,458	Sundry debtors		139,451
2,542,007	Cash at bank and in hand		2,559,420
	Income tax to be recovered		
	Stocks of goods		
154,000	Others (specify) Defined benefit pension scheme		156,000
	<b>Total of other assets</b>		2,854,871
	<b>TOTAL ASSETS</b>		7,169,831
5,137,353	General Fund (Account 1)		5,075,825
-	Fund (Account )		-
	Fund (Account )		
	Superannuation Fund (Account )		
74,810	Political Fund (Account)		86,063
1,834,536	Revaluation Reserve		1,827,109
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
8,000	Tax payable		2,000
82,893	Sundry creditors		126,902
52,560	Accrued expenses		51,932
	Provisions		
	Other liabilities		
7,190,152	<b>TOTAL LIABILITIES</b>		7,169,831
	<b>TOTAL ASSETS</b>		7,169,831

## 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	630,000		194,303	70,927	1,314,000	2,209,230
Additions			2,454	25,284		27,738
Disposals			(9,400)	(16,218)		(25,618)
Revaluation/Transfer s						
At end of year	630,000		187,357	79,993	1,314,000	2,211,350
<b>Accumulated Depreciation</b>						
At start of year			155,314	27,034		182,348
Charges for year	15,750		9,324	18,786		43,860
Disposals			(5,354)	(9,662)		(15,016)
Revaluation/Transfer s						
At end of year	15,750		159,284	36,158		211,192
<b>Net book value at end of year</b>	614,250		28,073	43,835	1,314,000	2,000,158
<b>Net book value at end of previous year</b>	630,000		38,989	43,893	1,314,000	2,026,882

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)	2,064,628	
Government Securities (Gilts)	49,974	
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	2,114,602	
Market Value of Quoted Investment	2,568,723	
<b>UNQUOTED</b> Equities	200	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Unity Trust Bank	200,000	
TOTAL UNQUOTED (as Balance Sheet)	200,200	
Market Value of Unquoted Investments	200,200	

# 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 £
<b>INCOME</b>			
From Members	436,870	16,398	453,268
From Investments	192,787	-	192,787
Other Income (including increases by revaluation of assets)	96,736	-	96,736
<b>Total Income</b>	<b>726,393</b>	<b>16,398</b>	<b>742,791</b>
<b>EXPENDITURE</b> (including decreases by revaluation of			
<b>Total Expenditure</b>	<b>792,348</b>	<b>5,145</b>	<b>797,493</b>
Decrease in defined benefit asset not Recognised in the income and expenditure account	(3,000)	-	(3,000)
<b>Funds at beginning of year</b> (including reserves)	<b>6,971,889</b>	<b>74,810</b>	<b>7,046,699</b>
<b>Funds at end of year</b> (including reserves)	<b>6,902,934</b>	<b>86,063</b>	<b>6,988,997</b>
<b>ASSETS</b>			
Fixed Assets			2,000,158
Investment Assets			2,314,802
Other Assets			2,854,871
		<b>Total Assets</b>	<b>7,169,831</b>
<b>LIABILITIES</b>		<b>Total Liabilities</b>	<b>(180,834)</b>
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			<b>6,988,997</b>

# 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 financial statements

# ACCOUNTING POLICIES

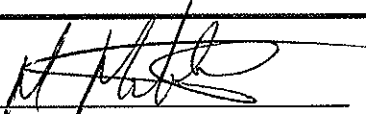
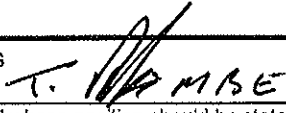
(see notes 74 and 75)

See financial statements

## 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>H. Hockaday</u> Date: <u>22-11-2013</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>THOMAS DAWKINS MBE</u>  Date: <u>22-11-2013</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			
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES			
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES			
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES			
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES			
A MEMBER'S STATEMENT IS: (see Note 80)			TO FOLLOW	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES			

# 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

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

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

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)


Attached separately in the Financial Statements.

