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- PRINT ON ONE SIDE ONLY

# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

General Federation of Trade Unions

Year ended:

31 December 2014

List no:

336T/1/76

Head or Main Office:

84 Wood Lane  
Quorn  
Leicestershire  
LE12 8DB

Website address (if available)

www.gftu.org.uk

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

Yes

No

(Click the appropriate box)

General Secretary:

DOUG NICHOLLS

Telephone Number:

~~0207 520 8340~~ 01509 410855

Contact name for queries  
regarding

IAN RICHARDS

Telephone Number:

01509 410867

E-mail:

ianr@gftu.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

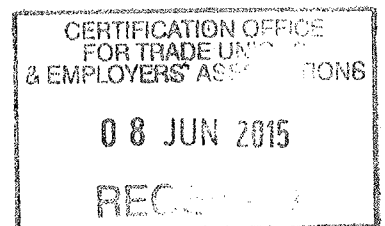
The address to which returns and other documents should be sent are:

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)

## **GFTU - List of officers**

J Fray – President

B Marshall – Vice President

P Davies

L Ambler

R Draper

L Robinson

L O'Connor

S Woolley

J Smith

G Morrissey

O Williams

R Rickhuss

B Paul

T Burke

R Mooney

L Woodward

## **GFTU List of affiliates**

### **FULL MEMBERS**

Aegis the Union

ASPECT

Association of Educational Psychologists

Bakers, Food and Allied Workers' Union

BECTU

CCISUA

COMMUNITY

Institute of Football Management Administration

League Managers Association

Musicians' Union

NACODS

NAPO

National Association of Stable Staffs

National Union of Journalists

Professional Cricketers Association

Professional Footballers Association

Society of Union Employees

Transport Salaried Staffs' Association

Unity

### **ASSOCIATE MEMBERS**

GMB (Manufacturing)

PCS MOJ Group (excluding NOMS)

PROSPECT (CONNECT Section)

UNITE (GFTU Sections)

# 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					
FEMALE					
TOTAL	22				A <b>22</b>

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

22

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

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:

22

and names:

See list attached

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members: Contributions and Subscriptions</b>		180,474
<b>From Members: Other income from members (specify)</b>		
 <b>Total other income from members</b>		
<b>Total of all income from members</b>		180,474
<b>Investment income (as at page 12)</b>		290,649
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	46,105	
<b>Total of other income (as at page 4)</b>		46,105
	<b>TOTAL INCOME</b>	<b>517,228</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		
<b>Administrative expenses (as at page 10)</b>		200,084
<b>Federation and other bodies (specify)</b>		
Gift Aid Donation – GFTU Educational Trust	235,000	
Pension Scheme –current service cost	55,000	
Pension Scheme- other finance costs	25,000	
Pension Scheme –assumptions and experience	360,000	
<b>Total expenditure Federation and other bodies</b>		675,000
<b>Taxation</b>		
	<b>TOTAL EXPENDITURE</b>	<b>875,084</b>
Surplus (deficit) for year		(357,856)
Amount of general fund at beginning of year		6,456,528
Amount of general fund at end of year		6,098,672

# 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> Revaluation of investments to market value	46,105	
<b>TOTAL OTHER INCOME</b>		46,105
<b>TOTAL OF ALL OTHER INCOME</b>		46,105

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

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

(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)

<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		
	Investment income (as at page 12)		
	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 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	

<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>	
Remuneration and expenses of staff	61,911
Salaries and Wages included in above	£58,752
Auditors' fees	8,600
Legal and Professional fees	44,617
Occupancy costs	12,945
Stationery, printing, postage, telephone, etc.	3,311
Expenses of Executive Committee (Head Office)	16,069
Relocation costs	4,018
Other administrative expenses (specify)	
Pension Scheme Contributions – recharged to GFTU Educational Trust	(35,327)
Insurance	6,394
Bank Charges	1,745
Sundries	4,155
Donations	3,200
<b>Other Outgoings</b>	
Interest payable:	
Bank loans (including overdrafts)	
Mortgages	
Other loans	
Depreciation	4,472
Taxation	
Other outgoings (specify)	
Investment management fees	63,974
<b>Total</b>	200,084
Charged to:	
General Fund (Page 3)	200,084
Fund (Account )	
Fund (Account )	
Fund (Account )	
Fund (Account )	
<b>Total</b>	200,084

# ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Pension Contributions s £	Benefits		Total £
				Other Benefits		
				Description	Value £	
General Secretary – D Nicholls	65,694	6,810	9,919.80	Car and interest		

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			72,209
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
Gain on disposal of investments & exchange rate			218,440
			290,649
		Total investment income	290,649
Credited to:			
		General Fund (Page 3)	290,649
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Political Fund	
		Total Investment Income	290,649

# BALANCE SHEET as at 31 December 2014

(see notes 47 to 50)

Previous Year		£	£
14,304	<b>Fixed Assets</b> (at page 14)		9,832
6,322,207	<b>Investments</b> (as per analysis on page 15)	5,993,843	
	Managed investments (see next page)		
675,768	Quoted (Market value £ 675,768)	714,176	
55,058	Unquoted	55,058	
7,067,337	<b>Total Investments</b>		6,763,077
	<b>Other Assets</b>		
	Loans to other trade unions		
389,64	Sundry debtors	612,327	
47,175	Cash at bank and in hand	74,000	
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
436,821	<b>Total of other assets</b>		686,327
7,504,158	<b>TOTAL ASSETS</b>		7,459,236
5,082,371	General Fund (Account )		4,678,410
	Fund (Account )		
	Fund (Account )		
	Superannuation Fund (Account )		
	Political Fund (Account )		
1,374,157	Investment Revaluation Reserve		1,420,262
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Bank overdraft		
20,962	Trade creditors		1,626
7,216	Sundry creditors		6,859
82,452	Accrued expenses		80,079
	Provisions		
937,000	Other liabilities-pension liability		1,272,000
7,504,158	<b>TOTAL LIABILITIES</b>		7,459,236
7,504,158	<b>TOTAL ASSETS</b>		7,459,236

## GFTU - Managed Investments

	Quoted £	Managed £	Total £
At 1 January 2014	630,061	744,096	1,374,157
Revaluation to market value in the year	38,408	7,697	46,105
	<hr/>	<hr/>	<hr/>
At 31 December 2014	668,469	751,793	1,420,262
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The investment revaluation reserve in respect of managed investments represents the unrealised increase in the value of the investment portfolio.

As such the net revaluation in relation to the managed investments is £751,793 (2013: £744,096) on book cost of £4,910,035 (2013: £4,657,182) as disclosed in note 11 to the accounts.



# 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			27,225	21,512		48,737
Additions						
Disposals			(27,225)			(27,225)
Revaluation/Transfers						
At end of year			0	21,512		21,512
<b>Accumulated Depreciation</b>						
At start of year			26,030	8,403		34,433
Charges for year			1,195	3,277		4,472
Disposals			(27,225)			(27,225)
Revaluation/Transfers						
At end of year			0	11,680		11,680
<b>Net book value at end of year</b>			0	9,832		9,832
<b>Net book value at end of previous year</b>			1,195	13,109		14,304

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

<b>QUOTED</b>	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)		
Zeneca Group plc (2000 25p ordinary shares)	91,110	
Royal Bank of Scotland plc (17,385 £1 ordinary shares)	68,566	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Trade Union Unit Trusts (100,000 units)	554,500	
<b>TOTAL QUOTED (as Balance Sheet)</b>	<b>714,176</b>	
Market Value of Quoted Investment	714,176	
<b>UNQUOTED</b>		
Equities		
Unity Trust plc (40,058 A shares)	40,058	
Unity Trust plc (15,000 C shares)	15,000	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
<b>TOTAL UNQUOTED (as Balance Sheet)</b>	<b>55,058</b>	
Market Value of Unquoted Investments	55,058	

# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

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

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	180,474		180,474
From Investments	290,649		290,649
Other Income (including increases by revaluation of assets)	46,105		46,105
<b>Total Income</b>	517,228		517,228
<b>EXPENDITURE</b> (including decreases by revaluation of			
<b>Total Expenditure</b>	875,084		875,084
<b>Funds at beginning of year</b> (including reserves)	6,456,528		6,456,528
<b>Funds at end of year</b> (including reserves)	6,098,672		6,098,672
<b>ASSETS</b>			
Fixed Assets			9,832
Investment Assets			6,763,077
Other Assets			686,327
		<b>Total Assets</b>	7,459,236
<b>LIABILITIES</b>		<b>Total Liabilities</b>	1,360,564
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			6,098,672

# 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 NOTES TO THE ACCOUNTS

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

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### 1 Accounting policies

The accounts have been prepared in accordance with applicable accounting standards and the principal accounting policies as set out below, all of which have been applied consistently throughout the year and the previous year except where noted below.

