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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:	COMMUNITY
Year ended:	31 DECEMBER 2017
List no:	784T
Head or Main Office:	465C CALEDONIAN ROAD LONDON N7 9GX
Website address (if available)	www.community-tu.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:	ROY RICKHUSS
Telephone Number:	0207 420 4000
Contact name for queries regarding	SARAH WOLD
Telephone Number:	0207 420 4026
E-mail:	swold@community-tu.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: 0330 109 3602

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  
Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

**For Unions based in Scotland:**

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



(Revised November 2017)

NAME	POSITION	REGION	OTHER
Roy Rickhuss	General Secretary		
Ross Clark	NEC Member	1	
Tiffany Gillies	NEC Member	1	
Peter Hobson	NEC Member	2	Vice President
John Stead	NEC Member	2	
Paul McBean	NEC Member	3	
Ian Smith	NEC Member	3	
Clive Royston	NEC Member	3	
Paul Mills	NEC Member	4	
Alan Coombs	NEC Member	5	Trustee
Gary Keogh	NEC Member	5	
Peter Rees	NEC Member	5	
Dougie Fairbairn	NEC Member	6	Trustee
Keith Jordan	NEC Member	7	
Tom Butler	NEC Member	8	
Chris Rice	NEC Member	8	
Robert Mooney	NEC Member - Disability seat	National	Trustee
Sue Mather	NEC Member - Womens seat	1 / 2 / 3	
Jacque Thomas	NEC Member - Womens seat	5 / 7 / 8	President
Tracy Barlow	NEC Member - Womens seat	4 / 6	
Carol Hodgeson	NEC Member - BAME seat	National	

**We are Community. The modern union for a changing world.**

Head office: 465c Caledonian Road, London N7 9GX

tel: 020 7420 4000 • email: [info@community-tu.org](mailto:info@community-tu.org) • [www.community-tu.org](http://www.community-tu.org)

# 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	19,716	124			<b>19,840</b>
FEMALE	6,345	92			<b>6,437</b>
TOTAL	26,061	216			<b>A 26,277</b>

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

25,445

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

340

## 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 person's 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
<b>PLEASE SEE ATTACHED</b>			

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)

	£000's	£000's
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		3,629
<b>From Members:</b> Other income from members (specify)		
<b>Total other income from members</b>		3,629
<b>Total of all income from members</b>		
<b>Investment income (as at page 12)</b>		4,480
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	3,102	
<b>Total of other income (as at page 4)</b>		7,582
	<b>TOTAL INCOME</b>	<b>11,211</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		1,172
<b>Administrative expenses (as at page 10)</b>		7,597
<b>Federation and other bodies (specify)</b>		
GFTU £20, Industrial £9, TUC £88, MISC £17	134	
Net FRS17 pensions movement	(2,070)	
<b>Total expenditure Federation and other bodies</b>		6,833
<b>Taxation</b>		
	<b>TOTAL EXPENDITURE</b>	<b>6,833</b>
		4,378
Surplus (deficit) for year		
		68,898
<b>+ Transfer of Engagements: UFS</b>		256
Amount of general fund at end of year		73,532

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

(see notes 19 and 20)

DESCRIPTION	£000's	£000's
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
Changes in Investment Values	3,089	
Legal Service Income	13	
<b>TOTAL OTHER INCOME</b>		3,102
<b>TOTAL OF ALL OTHER INCOME</b>		3,102

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£000's		£000's
Representation – Employment Related Issues	188	<b>brought forward</b>	366
		Education and Training services	248
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications	172	Salary Costs	207
Advisory Services		Other Benefits and Grants (specify)	
		Benefits Scheme	69
Dispute Benefits	6	Bereavement	74
		Child	9
		Convalescent Home	11
		Organising / Recruitment	183
		Retirement	5
Other Cash Payments			
<b>carried forward</b>	366	<b>Total (should agree with figure in General Fund)</b>	1,172

(See notes 24 and 25)

<b>FUND 2</b>		<b>Fund Account</b>	
<b>Name:</b>	Benevolent Fund	<b>£</b>	<b>£000's</b>
<b>Income</b>			
	From members		29
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		29
<b>Expenditure</b>			
	Benefits to members		24
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		24
	<b>Surplus (Deficit) for the year</b>		5
	<b>Amount of fund at beginning of year</b>		65
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		70
	<b>Number of members contributing at end of year</b>		25,445

<b>FUND 3</b>		<b>Fund Account</b>	
<b>Name:</b>	Futures Fund	<b>£</b>	<b>£</b>
<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>		0
<b>Expenditure</b>			
	Benefits to members		170
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		170
	<b>Surplus (Deficit) for the year</b>		(170)
	<b>Amount of fund at beginning of year</b>		2,916
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		2,746
	<b>Number of members contributing at end of year</b>		0

(See notes 24 and 25)

<b>FUND 4</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<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>			

<b>FUND 5</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<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)

<b>FUND 6</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<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>		

<b>FUND 7</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<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>£000's</b>	<b>£000's</b>	
<b>Income</b>	Members contributions and levies		213	
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income	213	
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)	160		
	Administration expenses in connection with political objects (specify) Exps of members attending conferences and political meetings	32		
	Non-political expenditure			
			Total expenditure	192
			Surplus (deficit) for year	21
		Amount of political fund at beginning of year	165	
		Amount of political fund at the end of year (as Balance Sheet)	186	
		Number of members at end of year contributing to the political fund	19,680	
		Number of members at end of the year not contributing to the political fund	6,597	
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund			6,299	

<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)

