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# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

TRANSPORT SALARIED STAFFS ASSOCIATION

Year ended:

2012

List no:

376T

Head or Main Office:

WALKDEN HOUSE  
10 MELTON STREET  
LONDON  
NW1 2EJ

Website address (if available)

www.tssa.org.uk

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

Yes

No

(Click the appropriate box)

General Secretary:

MANUEL CORTES

Telephone Number:

020 7387 2101

Contact name for queries regarding

DIONNE BROWN

Telephone Number:

020 7387 2101

E-mail:

brownd@tssa.org.uk

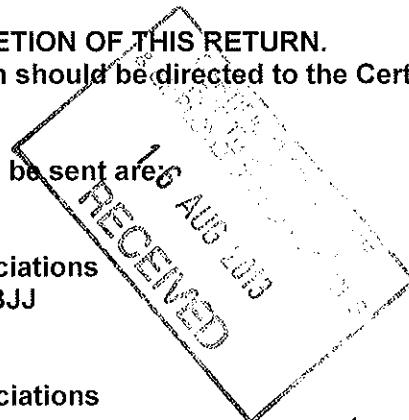
**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

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)

**Officer's In Post As At 2012**

**Transport Salaried Staffs Association**

**President :** Harriet Yeo

**Treasurer:** Mick Carney

**General Secretary :** Manuel Cortes

**Trustees:**

Malcolm Wallace

Dave Porter

**Assistant General Secretaries:**

Lorraine Ward

Frank Ward

John Page

Steve Coe

# 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	15,625	222	469		<b>16,316</b>
FEMALE	5,916	150	380		<b>6,446</b>
TOTAL	21,541	372	849	A	<b>22,762</b>

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

766
<b>22,762</b>

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

## OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

## RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
Executive Committee	Colin Farquhar		30 <sup>th</sup> June 2012
Executive Committee	Joe Kavanagh		30 <sup>th</sup> June 2012
Executive Committee	Bill Monteith	1 <sup>st</sup> July 2012	
Executive Committee	Martin Leadbetter	1 <sup>st</sup> July 2012	
Executive Committee	John Prest	1 <sup>st</sup> July 2012	
Executive Committee	Bob Bayley	1 <sup>st</sup> July 2012	

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions	3,861,624	
<b>From Members:</b> Other income from members (specify)		
 <b>Total other income from members</b>		3,861,624
<b>Total of all income from members</b>		
<b>Investment income (as at page 12)</b>	959,319	
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	201,119	
<b>Total of other income (as at page 4)</b>		1,160,438
	<b>TOTAL INCOME</b>	<b>5,022,062</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>	1,172,114	
<b>Administrative expenses (as at page 10)</b>	4,893,204	
<b>Federation and other bodies (specify)</b>	61,361	
 <b>Total expenditure Federation and other bodies</b>		
<b>Taxation</b>		
	<b>TOTAL EXPENDITURE</b>	<b>6,126,679</b>
Surplus (deficit) for year		(1,104,617)
Amount of general fund at beginning of year		3,204,279
Amount of general fund at end of year		2,099,662

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

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		106,672
Profit on Sale of Investments		94,447
<b>TOTAL OTHER INCOME</b>		201,119
<b>TOTAL OF ALL OTHER INCOME</b>		201,119

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues	272,972	<b>brought forward</b> Education and Training services	123,704
Representation – Non Employment Related Issues	432,540	Negotiated Discount Services	
Business & Campaigns	342,898	Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
<b>carried forward</b>		<b>Total (should agree with figure in General Fund)</b>	<b>1,172,114</b>

(See notes 24 and 25)

<b>FUND 2</b>		<b>Fund Account</b>	
<b>Name:</b>	Branch Accounts	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members	123,201	
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		123,201
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)	97,726	
	<b>Total Expenditure</b>		97,726
	<b>Surplus (Deficit) for the year</b>		25,475
	<b>Amount of fund at beginning of year</b>		4,144
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		29,619
	<b>Number of members contributing at end of year</b>		22,762