#### 1.1 Fixed assets

Items of office equipment are capitalised in the balance sheet at cost and depreciated at a rate of 33% per annum to write off the cost by equal instalments over their useful life. Motor vehicles are capitalised at cost and are depreciated at 25% reducing balance.

#### 1.2 Investments

Quoted investments and managed investments are carried at market value in the balance sheet. Unrealised increases in the value of quoted investments and managed investments are taken to the revaluation reserve. Any diminution in value is shown in the statement of total recognised gains and losses and deducted from the revaluation reserve or general fund as applicable.

Unquoted investments are stated at cost subject to any permanent diminution in value.

#### 1.3 Investment income

Investment income is accounted for on a receivable basis advised where necessary by the fund managers.

#### 1.4 Stocks

No account is taken of consumable stores in hand at the year end. These are written off on acquisition.

#### 1.5 Taxation

Corporation tax is liable on investment income only. Full provision is made to the extent that a liability arises.

#### 1.6 Pensions

The Federation operates a Defined Benefit Pension Scheme for the staff who all have joint contracts of employment with this entity and the GTFU Educational Trust. The impact of the Pension Scheme, including the net pension liability, is reflected solely in the accounts of the Federation.

Regular valuations of the defined benefit scheme are carried out by professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the scheme and allow for the periodic increase of pensions payable. In accordance with Financial Reporting Standard 17, the regular service cost of providing retirement benefits to employees during the period, together with the cost of any benefits relating to past service is charged to the income and expenditure account.

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

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A credit representing the expected return on the assets of the scheme during the period is included within the income and expenditure account. This is based on the market value of the assets of the scheme at the start of the financial period.

The expected increase in the liabilities of the scheme during the period is charged to the income and expenditure account. This arises from the liabilities of the scheme being one year closer to payment.

The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet.

Differences between actual and expected returns on assets during the period are recognised in the statement of total recognised gains and losses in the period, together with the differences arising from changes in assumptions.

Deferred tax is not reflected in the pension liability or asset due to the corporation tax status of the Federation.

### 2 Taxation

No provision for corporation tax or deferred tax is made on the basis of these accounts.

Tax credits on dividends received were deducted at source. Income tax recoverable on investment income is included within other debtors where applicable.

### 3 Investment income

	2014	2013
	£	£
Dividends received	72,209	92,879
Gain on disposal of investments	217,805	255,364
Exchange rate movements on investments	635	-
	<hr/>	<hr/>
	290,649	348,243
	<hr/> <hr/>	<hr/> <hr/>

As stated in the Executive Committee Report, investment decision making has been delegated by the Executive Committee to Credit Suisse in respect of the main investment funds. The profit on disposal of investments included above was realised as a result of disposals made by Credit Suisse.

### 4 Investment management costs

	2014	2013
	£	£
Investment management fees	61,858	60,649
Exchange rate movements on investments	-	16,869
Interest and charges paid	2,116	-
	<hr/>	<hr/>
	63,974	77,518
	<hr/> <hr/>	<hr/> <hr/>

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 5 Administrative expenses

	2014 £	2013 £
Employment costs	49,644	71,232
Redundancy costs	9,108	-
Occupancy costs	12,945	12,850
Relocation costs	4,018	-
Printing, postage, stationery and publications	2,622	4,172
Telephone	689	1,091
Executive Committee expenses	16,069	16,784
Staff and officials' expenses	3,159	2,527
Conference expenses	-	8,123
Pension scheme costs	43,592	86,377
Pension scheme contributions recharged to General Federation of Trade Unions Educational Trust (note 16)	(35,327)	(37,371)
Legal and professional fees	1,025	16,358
Audit fees	8,600	7,000
Accountancy charges	-	3,244
Insurance	6,394	6,796
Bank charges	1,745	1,645
Depreciation	4,472	4,968
Sundries	4,155	5,404
Donations	3,200	3,150
	<u>136,110</u>	<u>214,350</u>

Pension scheme costs include fees of £60,370 (2013: £23,630) which is regarded as exceptional expenditure, resulting from the winding up of the International Tailor Leather & Garment Workers Federation. Also included is a receipt of £84,000 from the Pension Protection Levy fully reimbursing the cost.