Administrative Expenses		£000's
Remuneration and expenses of staff		4,559
Salaries and Wages included in above	£3,445	
Auditors' fees		43
Legal and Professional fees		297
Occupancy costs		895
Stationery, printing, postage, telephone, etc.		358
Expenses of Executive Committee (Head Office)		72
Expenses of conferences		353
Other administrative expenses (specify)		
Branch exps £329, Insurance £77, Motor exps £47		453
Donations £20, Bank Charges £8, Sundry items £24		52
Badges / Regalia		70
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		39
Mortgages		
Other loans		
Depreciation		406
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
	<b>Total</b>	7,597
Charged to:	General Fund (Page 3)	7,597
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	<b>Total</b>	7,597

# 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 Roy Rickhuss	111,723	14,293	23,308	Car / Fuel 9,275 Other 772	10,047	159,371
NEC T Barlow	933					933
NEC P Mills	384					384
NEC Nil Return						
R Clark, T Gillies						
P Hobson, J Stead						
I Smith, P McBean						
C Royston, P Rees						
G Keogh, A Coombs						
D Fairbairn, K Jordan						
C Rice, T Butler						
J Thomas, S Mather						
R Mooney, C Hodgeson						

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £000's
Rent from land and buildings		721
Dividends (gross) from:		
Equities (e.g. shares)		3,281
Interest (gross) from:		
Government securities (Gilts)		224
Mortgages		17
Local Authority Bonds		
Bank and Building Societies		
Other investment income (specify)		
Gain on Disposal of Investments		237
Total investment income		4,480
Credited to:		
General Fund (Page 3)		4,480
Fund (Account )		
Fund (Account )		
Fund (Account )		
Fund (Account )		
Fund (Account )		
Political Fund		
Total Investment Income		4,480

# BALANCE SHEET as at 31 December 2017

(see notes 47 to 50)

Previous Year		£000's	£000's
13,608	<b>Fixed Assets</b> (at page 14)		17,366
	<b>Investments</b> (as per analysis on page 15)		
72,812	Quoted (Market value £ 72,808,000)	72,808	
1,672	Unquoted £1,489,000	1,489	
	<b>Total Investments</b>	74,297	91,663
	<b>Other Assets</b>		
	Loans to other trade unions		
2,036	Sundry debtors	420	
1,725	Cash at bank and in hand	1,949	
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
	<b>Total of other assets</b>		2,369
<b>91,853</b>	<b>TOTAL ASSETS</b>		<b>94,032</b>
68,898	General Fund (Account )		73,532
65	Benevolent Fund (Account )		70
2,916	Futures Fund (Account )		2,746
	Superannuation Fund (Account )		
165	Political Fund (Account )		186
	Revaluation Reserve		
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
2,193	Loans: Other	1,902	
	Bank overdraft		
	Tax payable		
650	Sundry creditors	700	
	Accrued expenses		
	Provisions		
16,966	Other liabilities FRS 17 Pensions	14,896	
	<b>TOTAL LIABILITIES</b>		<b>17,498</b>
<b>91,853</b>	<b>TOTAL ASSETS</b>		<b>94,032</b>

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £000's	Motor Vehicles £000's	Not used for union business £000's	Total £000's
	Freehold £000's	Leasehold £000's				
<b>Cost or Valuation</b>						
At start of year	2,651	250	307	549	10,615	14,372
Additions	3,551	670	74	231		4,526
Disposals	(300)		(1)	(172)		(473)
Revaluation/Transfer s						
At end of year	5,902	920	380	608	10,615	18,425
<b>Accumulated Depreciation</b>						
At start of year	159	117	236	252		764
Charges for year	49	150	55	152		406
Disposals				(111)		(111)
Revaluation/Transfer s						
At end of year	208	267	291	293		1,059
<b>Net book value at end of year</b>	5,694	653	89	315	10,615	17,366
<b>Net book value at end of previous year</b>	2,492	133	71	297	10,615	13,608

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £000's	Political Fund  £000's
Equities (e.g. Shares)	68,716	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Debentures & Bonds	4,092	
TOTAL QUOTED (as Balance Sheet)	72,808	
Market Value of Quoted Investment	72,808	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages	461	
Bank and Building Societies		
Unity Trust £269, Short term cash £50	319	
Aberdeen Asset £276, Indycube £200	476	
PPPS £12, Welsh RFU £48, Misc £2	62	
Other unquoted investments (to be specified)		
Stotfold £115, Dalgetty Bay £56	171	
TOTAL UNQUOTED (as Balance Sheet)	1,489	
Market Value of Unquoted Investments	1,489	



# 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 checked="" type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
<b>COMPANY NAME</b>  Communitas EU Ltd	<b>COMPANY REGISTRATION NUMBER (if not registered in England &amp; Wales, state where registered)</b>  03964433		
Community in Spain SSL	B54261607 (Spain)		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
<b>COMPANY NAME</b>	<b>NAMES OF SHAREHOLDERS</b>		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £000's	Political Funds £000's	Total Funds £000's
<b>INCOME</b>			
From Members	3,658	213	3,871
From Investments	4,480		4,480
Other Income (including increases by revaluation of assets)	3,102		3,102
<b>Total Income</b>	11,240	213	11,453
<b>EXPENDITURE</b> (including decreases by revaluation of	7,027	192	7,219
<b>Total Expenditure</b>	7,027	192	7,219
+ Transfer of Engagements UFS	256		256
<b>Funds at beginning of year</b> (including reserves)	71,879	165	72,044
<b>Funds at end of year</b> (including reserves)	76,348	186	76,534
<b>ASSETS</b>			
	Fixed Assets		17,366
	Investment Assets		74,297
	Other Assets		2,369
	<b>Total Assets</b>		94,032
<b>LIABILITIES</b>		<b>Total Liabilities</b>	(17,498)
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			76,534

# 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.**

A large, empty rectangular box with a black border, intended for the user to enter notes to the accounts. The box is currently blank.