<b>FUND 3</b>		<b>Fund Account</b>	
<b>Name:</b>	Divisional Council Fund Account	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 12)	37,443	
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		37,443
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)	22,671	
	<b>Total Expenditure</b>		22,671
	<b>Surplus (Deficit) for the year</b>		14,772
	<b>Amount of fund at beginning of year</b>		(11,994)
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		2,777
	<b>Number of members contributing at end of year</b>		22,762

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	Benevolent Fund Account	£	£
<b>Income</b>			
	From members	6,065	
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		6,065
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)	(3,175)	
	<b>Total Expenditure</b>		(3,175)
	<b>Surplus (Deficit) for the year</b>		2890
	<b>Amount of fund at beginning of year</b>		101,685
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		104,575
	<b>Number of members contributing at end of year</b>		720

FUND 5		Fund Account	
Name:	Provident Benefit Fund Account	£	£
<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	40,274	
	Administrative expenses and other expenditure (as at page 10)	38,623	
	<b>Total Expenditure</b>		78,897
	<b>Surplus (Deficit) for the year</b>		(78,897)
	<b>Amount of fund at beginning of year</b>		4,953,410
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		4,874,513
	<b>Number of members contributing at end of year</b>		



(See notes 24 and 25)

FUND 6		Fund Account	
Name:	Revaluation Reserve Fund Account	£	£
<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)	126,954	
	<b>Total Expenditure</b>		126,954
	<b>Surplus (Deficit) for the year</b>		126,954
	<b>Amount of fund at beginning of year</b>		5,627,341
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		5,500,387
	<b>Number of members contributing at end of year</b>		

FUND 7		Fund Account	
Name:	Pension Reserve Fund Account	£	£
<b>Income</b>			
	Actuarial Gain	983,000	
	Investment income (as at page 12)		
	Financial Income	504,000	
	<b>Total other income as specified</b>		1,487,000
	<b>Total Income</b>		
<b>Expenditure</b>			
	Current Service Cost		
	Administrative expenses and other expenditure (as at page 10)	738,000	
	<b>Total Expenditure</b>		738,000
	<b>Surplus (Deficit) for the year</b>		749,000
	<b>Amount of fund at beginning of year</b>		1,665,000
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		2,414,000
	<b>Number of members contributing at end of year</b>		



<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Members contributions and levies	129,274		
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income	129,274	
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)	137,115		
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	137,115
			Surplus (deficit) for year	(7,841)
			Amount of political fund at beginning of year	155,430
			Amount of political fund at the end of year (as Balance Sheet)	147,589
			Number of members at end of year contributing to the political fund	20,177
			Number of members at end of the year not contributing to the political fund	2585
			Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	1,198

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	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		
<b>Expenditure</b>	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>		3,304,030
Remuneration and expenses of staff		
Salaries and Wages included in above	£2,800,030	
Auditors' fees		
		89,232
Legal and Professional fees		
		559,538
Occupancy costs		
		147,913
Stationery, printing, postage, telephone, etc.		
		120,552
Expenses of Executive Committee (Head Office)		
		98,360
Expenses of conferences		
		164,197
Other administrative expenses (specify)		
National Delegations		10,299
International Delegations		2,926
TUC		69,652
Personnel & Staff Training		57,072
<b>Other Outgoings</b>		
Interest payable:		
Bank Charges		30,698
Other loans		
Depreciation		
		241,014
Taxation		
		97,256
Outgoings on land and buildings (specify)		
		212,014
Other outgoings (specify)		
		24,961
<b>Total</b>		5,229,714
Charged to:		
	General Fund (Page 3)	4,893,204
	Branch Fund Account	97,726
	Divisional Fund	22,671
	Self Organised Groups	7,087
	Benevolent Fund	3,175
	Provident Benefit Fund	78,897
	Revaluation Reserve	126,954
<b>Total</b>		5,229,714

# ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary/ Expenses £	Employers N.I. contributions £	Benefits			Total £
			Pension Contribution s £	Other Benefits		
				Description	Value £	
General Secretary	77,640	6,550	5,823			90,013
Ms Anslow	3,210					3,210
Ms Yeoh (President)	2,299					2,299
Mr Brazier	3,002					3,002
Mr Boyd	2,537					2,537
Mr Farquhar	723					723
Mr Kavanagh	3,484					3,484
Ms Owens	400					400
Mr Carney (Treasurer)	1,911					1,911
Ms Fox	2,116					2,116
Mr Tovey	2,243					2,243
Mr Monteith	255					255
Mr Bayley	720					720
Mr Turvey	2,360					2,360
Mr Leggett	1,440					1,440
Mr Leadbetter	490					490
Mr Prest	305					305
Mr Kennedy	1,261					1,261

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			538,701
Dividends (gross) from:			
Equities (e.g. shares)			419,119
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			1,499
Other investment income (specify)			
<b>Total investment income</b>			<b>959,319</b>
Credited to:			
General Fund (Page 3)			959,319
Fund (Account )			
Fund (Account )			
Fund (Account )			
Fund (Account )			
Fund (Account )			
Political Fund			
<b>Total Investment Income</b>			<b>959,319</b>

# BALANCE SHEET as at 31<sup>st</sup> December 2012

(see notes 47 to 50)

Previous Year		£	£
6,358,510	<b>Fixed Assets</b> (at page 14)		6,377,448
	<b>Investments</b> (as per analysis on page 15)		
13,979,931	Quoted (Market value £ )	11,876,589	
	Unquoted		
	<b>Total Investments</b>		11,876,589
	<b>Other Assets</b>		
	Loans to other trade unions		
653,212	Sundry debtors		514,834
	Cash at bank and in hand		673,084
	Income tax to be recovered		
	Stocks of goods		
1,665	Others - Pension Assets		2,414,000
	<b>Total of other assets</b>		3,601,918
	<b>TOTAL ASSETS</b>		21,858,955
3,204,279	Central Fund		2,099,662
4,144	Branch Fund		29,619
(11,994)	Divisional Council Fund		2,777
1,665,000	Pension Reserve Fund		2,414,000
155,430	Political Fund		147,589
5,627,341	Revaluation Reserve		5,500,387
8,169	Self Organised Groups Fund		9,382
101,685	Benevolent Fund		104,575
4,953,410	Provident Benefit Fund		4,874,513
4,845,000	Special Reserve Fund		4,845,000
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
701,349	Bank overdraft		NIL
127,372	Tax payable		100,017
220,505	Sundry creditors		327,404

944,133	Accrued expenses		1,013,884
	Provisions		
	Other liabilities		387,146
	<b>TOTAL LIABILITIES</b>		1,828,451
	<b>TOTAL ASSETS</b>		20,027,504



# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Computer Equipment £	Refurbishment £	Total £
	Freehold	Leasehold				
<b>Cost or Valuation</b>						
At start of year	6,344,860		412,806	791,401	1,469,863	9,018,930
Additions				25,476	234,531	260,007
Disposals						
Revaluation/Transfers						
At end of year	6,344,860		412,806	816,877	1,704,394	9,278,937
<b>Accumulated Depreciation</b>						
At start of year	1,229,608		343,654	759,994	327,220	2,660,476
Charges for year	138,097		41,280	14,221	47,415	241,013
Disposals						
Revaluation/Transfers						
At end of year	1,367,705		384,934	774,215	374,635	2,901,489
<b>Net book value at end of year</b>	4,977,155		27,872	42,662	1,329,759	6,377,448
<b>Net book value at end of previous year</b>	5,115,252		69,152	31,407	1,142,643	6,358,454

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)		
Government Securities (Gilts)		
Pooled Investments Funds		11,576,589
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)		11,576,589
Market Value of Quoted Investment		13,655,192
UNQUOTED Equities	300,000	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	300,000	
Market Value of Unquoted Investments	300,000	

# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		YES <input type="checkbox"/>	NO X
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input type="checkbox"/>	NO X
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	3,990,890	129,274	4,120,164
From Investments	959,319		959,319
Other Income (including increases by revaluation of assets)	1,733,861		1,733,861
<b>Total Income</b>	6,684,070	129,274	6,813,344
<b>EXPENDITURE</b> (including decreases by revaluation of			
<b>Total Expenditure</b>	7,201,189	137,115	7,338,304
<b>Funds at beginning of year</b> (including reserves)	20,397,034	155,430	20,552,464
<b>Funds at end of year</b> (including reserves)	19,879,915	147,589	20,027,504
<b>ASSETS</b>			
Fixed Assets			6,377,448
Investment Assets			11,876,589
Other Assets			1,187,918
		<b>Total Assets</b>	21,855,955
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	1,828,451
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			20,027,504

# 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.**

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## TAXATION

	2012	2011
Corporation Tax: Provision for the current year at current rates	<u>100,017</u>	<u>126,003</u>
Over Provision	(2,761)	
	<u>97,256</u>	<u>126,003</u>

## TUC UNION LEARNING

The Association has been in receipt of a number of grants from TUC Union Learn/Union Learning Fund. The grants to TSSA Learning ran for two years April 2008 to March 2010 and then for a further two years from April 2010 to March 2012 and a renewed grant to start from 1<sup>st</sup> April 2012 has been negotiated. The grant covers the direct costs of the project, including the salary and related costs of National Learning Organiser, a team Learning Organiser, plus a Monitoring & Outreach Worker. In addition, grants have been obtained from Northern Ireland Union Learning Fund and the Scottish Union Learning Fund to meet the costs of part-time Learning organisers based in Translink and Vertex Highlands respectively. The Association provides a range of services, including the services of other members if staff and the use of training and meeting rooms to the projects, for which it makes no charge. The costs of these various services are contained within appropriate headings elsewhere in the Central Fund.

## PENSIONS AND OTHER POST RETIREMENT BENEFITS

The Association sponsors a staff pension scheme which provides benefits based on salary and length of service at retirement.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the attained age method. The most recent full valuation was as at 31 December 2011, and was updated to 31 December 2012 by a qualified actuary.

Under Financial Reporting Standard 17 (FRS17), the Association is obliged to disclose certain information about its sponsored pension scheme. The information that has to be disclosed is heavily prescribed by regulations and was changed in 2008 from that required to be published in previous years. The pension scheme's actuary has computed the following information about the financial position of the scheme at 31 December 2012 and for the year then ended, and where appropriate for previous financial periods.

Amounts charged to the Central Fund are as follows:-

Amounts charged to expenditure	2012 £000	2011 £000
Current Service Cost	947	916
Past Service Cost	-	-
Total expenditure charge	<u>947</u>	<u>916</u>

Amounts included in finance income	2012 £000	2011 £000
Expected Return on Scheme Assets	(1,395)	(1,622)
Interest Cost	<u>1,186</u>	<u>1,224</u>
Other Finance Income	<u>(209)</u>	<u>(398)</u>
Total charge to the Central Fund	<u>738</u>	<u>518</u>

Other finance costs are included on the face of the Central Fund.

Actual Return on Scheme Assets	2012 £000	2011 £000
Expected return on scheme assets	1,395	1,622
Actuarial gain/(loss) on scheme assets	<u>935</u>	<u>(551)</u>
Actual Return on scheme assets	<u>2,330</u>	<u>1,071</u>

#### ENSIONS AND OTHER POST-RETIREMENT BENEFITS (CONT.)

The amounts recognised in the balance sheet are as follows:

	2012 £000	2011 £000
Fair value of scheme assets	28,801	26,888
Present Value of funded obligations	<u>(26,387)</u>	<u>(25,223)</u>
Surplus in the scheme	<u>2,414</u>	<u>1,665</u>
Net Pension Asset	<u>2,414</u>	<u>1,665</u>

Changes to the present value of the defined benefit obligation are as follows

	2012 £000	2011 £000
Opening defined benefit obligation	25,223	22,996
Current Service Cost	947	916
Interest Cost	1,186	1,224
Contributions by Scheme Participants	183	181
Actuarial (Gains)/Losses on scheme liabilities	(48)	804
Net benefits paid out	<u>(1,104)</u>	<u>(898)</u>