### 6 Gift Aid

The General Federation of Trade Unions Educational Trust ("GFTU Educational Trust") was established by the General Federation of Trade Unions, which continues to support it financially by way of Gift Aid donations. The total donated during the year was as follows:-

	2014 £	2013 £
General Federation of Trade Unions Educational Trust	235,000	515,000
	<u>235,000</u>	<u>515,000</u>



# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

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### 7 Exceptional income

During the prior year the Federation received £85,431 of reimbursed costs from Paul Talbot as ordered by the High Court following the outcome of the action taken against the Federation in respect of the General Secretary Election process in 2011.

### 8 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2014	27,225	21,512	48,737
Disposals	(27,225)	-	(27,225)
	<hr/>	<hr/>	<hr/>
At 31 December 2014	-	21,512	21,512
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>			
At 1 January 2014	26,030	8,403	34,433
Charge for year	1,195	3,277	4,472
Eliminated on disposals	(27,225)	-	(27,225)
	<hr/>	<hr/>	<hr/>
At 31 December 2014	-	11,680	11,680
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>			
At 31 December 2014	-	9,832	9,832
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2013	1,195	13,109	14,304
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Federation relocated offices from London to Leicestershire at the end of 2014. As such all fully depreciated fixtures, fittings and equipment were scrapped.

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 9 Quoted investments

	Book Cost 2013 & 2014 £	Market value as at 1 Jan 2014 £	Revaluation to market value 2014 £	Disposals during 2014	Market value as at 31 Dec 2014 £
Trade Union Unit Trusts 100,000 units	38,042	598,400	(43,900)	-	554,500
Zeneca Group Plc 2,000 25p Ordinary Shares	3,316	71,490	19,620	-	91,110
Royal Bank of Scotland Plc 17,385 £1 Ordinary Shares	4,349	5,878	62,688	-	68,566
	<u>45,707</u>	<u>675,768</u>	<u>38,408</u>	<u>-</u>	<u>714,176</u>

	Dividends received 2014 £	Tax credit 2014 £	Dividends received 2013 £	Tax credit 2013 £
Trade Union Unit Trusts 100,000 units	8,320	925	9,336	1,038
Zeneca Group Plc 2,000 25p Ordinary Shares	3,398	378	3,594	400
	<u>11,718</u>	<u>1,303</u>	<u>12,930</u>	<u>1,438</u>

### 10 Unquoted investments

	Cost/value 2014 £	Cost /value 2013 £	Dividends received £	Tax credit £
Unity Trust Plc 40,058 "A" Shares	40,058	40,058	741	82
15,000 "C" Shares	15,000	15,000	278	31
	<u>55,058</u>	<u>55,058</u>	<u>1,019</u>	<u>113</u>

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 11 Managed investments

	Total £	
Market value as at 01.01.14 (excluding cash balance)	5,401,278	
Book cost of acquisitions	3,003,641	
Proceeds of disposals	(2,968,593)	
	<u>5,436,326</u>	
Realised gains on disposal of investments (Note 3)	217,805	
Unrealised increase in market value (Note 14)	7,697	
	<u>5,661,828</u>	
	<u><u>5,661,828</u></u>	
Cash balance as at 01.01.14	920,929	
Book cost of acquisitions	(3,003,641)	
Proceeds of disposals	2,968,593	
Dividend income on investments received	59,473	
Disinvestment of funds	(550,000)	
Management fees paid	(61,858)	
Interest and charges paid	(2,116)	
Foreign exchange gains	635	
	<u>332,015</u>	
	<u><u>332,015</u></u>	
Cash balance as at 31.12.14	332,015	
	<u>332,015</u>	
Managed investments as at 31.12.13	6,322,207	
	<u>6,322,207</u>	
Managed investments as at 31.12.14	5,993,843	
	<u>5,993,843</u>	
	<u><u>5,993,843</u></u>	
<b>Analysis of investments at market value</b>		
	2014	2013
	£	£
Bonds	1,823,641	1,617,633
Property	-	-
Equities	2,558,858	2,333,465
Cash deposits	332,015	920,929
Alternative assets	1,279,329	1,450,180
	<u>5,993,843</u>	<u>6,322,207</u>
	<u><u>5,993,843</u></u>	<u><u>6,322,207</u></u>
<b>Analysis of book cost</b>		
		£
Book cost as at 01.01.14		4,657,182
Book cost of acquisitions		3,003,641
Book cost of disposals		(2,750,788)
		<u>4,910,035</u>
Book cost as at 31.12.14		<u>4,910,035</u>
		<u><u>4,910,035</u></u>