## AUDITOR'S REPORT (continued)

See copy of financial statements enclosed

Signature(s) of auditor or auditors:		
Name(s):	Dains LLP	
Profession(s) or Calling(s):	Statutory Auditor	
Address(es):	Suite 2, Albion House 2 Etruria Office Village Forge Lane, Etruria Stoke on Trent ST1 5RQ	
Date:	25/11/2013	
Contact name and telephone number:	Simon Hawkins	01782 262121

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



**Unity**

**(List no C79T)**

Financial Statements for the year  
ended 31 December 2012

## Unity

Address: Hillcrest House  
Garth Street  
Hanley  
Stoke on Trent  
Staffordshire

### Officers:

General Secretary: H Hockaday  
(Appointed 1 January 2012)

G Bagnall acted as General Secretary and G Oakes as Assistant General Secretary during the previous year and both retired on 31 December 2011.

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## Unity

### Statement of the Executive Committee's Responsibilities

The Executive Committee is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union at the end of the financial year and of the income and expenditure of the Union for the period ending on that date. The Executive Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Union and of the income and expenditure of the Union for that period. In preparing those financial statements, the Executive Committee is required to:

- \* select suitable accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent;
- \* prepare the financial statements on the going concern basis unless this basis is considered to be inappropriate.

The Executive Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Union and to enable them to ensure that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Union and to prevent and detect fraud and other irregularities.

Each member of the Executive Committee has taken steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Union's auditors are aware of that information. The Executive Committee confirms that there is no relevant information that they know of and which they know the auditors are unaware of.

In common with many other organisations of our size we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of financial statements.

By order of the Executive Committee



H Hockaday - General Secretary

Date 31/10/13...



## Unity

### Independent Auditors' Report

We have audited the financial statements of Unity for the year ended 31 December 2012, set out on pages 4 to 26. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the union's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. 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 Executive Committee and Auditors**

As explained more fully in the Statement of the Executive Committee's responsibilities set out on page 1, the Executive Committee is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 (APB'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 fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trade Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Committee; and the overall presentation of the financial statements.

We have undertaken the audit in accordance with APB Ethical Standards including the APB Ethical Standard – Provisions Available for Small Entities, in the circumstances set out in the Statement of Executive Committee's Responsibilities.

#### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the Trade Union's affairs as at 31 December 2012 and of its deficit of income over expenditure for the year then ended; and
- the financial statements have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Unity

Independent Auditors' Report

.....continued

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where, 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
- we have not received all the information and explanations we require for our audit; or
- the Executive Committee was not entitled to prepare the financial statements in accordance with the small companies regime.

*Dains LLP*

Dains LLP  
Chartered Accountants  
Statutory Auditor

Suite 2  
Albion House  
2 Etruria Office Village  
Forge Lane  
Etruria  
Stoke on Trent  
Staffordshire  
ST1 5RQ

Date *4 November 2013*

## Unity

### Statement of accounting policies for the year ended 31 December 2012

#### 1. Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### 2. Income - members' contributions

All contributions due to 31 December 2012 have been included in the financial statements.

#### 3. Interest receivable, dividends and other income

Interest is accounted for based on amounts receivable. Dividends are accounted for based on amounts received. Interest on fixed term investments and bank deposits has been accrued to 31 December 2012.

#### 4. Depreciation

Depreciation is calculated to write off fixed assets over their estimated useful lives as follows:

Freehold buildings – headquarters	-	2.5% on cost/revalued amount
Fixtures, fittings and equipment	-	10% reducing balance
Computer equipment	-	20% and 25% on cost
Motor vehicles	-	30% reducing balance

The freehold buildings are valued by the Executive Committee, based on appropriate professional advice, on an open market value basis. Surpluses are taken to the revaluation reserve.

#### 5. Political fund

This is maintained as a separate fund to which the political contributions of members are credited. Expenses incurred for political purposes and refunds of contributions to members who have contracted out are paid out of the account. The political fund may also be used for non-political purposes as may be determined by the Union's Executive Committee.

#### 6. Ceramic Resource Centre

The purpose of the Ceramic Resource Centre was to assist people to find jobs and improve their work skills. Income received and expenditure incurred in respect of these activities was maintained as a separate fund within the Union's financial statements. The Ceramic Resource Centre Fund ceased as a separate fund during the previous year.

## Unity

### Statement of accounting policies for the year ended 31 December 2012

#### 7. Lodge transactions

The income and expenditure of the lodges are included in these financial statements.