Closing Defined benefit obligation	<b>26,387</b>	25,223
	<b>2012</b>	2011
	<b>£000</b>	£000
Opening fair value of Scheme assets	<b>26,888</b>	26,036
Expected return on Scheme assets	<b>1,395</b>	1,622
Actuarial gains/(losses) on Scheme assets	<b>935</b>	(551)
Contributions by the Association	<b>504</b>	498
Contributions by Scheme Participants	<b>183</b>	181
Net benefits paid out	<b>(1,104)</b>	(898)
Closing fair value of Scheme assets	<b>28,801</b>	26,888

The Association expects to contribute £660,000 to its defined benefit pension scheme in 2013.

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member currently aged 60 will live on average for a further 27 years if they are male and for a further 29 years if they are female.

For members who retire in twenty years at age 60, the assumption is that they will live on average for a further 28 years after retirement if they are male and for a further 30 years after retirement if they are female.

The fair value of the major categories of scheme assets and the expected rates of return at the balance sheet date are as follows:

	Expected Return			2012	2011	2010
	2012	2011	2010	£000	£000	£000
Equities	<b>7.00%</b>	7.00%	7.75%	<b>14,373</b>	13,457	13,472
Government Bonds	<b>2.90%</b>	2.90%	4.30%	<b>8,443</b>	7,989	7,606
Corporate Bonds	<b>4.00%</b>	4.30%	5.25%	<b>5,846</b>	5,361	4,880
Other	<b>0.90%</b>	1.75%	1.40%	<b>136</b>	81	78
Combined	<b>5.25%</b>	5.25%	6.25%	<b>28,798</b>	26,888	26,036

The principal actuarial assumptions at the balance sheet date were

	2012	2011
Discount rate	<b>4.4%</b>	4.7%
Inflation	<b>3.3%</b>	3.3%
Rate of increase in salaries	<b>4.3%</b>	4.8%
Rate of increase in pensions in payment	<b>3.3%</b>	3.3%

Amounts for the current and previous four periods are as follows

	2012	2011	2010	2009	2008
	£000	£000	£000	£000	£000
Defined Benefit Obligations	<b>(26,387)</b>	(25,233)	(22,996)	(21,099)	(16,327)
Fair Value of Scheme Assets	<b>28,801</b>	26,888	26,036	23,655	20,443
Surplus in the Scheme	<b>2,414</b>	1,655	3,040	2,556	4,116
Experience adjustments on scheme assets	<b>935</b>	(551)	1,203	2,353	(5,562)
Percentage of scheme assets	<b>3%</b>	(2)%	5%	10%	(27)%
Experience gains/(losses) on scheme liabilities	<b>59</b>	53	61	(233)	498
Percentage of scheme liabilities	<b>0%</b>	0%	0%	(1)%	3%

Basis Used to Determine the Overall Expected Long-Term Rate of Return on Plan Assets

The Association employs a building block approach in determining the long-term rate of return on pension plan assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed long-term rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over actual asset allocation for the Scheme at 31 December 2012, rounded to the nearest 0.25% per annum.

## ACCOUNTING POLICIES

(see notes 74 and 75)

### ACCOUNTING POLICIES

#### a. Freehold Land and Buildings

The Association's freehold property is stated at valuation.

The buildings are depreciated over their estimated useful lives on a straight line basis, as follows:

Walkden House	over a further 31 years
Scottish office	over a further 29 years
York Office	over a further 40 years

No depreciation is provided on the value of the freehold land.

The Association has followed the transitional provisions of Financial Reporting Standard Number 15, "Tangible fixed assets", to retain the book value of land and buildings, which were re-valued in 1999.

#### b. Other Fixed Assets

Fixed assets are stated at cost less depreciation sufficient to write these assets off over their estimated lives.

Depreciation is charged at an annual rate of 10% on cost, except for computers and office machinery where the assets are written off at a rate of 25% per annum.