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 12 Debtors

	2014 £	2013 £
Trade debtors	100	-
Other debtors	2,539	32,779
Due from GFTU Educational Trust – see note 17	609,688	356,867
	<u>612,327</u>	<u>389,646</u>

Within other debtors is a relocation loan to a staff member of £1,163 which is due for repayment on the earlier of the eventual disposal of the property to which it relates or upon the termination of employment for any reason.

### 13 Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	1,626	20,962
Other creditors	80,079	82,452
Social security and other taxes	6,859	7,216
	<u>88,564</u>	<u>110,630</u>

### 14 Investment revaluation reserve

	Quoted £	Managed £	Total £
At 1 January 2014	630,061	744,096	1,374,157
Revaluation to market value in the year	38,408	7,697	46,105
	<u>668,469</u>	<u>751,793</u>	<u>1,420,262</u>

The investment revaluation reserve in respect of managed investments represents the unrealised increase in the value of the investment portfolio.

As such the net revaluation in relation to the managed investments is £751,793 (2013: £744,096) on book cost of £4,910,035 (2013: £4,657,182) as disclosed in note 11 to the accounts.

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

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### 15 General fund

	2014 £	2013 £
As at 1 January 2014	5,082,371	5,668,304
Deficit for the year	(43,961)	(196,933)
Pension scheme assumptions and Experience (see note 18)	(360,000)	(389,000)
Transfer from investment revaluation reserve	-	-
	<hr/>	<hr/>
As at 31 December 2014	4,678,410	5,082,371
	<hr/> <hr/>	<hr/> <hr/>
The general fund represents:-		
Net assets	5,950,410	6,019,371
Pension deficit (see note 18)	(1,272,000)	(937,000)
	<hr/>	<hr/>
	4,678,410	5,082,371
	<hr/> <hr/>	<hr/> <hr/>

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 16 Employment costs

Staff have joint contracts of employment with the Federation and the GFTU Educational Trust. The staff costs are administered by the Federation and a recharge is made to the Trust based on the time spent on the Trusts' activities.

Average number of employees	2014 6	2013 8
	=====	=====
	2014 £	2013 £
Gross, including employer's NI, pension contribution, childcare vouchers	370,774	440,777
Redundancy costs accrued	67,712	-
Recharged to Educational Trust	(312,278)	(294,719)
	-----	-----
	126,208	146,058
	=====	=====

These are shown in the financial statements as follows: -

	£	£
Employment costs (as above)	126,208	146,058
Less: Federation pension scheme contributions	(67,456)	(74,826)
	-----	-----
Administrative expenses – Employment costs / redundancy costs (note 5)	58,752	71,232
	=====	=====

The proportion of pension scheme contributions recharged to the GFTU Educational Trust is reflected within note 5 to the accounts for FRS 17 disclosure purposes and the recharge for the year is as follows: -

	£	£
Administrative expenses – Pension scheme contributions recharged	(35,327)	(37,371)
	=====	=====

The charges arising in the pension scheme comprise the following:

	Actual 2014 £'000	Actual 2013 £,000
Expected return on scheme assets	267	224
Interest cost	(292)	(256)
	-----	-----
Other finance costs	(25)	(32)
	=====	=====
	Actual 2014 £'000	Actual 2013 £,000
Current service costs	(55)	(59)
	=====	=====

The employer contributions for the year to 31 December 2015 are estimated to be £88,000.

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

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### 17 Related parties

The General Federation of Trade Unions Educational Trust (“GFTU Educational Trust”) was established by the General Federation of Trade Unions, which continues to support it financially. At 31 December 2014, the GFTU Educational Trust which based on draft financial statements had net assets of £2,000,813 (2013: £1,972,253). Transactions during the year ended 31 December 2014 included:-

	2014	2013
	£	£
Gift Aid donated to the GFTU Educational Trust	(235,000)	(515,000)
Employment costs recharged to the GFTU Educational Trust	312,278	294,719
Occupancy costs recharged to the GFTU Educational Trust	50,400	51,400
General council meeting costs recharged from the GFTU Educational Trust	-	7,926

The balance due from the GFTU Educational Trust at the year end was £609,688 (2013: £356,867) which is included in Debtors – see note 12 above.

### 18 Pensions

The Federation is a member of the General Federation of Trade Unions Pension Scheme, a defined benefit scheme in the UK which covers various organisations on a combined basis. The Federation’s share of the scheme equates to approximately 65% (2013: 69%) of net assets and future liabilities.

The results of a full actuarial valuation carried out as at 31 December 2009 by a qualified independent actuary were reflected in the financial statements for the year ended 31 December 2010. This was updated by a qualified independent actuary as at 31 December 2011 and further updated by a qualified independent actuary as at 31 December 2012.

A full actuarial valuation for statutory funding purposes has been carried out by a qualified independent actuary at 31 December 2012. The preliminary results of this valuation were projected forward approximately to 31 December 2013 and reflected in the financial statements to that date. The full actuarial valuation as at 31 December 2012 was finalised in September 2014.

An actuarial valuation report as at 31 December 2014 was carried out by a qualified actuary and the results of this valuation are reflected in the financial statements to 31 December 2014 as outlined overleaf.

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 18 Pensions continued

The major assumptions used by the actuary were:

	At 31 Dec 2014 (Updated)	At 31 Dec 2013 (Updated)	At 31 Dec 2012 (Updated)	At 31 Dec 2011 (Updated)
Investment return	4.92%	4.19%	4.35%	4.70%
RPI price inflation increases	3.30%	2.90%	2.90%	2.90%
Salary increases	4.30%	3.90%	3.90%	3.90%
Pension increases in payment	3.30%	2.90%	2.90%	2.90%
Life expectancy for a male pensioner aged 65 (in years)	22.8	22.7	21.8	20.9
Life expectancy for a male non-pensioner currently aged 45 from age 65 (in years)	25.0	24.9	23.6	22.7

To develop the expected long-term rate of return on assets assumption, the pension scheme trustees under actuarial advice considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

The assets in the scheme were as follows:

	Value at 31 Dec 2014 £'000 (Updated)	Value at 31 Dec 2013 £'000 (Updated)	Value at 31 Dec 2012 £'000 (Updated)	Value at 31 Dec 2011 £'000 (Updated)
Bonds	5,998	4,972	5,153	4,938
Equities	3,240	3,006	2,601	2,367
Other	(37)	7	10	22
	-----	-----	-----	-----
Total market value of assets	9,201	7,985	7,764	7,327
Present value of scheme liabilities	(11,150)	(9,343)	(8,732)	(8,027)
	-----	-----	-----	-----
Deficit in the scheme	(1,949)	(1,358)	(968)	(700)
Proportion of deficit relating to other unions	677	421	300	216
	-----	-----	-----	-----
Net pension liability relating to the Federation	(1,272)	(937)	(668)	(484)
	=====	=====	=====	=====
Federation net pension liability as a percentage of the present value of scheme liabilities	14%	10%	6%	6%
	=====	=====	=====	=====



# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

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### 18 Pensions continued

The movements in the net pension deficit during the period were as follows:-

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Opening deficit	(937)	(668)
Scheme introduction	-	-
Contribution paid	105	211
Current service cost	(55)	(59)
Past service cost	-	-
Net financial cost	(25)	(32)
Actuarial losses	(360)	(389)
	<hr/>	<hr/>
Net pension deficit	(1,272)	(937)
	<hr/> <hr/>	<hr/> <hr/>

The net actuarial losses reflected in the STRGL (page 7) were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Changes in assumptions underlying the present value of the pension scheme liabilities – Current	(743)	(123)
Actual return less expected return on pension scheme	383	(72)
Experience gains and losses arising on pension scheme	-	(194)
	<hr/>	<hr/>
	(360)	(389)
	<hr/> <hr/>	<hr/> <hr/>

The GFTU expect to contribute an average 24.7% per annum of Pensionable Salaries for active scheme members.