#### 8. Pensions

The union operates a defined benefit scheme for its officials and staff. This scheme was closed to new members at 25 February 2005.

The full costs of providing amendments to benefits in respect of past service are charged to operating income/expenditure. A credit representing the expected return on assets held by the pension scheme is included within net interest. The expected return is based upon the market value of these assets at the start of the financial period. An interest charge is also included within net interest. The interest cost is the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement. The differences between actual and expected returns on assets are recognised in the Statement of Total Recognised Gains and Losses, together with differences arising from changes in assumptions. The difference of the market value of the assets of the scheme and the present value of the accrued pension liabilities is shown as an asset/liability on the balance sheet, net of deferred tax where appropriate.

The union also operates a stakeholder pension scheme for staff. Contributions are charged as they become due.

#### 9. Corporation tax

Corporation tax payable for the year is based on income received from investments, bank interest and rental income, less provident benefits and the proportion of administrative expenses attributable to providing those benefits. The corporation tax computation includes net capital gains on investment disposals and/or deducts net capital losses on investment disposals.

#### 10. Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

#### 11. Investments

Investments are stated at cost less provision for any permanent diminution in value.

## Unity

### Statement of accounting policies for the year ended 31 December 2012

#### **12. Investment properties**

Investment properties are valued by the Executive Committee, based on appropriate professional advice, on an open market value basis. Surpluses and temporary diminutions in value are taken to the revaluation reserve. Permanent diminutions in value are reported in the income and expenditure account.

#### **13. Operating leases**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

## Unity

### Benefits and Management Fund

#### Income and Expenditure Account for the year ended 31 December 2012

	Notes	2012 £	2011 £
<b>Income</b>			
Contributions receivable	1	436,870	433,890
Interest, dividends and other income	2	<u>289,523</u>	<u>354,768</u>
		726,393	788,658
<u>Less expenditure</u>			
Provident benefits	3	45,550	33,466
Staff costs	4	422,831	519,816
Other administrative costs	5	246,159	226,871
Trades Union fees, grants and education expenses	6	23,156	24,558
Committee, delegates and other expenses	7	<u>53,938</u>	<u>22,180</u>
		<u>(791,634)</u>	<u>(826,891)</u>
<u>Deficit of income over expenditure before taxation</u>		(65,241)	(38,233)
Taxation	8	<u>(714)</u>	<u>(8,000)</u>
<u>Deficit of income over expenditure</u>	21	<u>(65,955)</u>	<u>(46,233)</u>

## Unity

### Political Fund for the year ended 31 December 2012

	Notes	2012 £	2011 £
<u>Income</u>	9	17,442	18,595
<u>Less expenditure</u>	10	<u>(6,189)</u>	<u>(6,497)</u>
<u>Surplus of income over expenditure</u>		11,253	12,098
<u>Balance on fund at beginning of the year</u>		74,810	62,712
Transfer to Benefits and Management fund	21	-	-
<u>Balance on fund at end of the year</u>		<u>86,063</u>	<u>74,810</u>

### Ceramic Resource Centre Income and Expenditure Account for the year ended 31 December 2012

	Notes	2012 £	2011 £
<u>Income</u>	11	-	33,004
<u>Less expenditure</u>	12	-	(39,818)
<u>Deficit of income over expenditure before taxation</u>		<u>-</u>	<u>(6,814)</u>
<u>Taxation</u>	8	-	-
<u>Deficit of income over expenditure after taxation</u>		<u>-</u>	<u>(6,814)</u>
<u>Balance on fund at beginning of the year</u>		-	-
Transfer to Benefits and Management fund	21	-	6,814
<u>Balance on fund at end of the year</u>		<u>-</u>	<u>-</u>

Unity

**Statement of recognised gains and losses – Benefits and Management Fund  
for the year ended 31 December 2012**

		2012 £	2011 £
<u>Deficit of income over expenditure</u>	21	(65,955)	(46,233)
<u>Revaluation of fixed assets</u>	20	-	(525,500)
<u>Actuarial loss recognised on defined benefit pension asset</u>	22	<u>(3,000)</u>	<u>(223,000)</u>
<u>Total recognised deficit relating to the year</u>		<u>(68,955)</u>	<u>(794,733)</u>