# 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>          <i>R. Rickhuss</i>          </u>  Name: <u>          Roy Rickhuss          </u> Date: <u>          8 May 2018          </u>	Chairman's Signature: <u>          <i>JP McHugh</i>          </u> (or other official whose position should be stated) Name: <u>          JP McHugh (Assistant General Secretary)          </u> Date: <u>          8 May 2018          </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	√	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	√	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	√	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	√	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	√	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	√
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	√	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 checked="" type="checkbox"/>

# AUDITOR'S REPORT

(see notes 81 to 86)

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

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

YES/NO

If "No" please explain below.

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

YES/NO

If "No" please explain below.

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

YES/NO

If "No" please explain below.

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

# AUDITOR'S REPORT (continued)

Signature(s): *H W Fisher & Co.*

Name(s): *H W Fisher & Company*

Profession(s) or Calling(s): *Chartered Accountants  
Statutory Auditor*

Address(es): *Acre House*

*11 - 15 William Road*

*London NW1 3ER*

*United Kingdom*

Date: *11 May 2018*

Contact name and telephone number: *Sailesh P Mehta  
020 7388 7000*

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**  
made in accordance with section 24ZD of the  
**Trade Union and Labour Relations (Consolidation) Act 1992**  
(See notes 100 to 106)

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**

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**

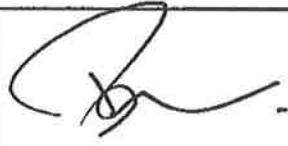
2. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

**YES**

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	
Name	Ian Robinson
Address	Electoral Reform Services Ltd The Election Centre 33 Clarendon Road London N8 0NW
Date	3 <sup>rd</sup> May 2018
Contact name and telephone number	Ian Robinson, Director and Head of Quality Control 020 8365 8909



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**COMMUNITY  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2017**

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**YEAR ENDED 31 DECEMBER 2017**

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## COMMUNITY

### **STATEMENT OF RESPONSIBILITIES OF THE NATIONAL EXECUTIVE COUNCIL**

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The legislation relating to Trade Unions requires Community to submit a return for each calendar year to the Certification Officer. This return contains accounts that must give a true and fair view of the state of Community at the year end and of its transactions for the period then ended. The financial statements set out on the following pages have been prepared on the same basis and are used to complete the return to the Certification Officer.

In relation to Community, the requirement to prepare financial statements that give a true and fair view is the responsibility of the National Executive Council. The National Executive Council is responsible for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In so doing, the National Executive Council is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.

State whether applicable accounting standards have been followed.

Prepare the accounts on the going concern basis unless it is inappropriate to do so.

The National Executive Council is responsible for keeping proper accounting records and establishing and maintaining a satisfactory system of control over its records and transactions in order to comply with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). It is also responsible for safeguarding the assets of Community and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## COMMUNITY

### REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY

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#### **Opinion**

We have audited the financial statements of Community ["The Union"] for the year ended 31 December 2017 which comprise the Income and Expenditure account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Union's affairs as at 31 December 2017 and of its expenditure for the year then ended; and
- Have been properly prepared in accordance with United Kingdom Generally Accepted Practice.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to the audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISA's (UK) require us to report to you where:

- The National Executive Council's use of the going concern basis of accounting in the financial statements is not appropriate; or
- The National Executive Council has not disclosed in the financial statements any identified uncertainties that may cast significant doubt about the Union's ability to continue to adopt a going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The National Executive Council is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors report thereon. Our opinion of the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

## COMMUNITY

### REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY

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We have nothing to report in this regard.

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

The Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) requires us to report to you if, in our opinion:

- A satisfactory system of control over transactions has not been maintained; or
- The Union has not kept proper accounting records; or
- The financial statements are not in agreement with the books of account; or
- We have not received all the information and explanations we need for our audit.

We have nothing to report in this regard.

#### **Responsibilities of the National Executive Council**

As explained more fully in the Statement of Responsibilities of the National Executive Council, the National Executive Council is responsible for the preparation of financial statements and being satisfied that they give a true and fair view, and for such internal control as the National Executive Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

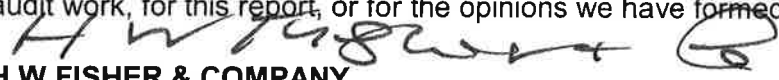
In preparing the financial statements, the National Executive Council is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Executive Council either intends to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the Union's members, as a body. Our audit work has been undertaken so that we might state to the Union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Union and the Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
**H W FISHER & COMPANY**  
**Chartered Accountants**  
**Statutory Auditor**

**Acre House**  
**11 - 15 William Road**  
**London NW1 3ER**  
**United Kingdom**

**Dated: 8th May 2018**

**COMMUNITY****COMBINED INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>OPERATING INCOME</b>	8,364	7,445
<b>OPERATING EXPENDITURE</b>	<u>(9,289)</u>	<u>(8,246)</u>
<b>OPERATING RESULT</b>	<b>(925)</b>	<b>(801)</b>
<b>OTHER ITEMS</b>	<u>2,786</u>	<u>6,552</u>
<b>SURPLUS FOR THE YEAR</b>	<b>1,861</b>	<b>5,751</b>
<b>OTHER COMPREHENSIVE INCOME/(EXPENDITURE)</b>	<u>2,373</u>	<u>(4,886)</u>
<b>COMPREHENSIVE RESULT FOR THE YEAR</b>	<b>4,234</b>	<b>865</b>
<b>FUNDS AT BEGINNING OF THE YEAR</b>	72,044	71,179
Transfer from UFS General Fund	256	--
<b>FUNDS AT END OF THE YEAR</b>	<u><b>76,534</b></u>	<u><b>72,044</b></u>

