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FORM AR21

To be used for reporting years starting on or after 6 April 2015

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	BAKERS, FOOD & ALLIED WORKERS
Year ended:	31 ST DECEMBER 2016
List no:	55T
Head or Main Office:	STANBOROUGH HOUSE GREAT NORTH ROAD STANBOROUGH WELWYN GARDEN CITY HERTFORDSHIRE AL8 7TA
Website address (if available)	www.bfawu.org
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:	RONNIE DRAPER
Telephone Number:	01707 260150
Contact name for queries regarding	ADRIAN STEWART
Telephone Number:	01707 260150
E-mail:	info@bfawu.org

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

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

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

For Unions based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



(Revised February 2017)

**BAKERS, FOOD & ALLIED WORKERS' UNION
OFFICIALS AT 31ST DECEMBER 2016**

Name	Position	Location
Mr Ronne Draper	General Secretary	-
Mr Ian Hodson	National President	-
Ms Rachel Mullen	Executive Council member	Female Rep
Ms Lorna McKinnon	Executive Council member	Youth Rep
Ms Mandy Ambrose	Executive Council member	Region 1
Mr Pat Kelly	Executive Council member	Region 1
Mr John Newman	Executive Council member	Region 2
Mr Jason Moore	Executive Council member	Region 2
Ms Jacquie Barnwell	Executive Council member	Region 3
Mr Lee Pepper	Executive Council member	Region 3
Mr Colin Hall	Executive Council member	Region 3
Mr Sean Wellsby	Executive Council member	Region 4
Mrs John Owens	Executive Council member	Region 4
Mr John Fitzpatrick	Executive Council member	Region 4
Ms Pauline McCarthy	Executive Council member	Region 5
Mr Joe Knapper	Executive Council member	Region 5
Ms Lizzie Dinning	Executive Council member	Region 5
Mr Jim Carlin	Executive Council member	Region 5
Mr David Byrne	Executive Council member	Region 6
Mr Diarmuid Best	Executive Council member	Region 7

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	0	0	0	0	0
FEMALE	0	0	0	0	0
TOTAL	18059	610	385	0	A 19,054

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

18,669

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
EC Member Female Rep	Sarah Wooley	Rachel Mullen	June 2016
EC Member Youth Rep	Apryl Walcott-Chow	Lorna McKinnon	June 2016
EC Member Region 1	Vincent Payne	Pay Kelly	June 2016
EC Member Region 3	Paul McGarry	Lee Pepper	June 2016
EC Member Region 3	N/A	Colin Hall	June 2016
EC Member Region 4	John Fox	Sean Wellsby	June 2016
EC Member Region 5	Mark McHugh	Jim Carling	June 2016
EC Member Region 7	John Halliday	Diarmuid Best	June 2016

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		2,664,157
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		2,664,157
Investment income (as at page 12)		2,250
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	491,671	
Total of other income (as at page 4)		491,671
		TOTAL INCOME
		3,158,078
EXPENDITURE		
Benefits to members (as at page 5)		247,441
Administrative expenses (as at page 10)		2,662,792
Federation and other bodies (specify)		
IUF, UITA, IUL and EFFATT	32,812	
GFTU	17,701	
TUC	52,252	
Sundry affiliations	798	
Irish Union	46,000	
Regional Affiliation Fees	4,272	
Total expenditure Federation and other bodies		153,835
Taxation		
		TOTAL EXPENDITURE
		3,064,068
Surplus (deficit) for year		94,010
Amount of general fund at beginning of year		1,436,097
Amount of general fund at end of year		1,530,107

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
Political Fund administration charge	20,000	
Sundry commissions	645	
VAT recoveries	(19,590)	
CCFA receipts	18,149	
Fee Sharing with solicitors		
Profit on disposal of investments	4,704	
Legal Income	111,000	
Net movement in reserves in respect of CCFA's	206,613	
Investment Income	27,369	
Increase in market value of investments	122,781	
TOTAL OTHER INCOME		491,671
TOTAL OF ALL OTHER INCOME		491,671