**Notes of Historical Cost Profits and Losses for the Year Ended 31 December 2012**

		2012 £	2011 £
<u>Reported deficit on ordinary activities before taxation</u>		(65,241)	(38,233)
<u>Difference between historical cost depreciation charge and depreciation based on revalued amounts</u>	20	<u>7,427</u>	<u>11,177</u>
<u>Total recognised deficit relating to the year before taxation</u>		<u>(57,814)</u>	<u>(27,056)</u>
<u>Total recognised deficit relating to the year after taxation</u>		<u>(58,528)</u>	<u>(35,056)</u>



## Unity

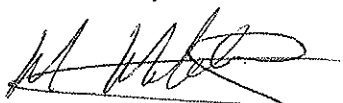
### Balance Sheet as at 31 December 2012

	Notes	2012 £	2011 £
<u>Tangible fixed assets</u>	13	2,000,158	2,026,882
<u>Investments</u>	14	<u>2,314,802</u>	<u>2,321,805</u>
		<u>4,314,960</u>	<u>4,348,687</u>
<u>Current assets</u>			
Debtors	15	139,451	145,458
Investments and cash on deposit	16	2,513,183	2,481,764
Cash at bank	17	46,201	60,207
Cash in hand		<u>36</u>	<u>36</u>
		2,698,871	2,687,465
<u>Less liabilities</u>			
Creditors : amounts falling due within one year	18	<u>(154,934)</u>	<u>(115,053)</u>
<u>Net current assets</u>		<u>2,543,937</u>	<u>2,572,412</u>
Creditors : amounts falling due over one year	19	<u>(25,900)</u>	<u>(28,400)</u>
<u>Net assets excluding pension assets</u>		6,832,998	6,892,699
<u>Pension assets</u>			
Defined benefit scheme net assets	22	156,000	154,000
		<u>6,988,997</u>	<u>7,046,699</u>
<u>Net assets including pension assets</u>			
<u>Financed by:</u>			
Political fund (page 8)		86,063	74,810
Revaluation reserve	20	1,827,109	1,834,536
Benefits and management fund	21	5,075,825	5,137,353
		<u>6,988,997</u>	<u>7,046,699</u>

The financial statements have been prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992, and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 4 to 27 were approved for submission to the Executive Committee on 21/12/12 and signed by:

H Hockaday - General Secretary



## Unity

### Notes to the financial statements for the year ended 31 December 2012

		2012	2011
		£	£
1. <u>Contributions receivable</u>			
Contributions		<u>436,870</u>	<u>433,890</u>
2. <u>Interest, dividends and other income</u>	£	2012 £	2011 £
<u>Investment income</u>			
British Government securities	1,117	4,204	
Stocks, shares and unit trusts	<u>91,971</u>	<u>78,293</u>	
		93,088	82,497
<u>Interest receivable gross</u>			
Building society	-	36	
Short term bank deposit	24,076	23,535	
Transferred to Political Fund (note 9)	-	(36)	
Other interest	3	15	
		<u>24,079</u>	<u>23,550</u>
<u>Total investment income</u>		117,167	106,047
<u>Surplus on disposal of investments</u>		72,470	79,919
<u>Management charge receivable</u>		-	6,401
<u>Rent receivable</u>			
House – Stockton Brook	3,110	3,106	
Headquarters	2,500	2,500	
Car park - Garth Street	70,000	83,837	
Car park - Hillcrest Street	<u>10</u>	<u>2,680</u>	
		75,620	92,123
<u>Other income</u>		2,639	2,886
<u>Unity Resource Centre Income</u>		48,377	30,142
<u>Management expenses – Political Fund</u>		250	250
		<u>316,523</u>	<u>317,768</u>
<u>Pension finance (cost)/income</u>		<u>(27,000)</u>	<u>37,000</u>
		<u>289,523</u>	<u>354,768</u>