COMMUNITY

**INCOME AND EXPENDITURE ACCOUNT – GENERAL FUND  
YEAR ENDED 31 DECEMBER 2017**

	Notes	2017		2016	
		£'000	£'000	£'000	£'000
<b>OPERATING INCOME</b>					
Contribution from members	1	3,629		3,299	
Investment income	2	4,480		3,885	
Other income	3	13		36	
			<b>8,122</b>		<b>7,220</b>
<b>OPERATING EXPENDITURE</b>					
Membership activity	4	1,172		1,316	
Branches	5	329		407	
Personnel costs	6	4,559		3,956	
Administration	7	983		953	
Conference and committees costs	8	425		149	
Affiliation fees	9	134		150	
Property and equipment costs	10	1,301		1,110	
			<b>(8,903)</b>		<b>(8,041)</b>
<b>OPERATING DEFICIT</b>					
			<b>(781)</b>		<b>(821)</b>
<b>OTHER ITEMS</b>					
Change in investment values		3,089		3,396	
Gain on disposal of fixed asset		--		3,546	
Net pension scheme expenditure	18	(303)		(390)	
			<b>2,786</b>		<b>6,552</b>
<b>SURPLUS FOR THE YEAR</b>					
			<b>2,005</b>		<b>5,731</b>
<b>OTHER COMPREHENSIVE</b>					
Remeasurement of defined benefit liability			<b>2,373</b>		<b>(4,886)</b>
<b>COMPREHENSIVE RESULT FOR THE YEAR</b>					
			<b>4,378</b>		<b>845</b>
<b>FUNDS AT BEGINNING OF THE YEAR</b>					
			68,898		68,053
Transfer from UFS General Fund	20		256		--
<b>FUNDS AT END OF THE YEAR</b>					
			<b>73,532</b>		<b>68,898</b>

COMMUNITY

INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 DECEMBER 2017

POLITICAL FUND	Notes	2017 £'000	2016 £'000
<b>OPERATING INCOME</b>			
Contributions from members	1	213	198
		<b>213</b>	<b>198</b>
<b>OPERATING EXPENDITURE</b>			
Affiliation fees and other expenses		(192)	(85)
<b>SURPLUS FOR THE YEAR</b>		<b>21</b>	<b>113</b>
<b>FUNDS AT BEGINNING OF THE YEAR</b>		165	52
<b>FUNDS AT END OF THE YEAR</b>		<b>186</b>	<b>165</b>

BENEVOLENT FUND		2017 £'000	2016 £'000
<b>OPERATING INCOME</b>			
Contributions from members	1	29	27
<b>OPERATING EXPENDITURE</b>			
Benefit payments and other expenses		(24)	(36)
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>5</b>	<b>(9)</b>
<b>FUNDS AT BEGINNING OF THE YEAR</b>		65	74
<b>FUNDS AT END OF THE YEAR</b>		<b>70</b>	<b>65</b>

FUTURES FUND		2017 £'000	2016 £'000
<b>OPERATING EXPENDITURE</b>			
Benefit payments and other expenses		(170)	(84)
<b>DEFICIT FOR THE YEAR</b>		<b>(170)</b>	<b>(84)</b>
<b>FUNDS AT BEGINNING OF THE YEAR</b>		2,916	3,000
<b>FUNDS AT END OF THE YEAR</b>		<b>2,746</b>	<b>2,916</b>



COMMUNITY

COMBINED BALANCE SHEET  
AT 31 DECEMBER 2017

	Notes	2017		2016	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	11		6,751		2,993
Investment properties	12		10,615		10,615
Investments	13		74,297		74,484
			<u>91,663</u>		<u>88,092</u>
<b>CURRENT ASSETS</b>					
Debtors and prepayments	14	420		2,036	
Cash in bank and in hand		1,949		1,725	
		<u>2,369</u>		<u>3,761</u>	
<b>CURRENT LIABILITIES</b>					
Creditors and accruals	15	(700)		(650)	
Bank loan	15, 16	(297)		(291)	
		<u>(997)</u>		<u>(941)</u>	
<b>NET CURRENT ASSETS</b>					
			<u>1,372</u>		<u>2,820</u>
<b>TOTAL ASSETS</b>					
<b>LESS CURRENT LIABILITIES</b>					
			<u>93,035</u>		<u>90,912</u>
<b>DEFERRED LIABILITIES</b>					
Bank loan	16		(1,605)		(1,902)
<b>PROVISIONS FOR LIABILITIES</b>					
Pension obligations	18		(14,896)		(16,966)
			<u>76,534</u>		<u>72,044</u>
Represented by:					
<b>GENERAL FUND</b>			73,532		68,898
<b>POLITICAL FUND</b>			186		165
<b>BENEVOLENT FUND</b>			70		65
<b>FUTURES FUND</b>			2,746		2,916
			<u>76,534</u>		<u>72,044</u>