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues	113,253	brought forward	143,615
		Education and Training services	
		Shop steward and other courses	35,791
		Health and safety education	22,207
Representation – Non Employment Related Issues			
		Negotiated Discount Services	
Communications Foodworker	30,362		
		Salary Costs	
Advisory Services			
		Other Benefits and Grants (specify)	
		Funeral grants	3,413
Dispute Benefits		Sundry grants	3,142
		Free card grants	7,350
		Sickness benefits	31,923
Other Cash Payments			
carried forward	143,615	Total (should agree with figure in General Fund)	247,441

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	BENEVOLENT FUND	£	£
Income			
	From members		5,086
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Benevolent grants		2,140
	Administrative expenses and other expenditure (as at page 10)		513
	Total Expenditure		2,653
	Surplus (Deficit) for the year		2,433
	Amount of fund at beginning of year		25,071
	Amount of fund at the end of year (as Balance Sheet)		27,504
	Number of members contributing at end of year		5,318

FUND 3		Fund Account	
Name:	Social Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Donations	568	
	Total other income as specified		568
	Total Income		568
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		483
	Total Expenditure		483
	Surplus (Deficit) for the year		85
	Amount of fund at beginning of year		2,047
	Amount of fund at the end of year (as Balance Sheet)		2,132
	Number of members contributing at end of year		0

FUND 4		Fund Account	
Name:	Pension Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		1,439,000
	Total Expenditure		1,439,000
	Surplus (Deficit) for the year		(1,439,000)
	Amount of fund at beginning of year		(3,106,000)
	Amount of fund at the end of year (as Balance Sheet)		(4,545,000)
	Number of members contributing at end of year		0

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

(See notes 24 and 25)

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

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

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund		
		£	£	
Income	Members contributions and levies		79,525	
	Investment income (as at page 12)			
	Other income (specify)			
	Total other income as specified			
	Total income		79,525	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Contribution to Labour parties, election funds		16,843	
	Administration expenses in connection with political objects (specify)			
	Conference expenses		11,747	
	Publications		207	
	Collectors commission		6,221	
	Non-political expenditure		43,631	
		Total expenditure		78,649
		Surplus (deficit) for year		876
		Amount of political fund at beginning of year		6,660
		Amount of political fund at the end of year (as Balance Sheet)		7,536
	Number of members at end of year contributing to the political fund		18,059	
	Number of members at end of the year not contributing to the political fund		995	
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		0	

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

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

(see notes 32 and 33)

		£
Administrative Expenses		
Remuneration and expenses of staff		1,428,133
Salaries and Wages included in above	£1,110,768	
Movement in Defined benefit pension liability		1,439,000
Auditors' fees		46,011
Legal and Professional fees		13,747
Occupancy costs		154,105
Stationery, printing, postage, telephone, etc.		106,642
Expenses of Executive Committee (Head Office)		308,258
Expenses of conferences		68,860
Other administrative expenses (specify)		
Computer expenses		130,939
Branch secretaries expenses		118,822
Collectors commission		88,053
Office cleaning and sundries (inc. Benevolent and social fund)		15,674
Investment manager charges		17,802
Promotion		5,091
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		23,959
Depreciation		21,507
Other loans		
Depreciation		
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
VAT on above expenses		115,189
	Total	4,101,792
Charged to:		
	General Fund (Page 3)	2,661,796
	Benevolent Fund (Fund 2)	513
	Social Fund (Fund 3)	483
	Pension Fund (Fund 4)	1,439,000
	Total	4,101,792

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contributions £	Other Benefits		
				Description	Value £	
General Secretary	47,384	5,408	7,914	Car Medical	8,729 65	69,500
National President	47,384	5,408	7,914	Car Medical	10,508 65	71,279

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			2,250
Dividends (gross) from:			
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
			2,250
		Total investment income	2,250
		Credited to:	
		General Fund (Page 3)	2,250
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	
		Total Investment Income	2,250

BALANCE SHEET as at 31/12/2016

(see notes 47 to 50)