## Unity

### Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	£	£
3. <u>Provident benefits</u>		
Unemployment	768	3,816
Industrial injury	1,775	1,905
Retirement grants	2,885	4,435
Retirement seminars	4,835	-
Death grants	3,500	2,500
Legal, professional expenses and disbursements	31,787	20,810
	45,550	33,466
	45,550	33,466
4. <u>Staff costs</u>		
Salaries and allowances of Officers, Lodge Presidents, secretaries and Inspectors	94	80
Membership officers and collectors' commissions, fees etc	22,917	25,750
Headquarters' salaries	231,981	260,414
Retirement gifts	-	22,348
Head office pension scheme (including professional fees)	143,471	178,496
Healthcare	511	428
Subscriptions	416	-
National insurance	23,441	32,300
	422,831	519,816
	422,831	519,816

## Unity

### Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	£	£
5. <u>Other administrative costs</u>		
Rent, rates, heat and light – headquarters	38,183	37,266
Postages - headquarters	7,729	4,813
Printing, stationery and advertising	34,628	20,723
Telephone charges	6,453	7,231
Insurances	6,651	7,489
Repairs and renewals	35,686	37,279
Bank charges	1,726	1,500
Car expenses, tax and insurance	4,595	5,876
Local expenses	7,655	7,730
Audit and accountancy fees	22,273	25,936
Professional and I.T. costs	26,639	17,548
Headquarters – sundries and maintenance	4,220	463
Depreciation	43,860	42,325
Bad debts written off	1,509	-
Deficit on disposal of fixed assets	4,352	10,692
	246,159	226,871

## Unity

### Notes to the financial statements for the year ended 31 December 2012

	2012	2011
6. <u>Trades union fees, grants and education expenses</u>	£	£
General Federation of Trade Unions fees and expenses	3,605	3,812
Trades Union Congress affiliation fees	11,129	11,721
Trades Union Congress conferences and expenses	811	2,878
Works' representative fees, courses and school expenses	80	414
Grants to other societies and charitable donations	623	1,410
Seminars and day conferences	6,908	4,323
	23,156	24,558
7. <u>Committee, delegates and other expenses</u>	£	£
National executive and sub-committee	22,269	21,303
Biennial delegation expenses	22,927	-
Travelling and subsistence expenses	8,742	877
	53,938	22,180
8. <u>Taxation</u>	£	£
<u>Unity</u>		
Corporation tax payable	2,000	8,000
Previous year over provision	(1,286)	-
	714	8,000
Amendment		

Unity

Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	£	£
9. <u>Political fund – income</u>		
Contributions	17,442	18,559
Building society interest receivable on Political Fund (note 2)	-	36
	17,442	18,595
	17,442	18,595
10. <u>Political fund – expenditure</u>	2012	2011
	£	£
Labour Party affiliation fees etc.	3,500	3,450
Local Labour Parties - affiliation fees, expenses and donations	1,345	1,487
Labour Party meetings	50	497
Management expenses	250	250
Refunds of contributions	1,044	813
	6,189	6,497
	6,189	6,497
11. <u>Ceramic Resource Centre – income</u>	2012	2011
	£	£
Sales, recharges and grant income	-	33,004
	-	33,004
	-	33,004
12. <u>Ceramic Resource Centre – expenditure</u>	2012	2011
	£	£
Wages and salaries	-	22,970
Redundancy costs	-	8,048
Printing stationery and advertising	-	247
Telephone	-	535
Motor and travelling	-	1,538
Sundry expenses	-	79
Depreciation	-	6,401
	-	39,818
	-	39,818

Unity

Notes to the financial statements for the year ended 31 December 2012

13. Tangible fixed assets

	<u>Investment properties:</u>						
	<u>Total</u> £	<u>Car parks</u> £	<u>House Stockton Brook</u> £	<u>Freehold building - Headquarters</u> £	<u>Fixtures, fittings &amp; equipment</u> £	<u>Computer equipment</u> £	<u>Motor vehicles</u>
<u>Cost or valuation</u>							
At 1 January 2012	2,209,230	1,189,000	125,000	630,000	137,532	56,771	70,927
Additions	27,738	-	-	-	2,454	-	25,284
Disposals	(25,618)	-	-	-	(9,400)	-	(16,218)
At 31 December 2012	<u>2,211,350</u>	<u>1,189,000</u>	<u>125,000</u>	<u>630,000</u>	<u>130,586</u>	<u>56,771</u>	<u>79,993</u>
<u>Depreciation</u>							
At 1 January 2012	182,348	-	-	-	108,359	46,955	27,034
Charge for year	43,860	-	-	15,750	2,758	6,566	18,786
Disposals	(15,016)	-	-	-	(5,354)	-	(9,662)
At 31 December 2012	<u>211,192</u>	<u>-</u>	<u>-</u>	<u>15,750</u>	<u>105,763</u>	<u>53,521</u>	<u>36,158</u>
<u>Net book value</u>							
At 31 December 2012	<u>2,000,158</u>	<u>1,189,000</u>	<u>125,000</u>	<u>614,250</u>	<u>24,823</u>	<u>3,250</u>	<u>43,835</u>
At 31 December 2011	<u>2,026,882</u>	<u>1,189,000</u>	<u>125,000</u>	<u>630,000</u>	<u>29,173</u>	<u>9,816</u>	<u>43,893</u>