Approved for issue to the members on 8th May 2018



R Rickhuss  
General Secretary

**COMMUNITY****COMBINED CASH FLOW STATEMENT  
YEAR ENDED 31 DECEMBER 2017**

	2017 £'000	2016 £'000
<b>Cash flows from operating activities</b>		
Operating deficit	(925)	(801)
<b>Adjustments for:</b>		
(Loss)/Gain on disposal of investments	(237)	44
Depreciation	406	249
<b>Movements in working capital:</b>		
Change in debtors	1,616	(1,774)
Change in creditors	50	(180)
<b>Net cash absorbed by operations</b>	<u>910</u>	<u>(2,462)</u>
<b>Investing activities:</b>		
Payments to acquire tangible fixed assets	(4,526)	(228)
Payments to acquire fixed asset investments	(630)	(4,489)
Receipts from sale of tangible fixed assets	349	3,622
Receipts from sale of fixed asset investments	3,832	3,847
Changes in cash deposits	580	44
<b>Net cash flow from investing activities</b>	<u>(395)</u>	<u>2,796</u>
<b>Financing activities:</b>		
Loan repayment	(291)	(285)
<b>Net cash flow from financing activities</b>	<u>(291)</u>	<u>(285)</u>
<b>Net increase in cash and cash equivalents</b>	224	49
<b>Cash balances brought forward</b>	1,725	1,676
<b>Cash balances carried forward</b>	<u>1,949</u>	<u>1,725</u>

## **COMMUNITY**

### **ACCOUNTING CONVENTION YEAR ENDED 31 DECEMBER 2017**

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#### **INFORMATION IN RESPECT OF THE UNION**

Community is a trade union registered in accordance with the Trade Union Labour Relations (Consolidation) Act 1992 with its head office at 465c Caledonian Road, London N7 9GX.

#### **ACCOUNTING FRAMEWORK**

The accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"). The Union is a Public Benefit Entity.

In accordance with FRS102, the format of these accounts is based on those contained in the Regulations to the Companies Act 2006, notwithstanding that the Union does not report under that Act. The formats have been adapted, as required by Part 1 of Schedule 1 of the regulations, in order that they give a true and fair view of the Union's activities.

#### **PRESENTATION CURRENCY**

The financial statements have been prepared in sterling, which is the functional currency of the Union. Monetary amounts of these financial statements are rounded to the nearest thousand.

#### **GOING CONCERN**

The National Executive Council considers that there are no material uncertainties about the Union's ability to continue as a going concern.

## COMMUNITY

### ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2017

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The accounts have been prepared under the historical cost convention as modified to include the revaluation of certain fixed assets, and in accordance with the specific accounting policies as set out below.

#### CONTRIBUTIONS

Contributions are accounted for on an accruals basis.

#### TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost or fair value, net of depreciation and any impairment losses. At each reporting date, the Union reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

A proportion of the land and buildings within tangible fixed assets are let to tenants. The Union generates income from letting agreements and hence a proportion of these properties are investment properties.

#### DEPRECIATION

Depreciation is provided on all tangible fixed assets, except freehold land, to write off the cost less estimated residual value in equal annual instalments over the estimated useful economic lives of the assets. The estimated useful economic lives are as follows:

Freehold buildings	-	50 years
Furniture and fittings	-	5 years
Office equipment	-	3 years

Motor vehicles are depreciated to reduce the book value of the vehicles to their realisable value at the balance sheet date.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income and expenditure account.

#### INVESTMENT PROPERTIES

Investment properties, which are properties held to earn rentals and/or for capital appreciation is measured using the fair value model and stated at its fair value as at the balance sheet date. The surplus or deficit on revaluation is recognised in the income and expenditure account.

#### PENSION COSTS

The Union operates a defined benefit pension scheme, which requires contributions to be made to separately administered funds. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of the defined benefit obligations) and is based on actuarial advice.

## COMMUNITY

### ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2017

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#### **PENSION COSTS (CONTINUED)**

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the income and expenditure accounts as pension movement.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in the net interest) are recognised immediately in other comprehensive income in the period in which they occur. Remeasurements are not reclassified to income and expenditure in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

#### **CORPORATION TAX**

Corporation tax is payable on interest income, rental income and chargeable gains arising on the disposal of properties and investments but only to the extent that these exceed expenditure on provident benefits.

#### **DEFERRED TAX**

Deferred tax liabilities arise in relation to the difference between the fair value of investments and their original cost less any indexation applicable.

Deferred tax is calculated at the tax rates that are expected to apply in the period where the liability is settled or the asset is realised. Deferred tax is charged or credited in the income and expenditure account.

The Union has adopted a reinvestment policy whereby all realised proceeds on disposal of fixed asset investments are reinvested into fixed asset investments, thereby eliminating the need for the recognition of a deferred tax liability.

#### **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term investments with original maturities of three months or less, and bank overdrafts.

#### **FINANCIAL INSTRUMENTS**

Financial assets are recognised in the Union's balance sheet when the Union becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

## COMMUNITY

### ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2017

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#### **BASIC FINANCIAL ASSETS**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs.

#### **OTHER FINANCIAL ASSETS**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value recognised in the income and expenditure account, except that investments in equity instruments that are not publically traded, and whose fair value cannot be measured reliably, are measured at cost less impairment.

#### **IMPAIRMENT OF FINANCIAL ASSETS**

Financial assets, other than those held at fair value through income and expenditure account, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment is recognised in the income and expenditure account.

#### **BASIC FINANCIAL LIABILITIES**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the activity of the Union from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade payables are initially recognised at transaction price and derecognised when, and only when, the Union's obligations are discharged, cancelled or they expire.

#### **FIXED ASSET INVESTMENTS**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price (where applicable). The income and expenditure account includes the net gains and losses arising on revaluation and disposals throughout the year. This is a change from prior period accounts where fixed asset investments were held at historical cost less any provision for impairment. The Union does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Union is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**ACCOUNTING POLICIES**  
**YEAR ENDED 31 DECEMBER 2017**

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**REALISED GAINS AND LOSSES**

All gains and losses are taken to the income and expenditure account as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are separated between surplus on investments and change in market value in the income and expenditure account.

**LEASES**

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over the shorter period of the lease and the estimated useful economic lives of the assets. The finance charges are allocated over the period of the lease in proportion to the capital outstanding and are charged to the income and expenditure account. Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

**BRANCHES**

The expenditure in the year is controlled from Head Office. Branches do not have separate bank accounts and all expenses are claimed from Head Office.