#### c. Subscriptions

Subscriptions deducted through the paybills and collected by direct debit are dealt with in the year to which they relate. Subscriptions from cash members are not brought into credit until received, arrears being ignored until collected.

#### d. Investment Income

The changes in Rule 38 allow the Executive Committee at its discretion to decide where such parts of investment income shall be allocated. Investment income is stated inclusive of income tax deducted at source. Any interest or net rent receivable shown in the central fund is subject to tax.

#### e. Investments

i) Investments are shown at cost with a provision for permanent diminution in realisable value where necessary.

ii) Gains or losses following major restructuring of the investment portfolio are taken to the Special Reserve as they represent the realisation of gains (or losses) that have accumulated over a number of years. The Special Reserve is earmarked for future non recurring projects.

#### f. Foreign Currency

The transactions of Branches and Divisional Council operations in the Republic of Ireland are translated at the average exchange rate prevailing during the year of the transaction. They were translated at Euro €1.166 to £ Sterling which is the average rate over the year. Assets and liabilities are translated into Sterling at the rate of exchange prevailing at the balance sheet date at Euro €1.167 to £ sterling.

#### g. Pension costs and other post retirement benefits

The Association operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the Association.

Current Service costs, past service costs and gains and losses on settlements and curtailments are charged to the Central Fund. The interest cost and expected return on assets are shown as a net amount in the Central Fund as Pension Scheme Financial Income. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Pension scheme assets are valued at market value at the balance sheet date. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent

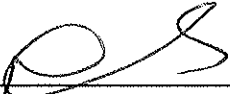
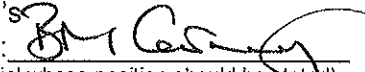


to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. Pension scheme surpluses are recognised in full on the balance sheet.

## 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>MANJIV CONTUS</u> Date: <u>15/08/13</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>MICK CARNEY</u> Date: <u>15-08-13.</u>
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## CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input 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 type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSE D	<input type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	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

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)

**AUDITOR'S REPORT continued**

**Opinion**

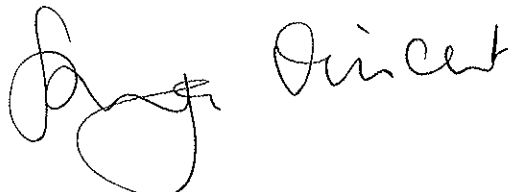
In our opinion

-the financial statements give a true and fair view, in accordance with United Kingdom generally accepted Accounting Practice, of the state of the Association's affairs as at 31st December 2012 and of its transactions and cash flow for the year then ended.

-the financial statements have been properly prepared in accordance with Trade Union Law;

-the information given in the Executive Committee's Review is consistent with the financial statements.

Sayer Vincent  
Chartered Accountants And Registered Auditors  
8 Angel Gate  
London  
EC1V 2SJ



Signature(s):

*Sayer Vincent*

Name(s):

Sayer Vincent

Profession(s) or Calling(s):

Chartered Accountants and  
Registered Auditors

Address(es):

8 Angel Gate  
City Road  
London EC1V 2SJ


Date:

13/8/13

Contact name and telephone number:

020 7841 6360

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

We have audited the financial statements of Transport Salaries Staffs' Association for the year ended 31 December 2012 which comprise the Branch account, the Divisional Councils account, the Self-Organised Groups account, the Political Fund account, the Provident Benefit Fund account, the Property Revaluation Reserve, the Central Fund, the balance sheet, 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 (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Union's members as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidated) 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 auditors' 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 directors and auditors**

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

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Executive Committee's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 2012 and of its results for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidated) 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 (Consolidated) Act 1992 requires us to report to you if, in our opinion:

- the Union has not kept proper accounting records in accordance with Section 28 of the Act,

- the Union has not maintained a satisfactory system of control over its transactions in accordance with that section, and
- the accounts to which the report relate do not agree with the accounting records

SAYER VINCENT

8 Angel Gate  
City Road  
LONDON  
EC1V 2SJ

17 April 2013