Investment properties have been valued by the Officers at estimated market value on an existing use basis for accounts purposes, having taken appropriate professional advice.

The freehold building has been valued by the Officers at estimated market value for accounts purposes, having taken appropriate professional advice. The original cost of the freehold buildings is £332,905 (2011 - £332,905)

Cumulative depreciation of freehold land and buildings based on original cost is £244,498 (2011 - £236,175).

## Unity

### Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	£	£
14. <u>Investments</u>		
<u>Investments at cost less provisions</u>		
Quoted securities	2,114,602	2,121,605
Unquoted investments	<u>200,200</u>	<u>200,200</u>
	<u>2,314,802</u>	<u>2,321,805</u>
The market value of the quoted investments above at 31 December 2012 was £2,568,723 (2011 - £2,442,519).		
15. <u>Debtors</u>	2012	2011
	£	£
Factory contributions receivable	64,511	51,342
Trade debtors	7,576	13,172
Other debtors	46,902	60,600
Prepayments and accrued income	<u>20,462</u>	<u>20,344</u>
	<u>139,451</u>	<u>145,458</u>
16. <u>Current asset investments and cash on deposit</u>	2012	2011
	£	£
Short term deposit account – general	2,477,331	2,445,912
Short term deposit account – political	<u>35,852</u>	<u>35,852</u>
	<u>2,513,183</u>	<u>2,481,764</u>
17. <u>Cash at bank</u>	2012	2011
	£	£
Current account – general	-	25,501
Current account - political fund	<u>46,201</u>	<u>34,706</u>
	<u>46,201</u>	<u>60,207</u>



## Unity

### Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	£	£
18. <u>Creditors</u>		
Amounts falling due within one year:		
Bank overdraft	47,936	-
Creditors and accruals	51,932	52,560
Taxation and social security	53,066	54,493
Corporation tax	2,000	8,000
	154,934	115,053
	154,934	115,053
19. <u>Creditors</u>	2012	2011
	£	£
Amounts falling due over one year:		
Creditors and accruals	25,900	28,400
	25,900	28,400
	25,900	28,400
20. <u>Revaluation reserve</u>	2012	2011
	£	£
Balance brought forward at 1 January 2012	1,834,536	2,371,213
Revaluations in the period	-	(525,500)
Other reserves movement	(7,427)	(11,177)
Balance carried forward at 31 December 2012	1,827,109	1,834,536
	1,827,109	1,834,536

Unity

Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	£	£
21. <u>Benefits and management fund including pension asset</u>		
Balance brought forward at 1 January 2012	5,137,353	5,402,223
Deficit of income over expenditure for the year	(65,955)	(46,233)
Other reserves movement	7,427	11,177
Actuarial loss recognised on defined benefit pension asset	(3,000)	(223,000)
Transfer from Political Fund (page 8)	-	-
Transfer from Ceramic Resource Centre Fund (Page 8)	-	(6,814)
Balance carried forward at 31 December 2012	5,075,825	5,137,353

The Executive Committee made a decision to close the Ceramic Resource Centre as a separate fund during the previous year. As a result of this, the negative cumulative fund balance on the Ceramic Resource Centre was transferred to the Benefits and Management Fund.

The balance on the Benefits and Management Fund at 31 December 2012 includes the Defined Benefit Pension Asset - £156,000 (2011 - £154,000)

## Unity

### Notes to the financial statements for the year ended 31 December 2012

#### 22. Pension scheme

The Union operates a defined benefits pension scheme on behalf of all of its employees providing benefits based on final pensionable pay and length of service. The assets of the scheme are held separately from those of the Union, being invested with insurance companies. The scheme became closed to new members from 25 February 2005. Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the Union.