Previous Year		£	£
103,987	Fixed Assets (at page 14)		91,392
	Investments (as per analysis on page 15)		
1,388,839	Quoted (Market value £)		1,425,891
300	Unquoted		300
	Total Investments		1,517,583
	Other Assets		
	Loans to other trade unions		
443,960	Sundry debtors		428,750
276,417	Cash at bank and in hand		149,200
	Income tax to be recovered		
	Stocks of goods		
129,798	Others (specify) contributions receivable		98,299
	Total of other assets		676,249
2,343,301	TOTAL ASSETS		2,193,832
1,436,097	General Fund (Account 1)		1,530,107
25,071	Benevolent Fund (Fund 2)		20,892
2,047	Social Fund (Fund 3)		2,132
(3,106,000)	Pension Fund (Fund 4)		(4,545,000)
6,660	Political Fund (Account 1)		7,536
(1,636,125)	Total Funds		(2,984,333)
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
875,279	Sundry creditors		633,165
	Accrued expenses		
3,106,000	Provisions – pension scheme deficit		4,545,000
3,981,279	TOTAL LIABILITIES		5,178,165
2,343,301	TOTAL ASSETS		2,193,832

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
Cost or Valuation						
At start of year	211,611	33,884	441,740	41,717		728,952
Additions			8,912			8,912
Disposals				(27,918)		(27,918)
Revaluation/Transfer s						
At end of year	211,611	33,884	450,652	13,799		709,946
Accumulated Depreciation						
At start of year	136,573	26,258	428,467	33,668		624,966
Charges for year	5,119	848	8,640	6,899		21,506
Disposals				(27,918)		(27,918)
Revaluation/Transfer s						
At end of year	141,692	27,106	437,107	33,668		639,573
Net book value at end of year						
	69,919	6,778	13,545	1,150		91,392
Net book value at end of previous year						
	75,038	7,626	13,273	8,050		103,987

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED		All Funds Except Political Funds £	Political Fund £
	Equities (e.g. Shares)		
	Government Securities (Gilts)		
	Other quoted securities (to be specified)		
	City Asset Managed Funds	1,425,891	
	TOTAL QUOTED (as Balance Sheet)	1,425,891	
	Market Value of Quoted Investment	1,425,891	
UNQUOTED	Equities		
	Government Securities (Gilts)		
	Mortgages		
	Bank and Building Societies		
	Other unquoted investments (to be specified)		
	Loans	300	
	TOTAL UNQUOTED (as Balance Sheet)	300	
	Market Value of Unquoted Investments	300	

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

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

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	2,669,243	79,525	2,748,768
From Investments	2,250		2,250
Other Income (including increases by revaluation of assets)	492,239		492,239
Total Income	3,163,732	79,525	3,243,257
EXPENDITURE (including decreases by revaluation of assets)	6,612	(additional expenditure)	6,612
Total Expenditure	4,506,204	78,649	4,584,853
Funds at beginning of year (including reserves)	(1,642,785)	6,660	(1,636,125)
Funds at end of year (including reserves)	(2,991,869)	7,536	(2,984,333)
ASSETS			
Fixed Assets			91,392
Investment Assets			1,426,191
Other Assets			676,249
		Total Assets	2,193,832
LIABILITIES		Total Liabilities	(5,178,165)
NET ASSETS (Total Assets less Total Liabilities)			(2,984,333)

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

1. Accounting policies

The following accounting policies have been applied consistently in dealing with the items that are considered material in relation to the Union's accounts.

- a) The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.
- b) Income and Expenditure is accounted for on the accruals basis, provision being made for contributions receivable for the period to 31st December, but not received by the year end and also for other accrued income and expenditure.
- c) Fixed assets are depreciated over their estimated useful life in equal annual instalments:
- | | |
|--|--|
| Freehold property | Fifty years from the date of purchase or valuation |
| Leasehold property | Forty years |
| Motor cars | Two years |
| Office furniture and equipment
and computer equipment | Two and a half years |
- d) Investments (Fixed asset investments) in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in the income and expenditure account for the period.
- e) Pension costs (see note 6)
- f) Operating lease rentals are charged on a straight line basis over the lease term.
- g) Income received under the collective conditional fee agreements (CCFAs) is included in the accounts in full on legal defence and compensation claims settled in the Union's favour. The Union accounts for costs and disbursements as incurred and for refunded disbursements as received. Full provision is made for potential legal costs on continuing cases against income received under the CCFAs where the income exceeds the legal costs incurred under the agreements in accordance with the terms of the agreement.
- A review of the reserve will be carried out on a regular basis and a transfer to the Union's general fund will be made where the income received under the CCFAs on a year by year basis is considered to be in excess of any estimated costs (based on the Union's past experience) that might arise on any outstanding legal cases.
- h) Government Grants received are netted off against the direct expenditure incurred on each of the projects. In the case of the Union Learning Fund, a grant has been provided to cover the full cost of the project. In the case of the Union Modernisation Fund the union operates a matched funding approach where 50% of the costs of the project are funded by the union. The cost to the union of this project is shown on the working expenses schedule (Schedule III).
- i) Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the surplus or deficit for the year.
- j) Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities.

2. Fixed Assets

All freehold property is stated at cost less depreciation to date.

Movements on fixed assets are disclosed in Schedule IV.

3. The Irish Union

The Union is associated with the Bakers, Food and Allied Workers' Union in the Republic of Ireland. The accounts for the Irish Union are not consolidated, as this Union remains a separate legal entity. The Irish Union accounts for its own transactions, assets and liabilities, and submits audited statutory accounts to the Certification Officer of the Republic of Ireland.

4. Contingent Liabilities

As at the year end it is estimated that the Union was administering 1,122 (2015: 1,031) legal cases on behalf of its members. For cases lodged up until March 2013 cases continue to be handled on behalf of members on a conditional fee agreement. For cases lodged after this date the union is no longer entitled to notional insurance refunds although may receive legal income in relation to cases successfully dealt with by the acting solicitor.

In relation to the former conditional fee agreement, the Union was indemnified against the costs of lost legal cases to the extent that notional insurance refunds exceeded any costs incurred. Where notional insurance refunds exceeded costs incurred in the year, the excess was carried forward as a reserve against the potential cost of cases in progress at the year end. Under the new regime, any legal monies received are recognised in the year earned and no deferral is applied.

5. Operating Lease Commitments

At the Financial year end, The Union had future minimum lease payments under non-cancellable operating leases as follows:

	2016			2015		
	£	£	£	£	£	£
	Motor cars	Office equipment	Land and buildings	Motor cars	Office equipment	Land and buildings
Not later than one year	107,387	34,571		73,307	34,671	3,441
One to two years	70,214	22,545		53,216	30,160	
Two to five years	18,942			17,131	22,620	
The charge against income for the year was	106,620	36,075	6,882	102,863	36,075	6,882

6. Pension costs

The Union operates a UK registered trust based pension scheme that provides defined benefits. For service up to 31 May 2011, pension benefits are linked to members' final pensionable salaries and service to 31 May 2011 (or date of leaving if earlier). From 1 June 2011, pension benefits are built up on a Career Average Revalued Earnings (CARE) basis, where benefits are linked to members' salaries in each year and increased to retirement broadly in line with inflation.

The Trustees are responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustees of the Scheme are required to act in the best interests of the beneficiaries of the Scheme.

There are three categories of pension scheme members:

- Active members: currently employed by the Union
- Deferred members: former active members of the Union
- Pensioner members: in receipt of pension.

6. Pension costs (continued)

The Trustees are required to carry out an actuarial valuation every 3 years. The last actuarial valuation of the Scheme was performed by the Scheme Actuary for the Trustees as at 31 December 2015. This valuation revealed a funding shortfall of £1.874 million. The Union agreed to pay annual contributions of 14.6% of members' pensionable salaries less the total amount of member contributions each year to meet the cost of future service accrual. In respect of the deficit in the Scheme as at 31 December 2015, the Union has agreed to pay £90,000 pa for 17 years and 10 months from 1 January 2017.

The Union will meet the cost of the death in service lump sum benefits, and administrative and other expenses incurred by Trustees, up to a maximum of £62,000 pa from 2017. The Union therefore expects to pay £214,000 to the Scheme during the accounting year beginning 1 January 2017, before the deduction of the overpaid contributions by the Union prior to 31 December 2016.