# GENERAL FEDERATION OF TRADE UNIONS

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

---

### 18 Pensions continued

Following the preparation of the 2012 Actuarial Report the Recovery Plan of the scheme has been amended. To cover the anticipated deficit of £1,809,000 per that report, the deficit funding arrangements have been amended to: GFTU to contribute an extra £30,000 in 2014 and 2015 and an extra £70,000 per annum for the years 2016 to 2032 (inclusive); PCS to contribute an extra £15,000 per annum for the years 2015 to 2032 (inclusive). During 2014 a payment of £60,570 (2013: £67,300) was made by the Federation to the pension scheme under the previous Recovery Plan, which covered fully the £30,000 agreed additional contributions for 2014 under the amended Recovery Plan.

In 2013 historic service costs of £98,803 were received under a Deed of Discharge, from UNITE, representing the Federation's share of pension increases paid on behalf of UNITE. These costs have been reflected in current service costs charged to the income and expenditure account up to and including the year ended 31 December 2013. This represents the final payment by UNITE to terminate any liability it may have to contribute to pay for increases that have already been granted.

### 19 Contingent liabilities

As stated in note 17, the Federation has a commitment to continue supporting the GFTU Educational Trust, which based on draft financial statements had net assets at the year end of £2,000,813 (2013: £1,972,253).

### 20 Financial commitments

As stated in note 18, the Federation are committed to making the following annual contribution to the General Federation of Trade Unions Pension Scheme as follows:

	2014	2013
	£	£
Expiry date:		
In more than 5 years	30,000	67,300
	<u>                    </u>	<u>                    </u>

# ACCOUNTING POLICIES

(see notes 74 and 75)

SEE ATTACHED ACCOUNTING POLICIES

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u><i>[Handwritten Signature]</i></u> Name: <u>SOVA NICHOLLS</u> Date: <u>3.6.2015</u>	Chairman's Signature: _____ (or other official whose position should be stated) Name: _____ Date: _____
--	---

## CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

# ACCOUNTING POLICIES

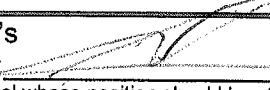
(see notes 74 and 75)

SEE ATTACHED ACCOUNTING POLICIES

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: _____ Name: _____ Date: _____	Chairman's Signature:  (or other official whose position should be stated) Name: <u>BEN MARSHALL</u> Date: <u>27/5/2015</u>
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## CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSE D	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

# AUDITOR'S REPORT

(see notes 81 to 86)

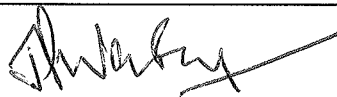
made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?  
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)  
  
YES  
If "No" please explain below.
  
2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
  - (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
  - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
  - (c) whether the accounts to which the report relates agree with the accounting records?  
(See section 36(3) of the 1992 Act, set out in note 83)  
YES  
If "No" please explain below.
  
3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
  - (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
  - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.  
(See section 36(4) of the 1992 Act set out in rule 83)  
YES  
If "No" please explain below.
  
4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.  
(See note 85)

# AUDITOR'S REPORT (continued)

SEE ATTACHED AUDIT REPORT

Signature(s) of auditor or auditors:



Name(s):

J P Warsop

Profession(s) or Calling(s):

ACA FCCA

Address(es):

UHY Hacker Young LLP  
22 The Ropewalk  
Nottingham  
NG1 5DT

Date:

Contact name and telephone number:

0115 959 0900

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 AUDITORS' REPORT TO MEMBERS OF THE GENERAL FEDERATION OF TRADE UNIONS**

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We have audited the financial statements of The General Federation of Trade Unions for the year ended 31 December 2014 set out on pages 6 to 21. 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).

The report is made solely to the Federation'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 Federation'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 Federation and the Federation's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members of the Executive Committee and auditors**

As explained more fully in the statement of Executive Committee's responsibilities set out on page 2, the Executive Committee (acting on behalf of the Governing Body) are responsible for the preparation of the financial statements and for being satisfied 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**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the Federation's affairs as at 31 December 2014 and of its deficit 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 (Consolidation) Act 1992.

### **Opinion on other matter prescribed by the Trade Union and Labour Relations (Consolidation) Act 1992**

In our opinion the information given in the Executive Committee Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT  
TO MEMBERS OF THE GENERAL FEDERATION OF TRADE UNIONS**

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**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 of Executive Committee members remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Jonathan Warsop ACA FCCA (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

Chartered Accountants  
Statutory Auditor

13 May 2015