## **COMMUNITY**

### **ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2017**

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#### **JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Union's accounting policies, the Union is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period , or in the period of the revision and future periods if the revision affects both current and future periods.

As at 31 December 2017, the carrying amounts of the following assets and liabilities were subject to judgement or to estimation uncertainty :-

#### **LEGAL CASES**

The Union is involved in numerous ongoing legal cases on behalf of its members, the outcomes of which are not certain. Provision has been made in respect of those cases where the Union will probably have to bear the cost.

#### **SUNDRY INVESTMENTS**

It is the Union's judgement that reliable estimates of the fair value of its sundry investments, as included in note 13 to the accounts, are not available. As a result, sundry investments are measured on a historic cost basis as described in the accounting policies.

#### **VALUATION OF INVESTMENT PROPERTIES**

Investment properties are stated at fair value. The fair value is determined at each balance sheet date by the Union. This assessment requires judgements to be made, which include the condition of the property, its location and the market performance of similar properties in the area.



**COMMUNITY**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 DECEMBER 2017**

<b>1 CONTRIBUTIONS</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
General Fund	3,629	3,299
Political Fund	213	198
Benevolent Fund	29	27
	<u>3,871</u>	<u>3,524</u>
<b>2 INVESTMENT INCOME</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Income from investments	3,522	3,302
Rental income	721	627
(Loss)/Gain on disposal of investments	237	(44)
	<u>4,480</u>	<u>3,885</u>
<b>3 OTHER INCOME</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
<b>General Fund:</b>		
Legal service refunds	<u>13</u>	<u>36</u>
<b>4 MEMBERSHIP ACTIVITY</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Benefits scheme	69	51
Bereavement benefits	74	79
Child benefits	9	10
Convalescent home	11	12
Driver Care Plus	--	--
Expenses of members attending schools	248	276
Legal expenses: general	188	363
Regional organiser / National officer expenses	207	199
Publications	94	79
National & regional campaigns	183	195
Retirement benefits	5	5
Strike	6	--
VAT paid	78	47
	<u>1,172</u>	<u>1,316</u>

COMMUNITY

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 DECEMBER 2017

<b>5 BRANCHES</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Delegation expenses	202	254
Branch secretary honorarium	127	153
	<u>329</u>	<u>407</u>
<b>6 PERSONNEL COSTS</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Salaries	3,445	2,960
National Insurance	387	324
Staff superannuation - Contributions	427	372
Staff superannuation - Additional payments	300	300
	<u>4,559</u>	<u>3,956</u>
Number of employees at the balance sheet date	<b>2017 Number</b>	<b>2016 Number</b>
Full time Union officials and organisers	28	24
Membership support staff	9	10
Administration staff	34	33
	<u>71</u>	<u>67</u>
<b>7 ADMINISTRATION</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Postage and telephone	197	196
Printing and stationery	161	162
Audit fees	43	41
Legal and professional charges	297	329
Insurance	77	74
Motor expenses	47	40
Donations	20	16
Bank charges	8	9
Bank interest payable	39	48
Badges/regalia etc.	70	18
Sundry expenses	24	20
	<u>983</u>	<u>953</u>

**COMMUNITY**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2017**

<b>8 CONFERENCE AND COMMITTEE COSTS</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Executive council meetings	72	69
Biennial delegate conference	306	32
Exhibition costs	47	48
	<u>425</u>	<u>149</u>
	<u>425</u>	<u>149</u>
<b>9 AFFILIATION FEES</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
ACEVO	1	--
CSEU	2	2
General Federation of Trade Unions	20	19
ICTU	1	1
Industrial	9	35
National Pensioners Convention	1	1
NCVO	1	--
Scottish TUC	5	4
ShareAction	1	--
T.U.C	88	87
Unions21	4	--
Wales TUC	1	1
	<u>134</u>	<u>150</u>
	<u>134</u>	<u>150</u>
<b>10 PROPERTY AND EQUIPMENT COSTS</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
IT and equipment	125	100
Depreciation	406	249
Head office	323	343
Regional offices	447	418
	<u>1,301</u>	<u>1,110</u>
	<u>1,301</u>	<u>1,110</u>

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 DECEMBER 2017

## 11 TANGIBLE ASSETS

	Freehold Properties £'000	Furniture and Equipment £'000	Leasehold Imp'ments £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>					
At 1 January 2017	2,651	307	250	549	3,757
Additions	3,551	74	670	231	4,526
Disposals	(300)	(1)	--	(172)	(473)
<b>At 31 December 2017</b>	<b>5,902</b>	<b>380</b>	<b>920</b>	<b>608</b>	<b>7,810</b>
<b>Depreciation</b>					
At 1 January 2017	159	236	117	252	764
Charge for the Year	49	55	150	152	406
Disposals	--	--	--	(111)	(111)
<b>At 31 December 2017</b>	<b>208</b>	<b>291</b>	<b>267</b>	<b>293</b>	<b>1,059</b>
<b>Net book value</b>					
<b>At 31 December 2017</b>	<b>5,694</b>	<b>89</b>	<b>653</b>	<b>315</b>	<b>6,751</b>
<b>At 31 December 2016</b>	<b>2,492</b>	<b>71</b>	<b>133</b>	<b>297</b>	<b>2,993</b>

## 12 INVESTMENT PROPERTIES

	2017 £'000	2016 £'000
<b>Valuation</b>		
At 1 January 2017	10,615	10,715
Disposals	--	(100)
<b>At 31 December 2017</b>	<b>10,615</b>	<b>10,615</b>

## 13 INVESTMENTS

	Listed investments £'000	Sundry investments £'000	Loans and mortgages £'000	Total £'000
<b>Market value</b>				
At 1 January 2017	72,812	1,017	655	74,484
Additions	400	351	29	780
Disposals	(3,493)	(339)	(224)	(4,056)
Change in market value	3,089	--	--	3,089
<b>At 31 December 2017</b>	<b>72,808</b>	<b>1,029</b>	<b>460</b>	<b>74,297</b>
<b>Cost</b>				
	41,210	1,029	460	42,699

As set out in the accounting policies, no provision has been made for deferred tax due to the reinvestment policy adopted by the Union.