The defined benefit pension scheme is closed to new members and so under the projected unit method the current service cost would be expected to increase over time as members of the scheme approach retirement.

The latest full actuarial valuation was carried out at 6 April 2010 and has been updated for Financial Reporting Standard for Smaller Entities (effective April 2008) Defined Benefit Schemes purposes to 31 December 2012 by a qualified independent actuary. Pension scheme funding is £12,000 per month.

The major assumptions used in this valuation were:

	2012	2011
Discount rate	4.3%	5.0%
Retail price inflation	2.6%	2.8%
Consumer price inflation	1.6%	1.8%
Salary increase rate	2.3%	2.5%
Pension increases (Limited Price Indexation) RPI max 5%	2.6%	2.7%
Deferred pension revaluation	1.6%	1.8%

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions, which due to the timescale covered, may not necessarily be borne out in practice.

The charge to the income and expenditure account for pension contributions and related expenditure in the year was £143,471 (2011 - £178,496). This includes £1,554 (2011 - £1,127) in respect of stakeholders pensions.

Following the Government announcement that statutory inflation linking will in future be based on the consumer price index, rather than the retail price index, the Actuary was instructed to prepare the report based on the CPI assumption for future deferred pension revaluation. The effect of this is included in the 'change in assumptions' item in the analysis of amount recognised in statement of total recognised gains and losses shown later in this note.

#### Scheme assets

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the scheme's liabilities which are derived from cash flow projections over long periods and thus inherently uncertain, were:

Unity

Notes to the financial statements for the year ended 31 December 2012

22. Pension scheme (continued)

	2012	2011
	£	£
Equities	2,771,000	2,300,000
Bonds	958,000	314,000
Property	25,000	181,000
Other	596,000	981,000
Total fair value of pension assets	<u>4,350,000</u>	<u>3,776,000</u>
Present value of scheme liabilities	<u>(4,170,000)</u>	<u>(3,566,000)</u>
Surplus in the scheme	180,000	210,000
Restriction	<u>(24,000)</u>	<u>56,000</u>
Net pension surplus	<u>156,000</u>	<u>154,000</u>

The surplus has been restricted to the value of the scheme's future service cost less future employee contributions.

	2012	2011
Long term rate of return		
Equities	6.0%	6.0%
Bonds	4.3%	3.8%
Property	4.3%	3.8%
Other	0.5%	0.5%

	2012	2011
	£	£
Movements in the surplus during the year:		
Surplus at beginning of the year	154,000	255,000
Movement in year:		
Current service cost	(107,000)	(109,000)
Pension scheme debtor written off	-	-
Other adjustment	-	-
Contributions	139,000	194,000
Other financial income	(27,000)	37,000
Actuarial loss	<u>(3,000)</u>	<u>(223,000)</u>
Surplus in the scheme at the end of the year	<u>156,000</u>	<u>154,000</u>

## Unity

### Notes to the financial statements for the year ended 31 December 2012

#### 22. Pension scheme (continued)

	2012	2011
	£	£
Analysis of amounts included in other finance income/costs		
Expected return on pension scheme assets	152,000	241,000
Interest on pension scheme liabilities	<u>(179,000)</u>	<u>(204,000)</u>
Net finance return	<u>(27,000)</u>	<u>37,000</u>

#### Analysis of amount recognised in statement of total recognised gains and losses

	2012	2011
	£	£
Actual return less expected return on scheme assets	366,000	(417,000)
Experience gains and losses arising on liabilities	25,000	162,000
Changes in assumptions underlying the present value of scheme liabilities	<u>(394,000)</u>	<u>32,000</u>
Actuarial loss recognised in statement of total recognised gains and losses	<u>(3,000)</u>	<u>(223,000)</u>

The experience figure of £25,000 includes a gain of £32,000 due to the adjustment for surplus restrictions.

History of experience gains and losses	2012	2011
Difference between the expected and actual return on scheme assets:		
Amount	366,000	(£417,000)
Percentage of year end scheme assets	8%	11%
Experience gains and losses on scheme liabilities:	25,000	
Amount	1%	£162,000
Percentage of year end present value of scheme liabilities		5%
Total amount recognised in statement of total recognised gains and losses:		
Amount	(3,000)	(£223,000)
Percentage of year end present value of scheme liabilities	0.1%	6%

## Unity

### Notes to the financial statements for the year ended 31 December 2012

#### 23. Related party transactions

G Bagnall retired as General Secretary and G Oakes retired as Assistant General Secretary in the previous year.

At the year end a loan of £nil (2011 - £17,900) provided to G Oakes was outstanding. The loan was repaid in full in January 2012. The maximum loan outstanding during the year was £17,900.

No interest was charged in respect of this balance.

Retirement gifts were provided in the previous year in respect of cars with net book values, as follows:

G Bagnall -£14,976

G Oakes - £7,372

At the year end a balance of £36,151 (2011 - £20,000) was payable to the Unity 1993 Retirement Benefits Scheme in respect of late payment of employer voluntary contributions and Death in Service premiums paid by the pension scheme.

## Unity

### Cash flow statement for the year ended 31 December 2012

#### Reconciliation of operating activities to net cash outflow from operating activities

	2012	2011
	£	£
Excess of expenditure over income excluding investment income, and interest:		
- Benefits and Management Fund	(182,408)	(144,280)
- Political Fund	11,253	12,062
- Ceramic Resource centre	-	(6,814)
	(171,155)	(139,032)
Pension current service charge included in Benefits and Management Fund	107,000	109,000
Pension fund income included in Benefits and Management Fund	27,000	(37,000)
Pension payments	(139,000)	(194,000)
Depreciation (including adjustments on disposals)	48,212	53,017
Retirement Gifts – car at net book value	-	22,348
Surplus on disposal of investments	(72,470)	(79,919)
Decrease in debtors	6,007	18,026
(Decrease) in creditors	(4,556)	(2,255)
	(198,962)	(249,815)

#### Cashflow statement

Cashflow from operating activities	(198,962)	(249,815)
Returns on investments and servicing of finance (note 1)	117,167	106,378
Taxation paid	(6,714)	-
Capital expenditure and financial investment (note 1)	57,986	73,000
	(30,523)	(70,437)
Cash outflow before financing		
Financing	-	-
	(30,523)	(70,437)
Decrease in cash		

## Unity

### Cash flow statement for the year ended 31 December 2012

#### Note 1

	2012 £	2011 £
<b>Returns on investments and servicing of finance</b>		
Interest received	24,079	23,586
Dividends received	93,088	82,792
Interest paid	-	-
	117,167	106,378

#### Capital expenditure and financial investment

Purchase of tangible fixed assets	(27,738)	(24,919)
Sales of fixed assets	6,250	-
Payments to acquire investments	(255,688)	(262,380)
Receipts from sales of investments	335,162	360,299
	57,986	73,000

#### Note 2

	2012 £	2011 £
<b>Reconciliation of net cashflow to movement in net funds</b>		
(Decrease) in cash	(30,523)	(70,437)
Net funds at 1 January 2012	2,542,007	2,612,444
Net funds at 31 December 2012	2,511,484	2,542,007

#### Note 3

Analysis of changes in net funds	As at 1.1.12	Cash flows	Non-cash changes	As at 31.12.12
Investments and cash on deposit	2,481,764	31,419	-	2,513,183
Cash at bank	60,207	(14,006)	-	46,201
Cash in hand	36	-	-	36
Bank overdraft	-	(47,936)	-	(47,936)
	2,542,007	(30,523)	-	2,511,484



## Unity

### Summary of contributions and payments by lodges for the year ended 31 December 2012

<u>Name of lodge</u>	<u>Contri- butions</u>	<u>President Secretary Assistant</u>	<u>Rent</u>	<u>Sundries Fares etc</u>	<u>Postage</u>	<u>Total</u>
	£	£	£	£	£	£
Armitage	-	-	-	-	-	-
Belleek	-	-	-	-	-	-
Denby	-	94	-	-	-	94
Derby	-	-	-	-	-	-
Middlewich	-	-	-	-	-	-
Stoke on Trent	-	-	-	-	-	-
	<u>-</u>	<u>94</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94</u>