The results for the most recent formal actuarial valuation as at 31 December 2015 have been updated to 31 December 2016 by a qualified independent actuary. The assumptions used were as follows:

Significant actuarial assumptions	Year to 31/12/16	Year to 31/12/15
Discount rate	2.50%	3.70%
Retail prices inflation (RPI)	3.20%	2.90%
Consumer prices inflation (CPI)	2.20%	1.90%
 Other actuarial assumptions		
Salary increases	2.20%	1.90%
Pension increases:		
Pre 88 GMP	2.00%	1.70%
Pre 1 June 2011	3.10%	2.80%
Post 31 May 2011	2.10%	1.80%
CARE revaluation:		
Active members	3.20%	2.90%
Deferred members	2.20%	1.90%
Revaluation of deferred pensions in excess of GMP	3.20%	2.90%

Demographic assumptions

Description	Year ended 31/12/16	Year ended 31/12/15
- Mortality (before and after retirement)	S2PA CMI_2015_M/F [1.00%] (yob) rated up by 1 year	S2PA CMI_2015_M/F [1.00%] (yob) rated up by 1 year

Life expectancies (in years)

	Year ended 31/12/16		Year ended 31/12/15	
	Male	Female	Male	Female
Life expectancy for someone aged 65 in 2015	21.10	23.00	21.10	23.00
Life expectancy at age 65 for an individual aged 45 in 2015	22.30	24.50	22.30	24.50

6. Pension costs (continued)

Assets

The fair value of the assets of the Scheme were:

Asset class	Year ended 31/12/16 Mkt value £'000	Year ended 31/12/15 Mkt value £'000
Equities/Growth Assets	4,419	3,818
Bonds	-	1,283
Gilts	986	594
Liability driven investments	688	-
Trustee bank account	23	4
Sundry debtors & creditors	18	25
Owed to the Union	(68)	(90)
Insured annuities	100	77
	<u>6,166</u>	<u>5,711</u>

The return on the asset was:

Asset class	£'000	£'000
Interest income	207	193
Return on assets less interest income	472	(59)
Total return on assets	<u>679</u>	<u>134</u>

7. Reconciliation of Movement in Members' Funds

	2016	2015
	£	£
Member's Funds Brought Forward	(1,637,978)	(2,133,748)
Surplus/(Deficit) on General Fund	94,010	121,886
Movement ((deficit)/surplus) on Pension Fund Reserve	(1,439,000)	366,000
(Deficit)/surplus on Political Fund	876	3,954
(Deficit)/Surplus on Benevolent Funds	(2,326)	3,760
(Deficit)/Surplus on North Eastern Social Fund	85	170
Member's Funds Carried Forward	<u>(2,984,333)</u>	<u>(1,637,978)</u>


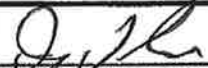
ACCOUNTING POLICIES

(see notes 74 and 75)

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>RONNIE DRAPER</u> Date: <u>30/5/17</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>IAN HODSON</u> Date: <u>30/5/17</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)	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"/>
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

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

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

YES/NO

If "No" please explain below.

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

YES/NO

If "No" please explain below.

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

YES/NO

If "No" please explain below.

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

We have audited the financial statements on pages 1 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 7. 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 the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). 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 Executive Council and Auditors

As described on page 16 the Union's Executive Council is responsible for the preparation of the financial statements in accordance with applicable law and accounting standards. It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). We also report to you if, in our opinion, the Treasurer's Report is not consistent with the financial statements, if the Union has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding officials' remuneration and transactions with the Union is not disclosed.

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 Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Treasurer's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Union has not maintained a satisfactory system of control over its transactions; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures within the form AR21 of Officers' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Griffin House
135 High Street
Crawley
West Sussex, RH10 1DQ

Kreston Reeves LLP
Chartered Accountants
& Statutory Auditors
Date: 30 May 2017

Kreston Reeves LLP

AUDITOR'S REPORT (section one)

Signature(s) of auditor or auditors:	<i>Kreston Reeves LLP</i>	
Name(s):	Kreston Reeves LLP	
Profession(s) or Calling(s):	Chartered Accountants & Statutory Auditors	
Address(es):	Griffin House 135 High Street Crawley West Sussex RH10 1DQ	
Date:	30/5/17	
Contact name and telephone number:	01293 776411	

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

MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

made in accordance with section 24ZD of the
Trade Union and Labour Relations (Consolidation) Act 1992.

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

YES/NO

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21.

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21.

MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer

1. In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

YES/NO

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

YES/NO

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) **send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.**

MEMBERSHIP AUDIT CERTIFICATE (continued)

Signature of assurer	<i>Kreston Reeves LLP</i>
Name	Kreston Reeves LLP
Address	4 th Floor Griffin House 135 High Street Crawley West Sussex RH10 1DQ
Date	
Contact name and telephone number	01293 776411