**COMMUNITY****NOTES TO THE ACCOUNTS  
YEAR ENDED 31 DECEMBER 2017****14 DEBTORS**

	<b>2017</b> <b>£'000</b>	<b>2016</b> <b>£'000</b>
Trade debtors	52	34
Deferred consideration Earls Barton land sale	--	1,775
Other debtors	368	227
	<u>420</u>	<u>2,036</u>

**15 CREDITORS**

	<b>2017</b> <b>£'000</b>	<b>2016</b> <b>£'000</b>
Trade creditors	263	218
Other creditors	437	432
Bank loan due within one year	297	291
	<u>997</u>	<u>941</u>

**16 BANK LOANS**

	<b>2017</b> <b>£'000</b>	<b>2016</b> <b>£'000</b>
Bank loan due after one year	<u>1,605</u>	<u>1,902</u>

**LOAN MATURITY ANALYSIS**

Debt due within one year	297	291
In more than one year but not more than two years	303	297
In more than two years but not more than five years	943	926
In more than five years	359	679
	<u>1,902</u>	<u>2,193</u>

The bank loan is repayable by monthly instalments over ten years commencing February 2014. The applicable rate of interest is 1.65% over the bank base rate. The bank loans are secured by a Letter of Negative Pledge and Undertaking from the Union's investment portfolio manager confirming they will not allow the Union's investment fund portfolio to fall below a market value of £9,000,000.

**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2017**

**17 COMMITMENTS UNDER OPERATING LEASES**

**LESSEE**

At 31 December 2017, the Union had obligations of total future minimum lease payments under non-cancellable operating leases for the following periods:

	<b>Land &amp; Buildings</b>		<b>Other</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Expiry date:				
No later than 1 year	240	221	47	52
Later than 1 year, no later than 5 years	560	800	105	152
Later than 5 years	--	--	--	--
	<u>800</u>	<u>1,021</u>	<u>152</u>	<u>204</u>

The lease payments recognised as an expense during the year amounted to £273,751 (2016: £203,553).

**LESSOR**

At 31 December 2017, the Union had contractual future minimum lease receipts under non-cancellable operating leases for the following periods:

	<b>Land &amp; Buildings</b>	
	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Expiry date:		
No later than 1 year	781	677
Later than 1 year, no later than 5 years	1,085	2,068
Later than 5 years	--	--
	<u>1,866</u>	<u>2,745</u>

The lease receipts recognised as rental income during the year amounted to £711,265 (2016: £585,823).

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 DECEMBER 2017**

**18 STAFF PENSION SCHEMES**

The Union operates a final salary defined benefit pension scheme for its employees and officials, which is funded by the payment of contributions. The assets of the scheme are held in a separately administered fund controlled by the trustees of the scheme.

Community and the trustees of the scheme have agreed a funding plan to ensure that the scheme is sufficiently funded to meet current and future obligations. A formal schedule of contributions was drawn up on 17 May 2016 whereby Community will continue to pay 20.9% of pensionable salaries to 30 June 2029 to cover accrual of benefits for future service, and continue to pay £300,000 per annum to 30 June 2029 to fund the deficit.

The Union estimates that it will make contributions to the scheme totalling £588,000 for the year beginning 1 January 2018.

The valuation used for FRS102 disclosures has been based on a full assessment of the scheme as at 31 March 2015, which was the date of the last formal actuarial valuation which is ongoing. The present values of the defined benefit obligation, the related current service cost and any past service costs were measured using the projected unit credit method.

**Net defined benefit pension liability at the balance sheet date**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of scheme assets	44,780	42,348
Present value of defined benefit pension obligations	(59,676)	(59,314)
Net defined benefit pension liability	<u>(14,896)</u>	<u>(16,966)</u>

The principal actuarial assumptions used at the balance sheet date were:

	<b>2017</b>	<b>2016</b>
	<b>%</b>	<b>%</b>
Rate of increase in pensionable salaries	3.50	3.60
Rate of increase in pensions in payment	3.50	3.60
Discount rate for scheme liabilities	2.50	2.70
Rate of inflation (RPI/CPI)	3.50/2.50	3.60/2.60

**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2017**

**18 STAFF PENSION SCHEMES (continued)**

**Reconciliation of opening and closing balances of the present value of defined benefit pension obligations**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Scheme liabilities at start of year	59,314	46,502
Current service cost	364	373
Administration expenses	74	143
Interest cost	1,581	1,826
Actual contributions - members	120	117
Actual benefit payments by the scheme	(1,636)	(1,713)
Remeasurement (gains)/losses	(141)	12,066
Scheme liabilities at end of year	<u>59,676</u>	<u>59,314</u>

The current service cost is the cost to the Union of pension rights earned by members of the scheme in the year.

**Reconciliation of opening and closing balances of the fair value of scheme assets**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of scheme assets at start of year	42,348	34,812
Actual contributions - employer	585	580
Actual contributions - members	120	117
Interest income	1,131	1,372
Remeasurement gains	2,232	7,180
Actual benefit payments by the scheme	(1,636)	(1,713)
Fair value of scheme assets at end of year	<u>44,780</u>	<u>42,348</u>



**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2017**

**18 STAFF PENSION SCHEMES (continued)**

**Total cost of the scheme for the year analysed between the amounts recognised in the income and expenditure account and other comprehensive income**

**Income and expenditure account**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<i>Employment costs</i>		
Current service cost	364	373
Administration expenses	74	143
Total employment cost	<u>438</u>	<u>516</u>
<i>Investment income</i>		
Interest income on scheme assets	(1,131)	(1,372)
Interest expense on scheme liabilities	1,581	1,826
Net interest cost	<u>450</u>	<u>454</u>
Charge to income and expenditure	888	970
Employer contributions	(585)	(580)
Net pension scheme expenditure	<u>303</u>	<u>390</u>

**Remeasurement of the net defined benefit pension liability recognised in other comprehensive income**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Return on scheme assets less interest income	2,232	7,180
Actuarial loss on assumptions	(1,295)	(12,907)
Actuarial gain on experience	1,436	841
Remeasurement of scheme liability	<u>2,373</u>	<u>(4,886)</u>

## COMMUNITY

### NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

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#### 18 STAFF PENSION SCHEMES (continued)

Analysis of fair value of scheme assets	2017 £'000	2016 £'000
Equities	18,019	17,294
Government bonds	-	-
Index linked bonds	20,008	19,071
Corporate bonds	2,165	2,008
Property	4,399	3,741
Cash	189	234
Total fair value of scheme assets	<u>44,780</u>	<u>42,348</u>

#### 19 RELATED PARTIES

During the period, goods and services were invoiced to Communitas EU Ltd which amounted to £6,728 (2016: £2,276). Costs met on behalf of Communitas EU Ltd amounted to £26,310 (2016: £18,655).

in addition, Communitas EU Ltd received overhead funding from Community of £76,213 (2016: £97,187).

As at the 31st December 2017, Community owed Communitas EU Ltd £nil (2016: £4,916), whilst Communitas EU Ltd owed Community £2,135 (2016: £351).

#### 20 TRANSFER OF ENGAGEMENTS

On 1 January 2017, the Union of Finance Staff (UFS) entered into a Transfer of Engagements with Community Union.

#### 21 POST BALANCE SHEET EVENTS

On 1 February 2018, the Staff Union West Bromwich Building Society entered into a Transfer of Engagements with Community Union.

**COMMUNITY****STATEMENT TO MEMBERS  
YEAR ENDED 31 DECEMBER 2017****SUMMARY INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>GENERAL FUND</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Contribution from members	3,629	3,299
Investment income	4,480	3,885
Other income	13	36
Total income	<u>8,122</u>	<u>7,220</u>
Total expenditure	<u>(8,903)</u>	<u>(8,041)</u>
<b>Operating result</b>	<u>(781)</u>	<u>(821)</u>
Other items	2,786	6,552
<b>Surplus for the year</b>	<u><u>2,005</u></u>	<u><u>5,731</u></u>
<hr/>		
<b>POLITICAL FUND</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Contribution from members	213	198
Total income	<u>213</u>	<u>198</u>
Total expenditure	<u>(192)</u>	<u>(85)</u>
<b>Surplus for the year</b>	<u><u>21</u></u>	<u><u>113</u></u>
<hr/>		
<b>BENEVOLENT FUND</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Total income	29	27
Total expenditure	(24)	(36)
<b>Surplus / (Deficit) for the year</b>	<u><u>5</u></u>	<u><u>(9)</u></u>
<hr/>		
<b>FUTURES FUND</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Total expenditure	(170)	(84)
<b>Deficit for the year</b>	<u><u>(170)</u></u>	<u><u>(84)</u></u>

**COMMUNITY**

**STATEMENT TO MEMBERS  
YEAR ENDED 31 DECEMBER 2017**

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**SUMMARY BALANCE SHEET  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Tangible fixed assets	17,366	13,608
Investments	74,297	74,484
Current assets	2,369	3,761
Current liabilities	(997)	(941)
Long term liabilities	(1,605)	(1,902)
Pension obligations	(14,896)	(16,966)
<b>Net assets</b>	<u><u>76,534</u></u>	<u><u>72,044</u></u>
<b>Represented by:-</b>		
General Fund	73,532	68,898
Political Fund	186	165
Benevolent Fund	70	65
Futures Fund	2,746	2,916
	<u><u>76,534</u></u>	<u><u>72,044</u></u>

## COMMUNITY

### STATEMENT TO MEMBERS YEAR ENDED 31 DECEMBER 2017

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#### INFORMATION TO BE PROVIDED TO MEMBERS UNDER THE TRADE UNION AND LABOUR RELATIONS (CONSOLIDATION) ACT 1992 (AMENDED)

Under the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended), the Union is required to circulate all members with details of the salary and benefits provided to the General Secretary, the President and members of the National Executive Council.

In the year ended 31 December 2017, R Rickhuss received a salary of £111,723. In addition, pension contributions were made to the pension scheme of the Union of £23,308 and other benefits of £10,047 were provided.

The President and members of the National Executive Council do not receive any salary from the Union or any benefits. All members of the National Executive Council and the President are reimbursed for any out of pocket expenditure incurred by them in the performance of their duties on behalf of the Union, as is the General Secretary.

Certain members of the National Executive Council are reimbursed for their loss of earnings whilst on Union business and this is listed below. In certain cases, the amounts are reimbursed directly to the employer of the National Executive Council member.

<u>Name</u>	<u>Amount</u>
T Barlow	£933
P Mills	£384

#### DECLARATION TO MEMBERS

We are also required by the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) to include the following declaration in this statement to all members. The wording is as prescribed by the Act.

"A member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concerns with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice."