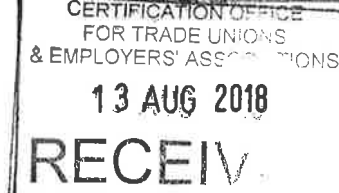


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FORM AR21

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:

National Union of Rail, Maritime and Transport Workers

Year ended:

31 December 2017

List no:

715T

Head or Main Office:

Unity House
39 Chalton Street
London
NW1 1JD

Website address (if available)

<https://www.rmt.org.uk/home/>

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

Yes

No

(Click the appropriate box)

General Secretary:

M Cash

Telephone Number:

020 7387 4771

Contact name for queries regarding

Sailesh Mehta

Telephone Number:

020 7388 7000

E-mail:

smehta@hwfisher.co.uk

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

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

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

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
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)

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

LIST OF OFFICERS

YEAR ENDED 31 DECEMBER 2017

General Secretary

M Cash

Assistant General Secretaries

S Hedley

M. Lynch

National Officers – Shipping

S Todd

M Carden

Regional Organisers

P Bialyk

D Collinson

P Cox

M Hogg

D Ireland

C Johnston

B Kelly

J Leach

G Martin

S McGowa

JK Molloy

P Skelly

S Smart

M Thompson

J Tilley

M Tosh

K Usher

B. West

B Whitehead

ITF Inspectors

N McVicar

D Procter

L Wilson

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	67,312	101	89	291	67,793
FEMALE	12,548	12	4	29	12,593
OTHERS	5	-	-	-	5
TOTAL	79,865	113	93	320	80,391

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

	584
Number of members at end of year contributing to the General Fund	80,194

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
Regional Organiser		Barry West	24/06/2017

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
INCOME		
From Members: Contributions and Subscriptions		15,508
From Members: Other income from members (specify)		
 Total other income from members		
Total of all income from members		15,508
Investment income (as at page 12)		5,400
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	401	
 Total of other income (as at page 4)		401
		TOTAL INCOME
		21,309
EXPENDITURE		
Benefits to members (as at page 5)		3,191
Administrative expenses (as at page 10)		12,327
Federation and other bodies (specify)		
Affiliation fees and grants	530	
 Total expenditure Federation and other bodies		530
Taxation		0
		TOTAL EXPENDITURE
		16,048
Surplus (deficit) for year		5,261
Amount of general fund at beginning of year		39,732
Amount of general fund at end of year		44,993

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£000's	£000's
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
Sundry income	401	
TOTAL OTHER INCOME		401
TOTAL OF ALL OTHER INCOME		401

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£000's		£000's
Representation – Employment Related Issues		brought forward	2,517
Legal costs	884	Education and Training services	
Negotiation costs	88	Education costs	674
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications			
Magazines/Journals	489		
Publicity and website	378		
Member communications	41	Salary Costs	
Diaries	49		
Recruitment of members	136		
		Other Benefits and Grants (specify)	
Dispute Benefits			
Dispute fund payments	216		
Other Cash Payments			
Accident benefit	123		
Death grants	59		
Retirement grants	52		
Permanent downgrading	1		
Fines pool	1		
carried forward	2,517	Total (should agree with figure in General Fund)	3,191

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Orphan Fund	£000's	£000's
Income			
	From members		351
	Investment income (as at page 12)		46
	Other income (specify)		
	Donations		
	Sundry income	2	
	Total other income as specified		2
	Total Income		399
Expenditure			
	Benefits to members	140	
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		140
	Surplus (Deficit) for the year		259
	Amount of fund at beginning of year		2,127
	Amount of fund at the end of year (as Balance Sheet)		2,386
	Number of members contributing at end of year		80,194

FUND 3		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	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 4		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 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	
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		
		£000's	£000's	
Income	Members contributions and levies		251	
	Investment income (as at page 12)		28	
	Other income (specify)			
	Total other income as specified		0	
	Total income		279	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Other affiliation fees and grants	47		
	Campaign costs	94		
	Educational meetings	30		
	Administration expenses in connection with political objects (specify)			
	Administration costs	45		
	Wages and salaries	78		
	Non-political expenditure			
		Total expenditure		294
		Surplus (deficit) for year		(15)
	Amount of political fund at beginning of year		29	
	Amount of political fund at the end of year (as Balance Sheet)		14	
	Number of members at end of year contributing to the political fund		80,204	
	Number of members at end of the year not contributing to the political fund		187	
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		187 199	

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			
	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)

	£000's
Administrative Expenses	
Remuneration and expenses of staff	8,675
Salaries and Wages included in above	£4,962,000
Auditors' fees	60
Legal and Professional fees	335
Occupancy costs	1,097
Stationery, printing, postage, telephone, etc.	472
Expenses of Executive Committee (Head Office)	830
Expenses of conferences	410
Other administrative expenses (specify)	
Ballots and election costs	20
Branches and regional councils	1,466
Motor expenses	180
Computer and equipment maintenance	606
Other admin costs	204
Other Outgoings	
Interest payable:	
Bank loans (including overdrafts)	12
Mortgages	
Other loans	
Depreciation	248
Taxation	
Outgoings on land and buildings (specify)	
Other outgoings (specify)	
Refund of VAT	(98)
Bad debt provision	28
Remeasurement of defined benefit pension liability	(2,218)
Total	12,327
Charged to:	
General Fund (Page 3)	12,327
Total	12,327

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contribution s £	Other Benefits		
				Description	Value £	
General Secretary	99,958	12,849	33,935	Car benefit	3,883	153,614
				Season ticket	2,989	
Senior Assistant General Secretary	56,299	7,003	19,112	Car benefit	2,947	87,769
				Season ticket	2,408	
Assistant General Secretary	77,810	9,972	19,410	Season ticket	1,548	108,740
The Union makes pension contributions on behalf of and provides season tickets to all members of staff.						
The President received allowances and expenses totalling £58,104.00						
The members of the National Executive Committee received allowances and expenses as detailed in the attached schedule of Costs of the National Executive Committee.						

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £000's		Other Fund(s) £000's
Rent from land and buildings			676
Dividends (gross) from:			688
Equities (e.g. shares)	28		46
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
Surplus on sale of investments			590
Net pension scheme interest			(366)
Change in fair value of investments			3,116
Change in fair value of properties			696
	28		5,446
		Total investment income	5,474
		Credited to:	
		General Fund (Page 3)	5,400
		Fund (Account 2)	46
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	28
		Total Investment Income	5,474

BALANCE SHEET as at 31 December 2017

(see notes 47 to 50)

Previous Year		£000's	£000's
33,860	Fixed Assets (at page 14)		35,009
	Investments (as per analysis on page 15)		
20,030	Quoted (Market value £ 20,769,000)	20,769	
2,285	Unquoted	4,133	
22,315	Total Investments		24,902
	Other Assets		
	Loans to other trade unions		
1,004	Sundry debtors	836	
574	Cash at bank and in hand	765	
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,578	Total of other assets		1,601
57,753	TOTAL ASSETS		61,512
39,732	General Fund (Account)		44,993
2,127	Fund (Account 2)		2,386
	Fund (Account)		
	Superannuation Fund (Account)		
29	Political Fund (Account)		14
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
496	Loans: Other		376
	Bank overdraft		
	Tax payable		
2,045	Sundry creditors		1,774
	Accrued expenses		
	Provisions		
13,324	Pension liabilities		11,969
15,865	TOTAL LIABILITIES		14,119
57,753	TOTAL ASSETS		61,512

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings Freehold £000's	Furniture and Equipment £000's	Motor Vehicles £000's	Not used for union business £000's	Total £000's
Cost or Valuation					
At start of year	34,592	1,898			36,490
Additions	57	44			101
Disposals		(829)			(829)
Revaluation/Transfer s	785				785
At end of year	35,434	1,113			36,547
Accumulated Depreciation					
At start of year	872	1,758			2,630
Charges for year	210	38			248
Disposals		(829)			(829)
Revaluation/Transfer s	(511)				(511)
At end of year	571	967			1,538
Net book value at end of year	34,863	146			35,009
Net book value at end of previous year	33,720	140			33,860

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £000's	Political Fund £
Equities (e.g. Shares)	20,769	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	20,769	
Market Value of Quoted Investment	20,769	
UNQUOTED		
Equities	3,244	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies	889	
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	4,133	
Market Value of Unquoted Investments	4,133	

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 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 £000's	Political Funds £000's	Total Funds £000's
INCOME			
From Members	15,859	251	16,110
From Investments	5,446	28	5,474
Other Income (including increases by revaluation of assets)	403	-	403
Total Income	21,708	279	21,987
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	16,188	294	16,482
 Funds at beginning of year (including reserves)	 41,859	 29	 41,888
Funds at end of year (including reserves)	47,379	14	47,393
 ASSETS			
Fixed Assets			35,009
Investment Assets			24,902
Other Assets			1,601
		Total Assets	61,512
LIABILITIES		Total Liabilities	14,119
NET ASSETS (Total Assets less Total Liabilities)			47,393

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

All notes to the accounts must be entered on or attached to this part of the return.

See attached notes to the accounts.

ACCOUNTING POLICIES

(see notes 74 and 75)

See attached notes to the accounts.

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u> MGM </u> Name: <u> MICHAEL CASH </u> Date: <u> 31-07-18 </u>	Chairman's Signature: <u> [Signature] </u> (or other official whose position should be stated) Name: <u> SEAN HOYLE </u> Date: <u> 31-07-18 </u>
--	--

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

If "No" please explain below.

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

YES

If "No" please explain below.

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

YES

If "No" please explain below.

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

SEE ATTACHED COPY OF AUDITOR'S REPORT

AUDITOR'S REPORT (continued)

Signature(s):	<input type="text" value="H W Fisher & Co"/>	<input type="text"/>
Name(s):	<input type="text" value="H W Fisher & Company"/>	<input type="text"/>
Profession(s) or Calling(s):	<input type="text" value="Chartered Accountants
Statutory Auditor"/>	<input type="text"/>
Address(es):	<input type="text" value="Acre House"/> <input type="text" value="11 - 15 William Road"/> <input type="text" value="London NW1 3ER"/> <input type="text" value="United Kingdom"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Date:	<input type="text" value="10 August 2018"/>	<input type="text"/>
Contact name and telephone number:	<input type="text" value="Sailesh P Mehta
020 7388 7000"/>	<input type="text"/>

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

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE
NATIONAL UNION OF RAIL, MARITIME & TRANSPORT WORKERS**

Opinion

We have audited the financial statements of the National Union of Rail, Maritime & Transport Workers [“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 income and expenditure for the year then ended; and
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting 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 Committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The National Executive Committee has not disclosed in the financial statements any identified material 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 Committee is responsible for the other information. The other information comprises the information included in the Report of the General Secretary and schedules attached to the financial statements 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.

We have nothing to report in this regard.



**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE
NATIONAL UNION OF RAIL, MARITIME & TRANSPORT WORKERS**

**HW Fisher
& Company**
CHARTERED ACCOUNTANTS

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 Committee

As explained more fully in the Statement of Responsibilities of the National Executive Committee, the National Executive Committee 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 Committee 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 Committee 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 Committee 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

Date: 10 August 2018

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2017

1 INFORMATION IN RESPECT OF THE UNION

The National Union of Rail, Maritime and Transport Workers is a trade union registered in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 with its head office at Unity House, 39 Chalton Street, London NW1 1JD.

2 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.

3 PRESENTATION CURRENCY

The accounts are presented in sterling and rounded to the nearest thousand Pounds.

4 SIGNIFICANT ACCOUNTING POLICIES

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 set out below.

(a) Contribution income

Contributions are accounted for on an accruals basis.

(b) Expenditure

Expenditure in the accounts is presented inclusive of VAT where applicable.

(c) Investment income

Income from the Union's investments in equity and debt instruments and rental property is accounted for on an accruals basis.

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Taxation

Corporation tax is payable on the Union's income from investment activities, but only to the extent that the relevant income exceeds expenditure on provident benefits.

Deferred tax is recognised in respect of timing differences that arise from the inclusion of income and expenditure in tax assessments in periods different from those in which they are recognised in the accounts. Differences include the recognition in the accounts of gains and losses arising from adjustments to the fair value of investments where these gains or losses are only brought into tax assessment on disposal of the relevant asset. Deferred tax is the amount of tax that the Union expects to arise on the sale of the relevant asset (or on other reversal of the timing difference). Where the Union does not expect tax to arise on the reversal of a particular timing difference no deferred tax is recognised. The recognition and carrying value of deferred tax liabilities or assets are reviewed and reassessed at each reporting date to take account of all relevant changes in circumstances.

(e) Tangible fixed assets

Tangible fixed assets are initially measured at cost. Office equipment and the land and buildings comprising the Union's Education Centre are subsequently measured at cost and the Union's office buildings (including Head Office) are subsequently measured at valuation, in all cases 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). Impairment losses are recognised in the income and expenditure account.

Depreciation is provided on all tangible fixed assets, except freehold land, to write off the cost or valuation, less estimated residual value, on a straight line basis over the estimated useful lives of the assets. The rates applied are as follows:

Freehold buildings	-	2% per annum
Office equipment	-	20% per annum

The gain or loss arising on the disposal of a tangible fixed 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.

(f) Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value. Changes in the fair value of investment properties are recognised in the income and expenditure account.

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial assets and liabilities

Financial assets and liabilities are grouped as either "Basic financial assets or liabilities" or "Other financial assets or liabilities" based on their particular characteristics and are accounted for accordingly.

Basic financial assets

Basic financial assets include cash and bank balances and trade and other debtors. Basic financial assets are initially measured at transaction price and subsequently measured at cost less any impairment losses.

Other financial assets

Other financial assets include the Union's investments in listed and unlisted equity and debt instruments.

Listed investments are initially measured at fair value, which is normally the transaction price, and subsequently measured at fair value (market value). Changes in the fair value of listed investments are recognised in the income and expenditure account.

The Union does not consider that reliable ongoing estimates of the fair value of its unlisted investments are available. As a result, unlisted investments are initially measured at transaction price and subsequently measured at cost less any impairment losses unless a fair value can be determined.

Impairment of financial assets

At each reporting date, the Union reviews the carrying amounts of all financial assets carried at cost 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). Impairment losses are recognised in the income and expenditure account.

Basic financial liabilities

Basic financial liabilities include trade and other creditors and bank loans. Basic financial liabilities are initially measured at transaction price and subsequently measured at cost. Debt instruments repayable in more than one year, including bank loans, are subsequently measured at amortised cost using the effective interest method, in order to systematically allocate the interest expense over the expected repayment period of the debt.

(h) Post-employment benefits

The Union recognises the present value of its defined benefit pension obligations, net of the fair value of plan assets, as its "net defined benefit pension liability" in the balance sheet and the net change in that liability during the period in the income and expenditure account or as other comprehensive income as appropriate depending on the nature of the change.

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Post-employment benefits (continued)

The Union measures the cost of its pension obligations using the projected unit credit method which incorporates a number of actuarial assumptions and is discounted to present value using an appropriate discount rate derived from the rate of return on a high quality corporate bond of the same currency and a term similar to the estimated period of the future payments. It is the Union's policy to engage an independent actuary to perform the detailed actuarial calculations necessary to value its defined benefit pension obligations.

The change in the net defined benefit pension liability arising from employee service rendered during the reporting period is recognised in the income and expenditure account within the operating result; the net interest on the net defined benefit pension liability during the reporting period is recognised in the income and expenditure account within other income/(expenditure); and the remeasurement of the net defined benefit liability, including actuarial gains and losses, is recognised in other comprehensive income.

5 JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of its 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. All significant estimates and underlying assumptions are reviewed on an on going basis and the relevant carrying amounts of assets and liabilities are revised to reflect any changes.

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

- It is the Union's judgement that reliable estimates of the fair value of its unlisted investments, as included in note 11 to the accounts, are not always available. As a result, unlisted investments are measured as described in note 4.

- The fair values of the Union's investment properties and other land and buildings, as included in note 10 and note 11 to the accounts, cannot be directly observed. In order to manage the resulting estimation uncertainty the Union engages independent valuers to provide all material valuations.

- The Union is involved in numerous ongoing legal cases on behalf of its members, the total cost and outcome of which are uncertain. At each balance sheet date the Union considers all cases on a portfolio basis in order to arrive at an estimate of its liability for unbilled legal costs in respect of cases which may prove to be unsuccessful.

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

6	CONTRIBUTIONS	2017	2016
		£ '000	£ '000
	General Fund	15,508	15,305
	Orphan Fund	351	348
	Political Fund	251	264
		<u>16,110</u>	<u>15,917</u>

	Contributions to the General Fund were made up as follows:-	2017	2016
		£ '000	£ '000
	National Dispute Fund	78	87
	Legal Fund	235	261
	Other	15,195	14,957
		<u>15,508</u>	<u>15,305</u>

The Union's expenditure in respect of Dispute Fund payments and member legal costs is set out in Note 7.

7 OPERATING EXPENDITURE

(a)	Benefits and services to members	2017	2016
		£ '000	£ '000
	<i>Legal costs</i>		
	Defence of members and other legal costs	884	1,077
	<i>Cash benefits</i>		
	Accident benefit	123	138
	Death grants	59	79
	Retirement grants	52	54
	Permanent downgrading	1	3
	Fines Pool	1	3
	Dispute Fund payments	216	381
		<u>452</u>	<u>658</u>
	<i>Education Costs</i>		
	Representatives' courses	81	35
	Branch Secretaries' courses	21	5
	Regional Council schools	52	59
	Education Centre costs	203	153
	Other courses	141	98
	Bursaries	3	-
	Union Learning Fund	173	364
		<u>674</u>	<u>714</u>
	<i>Negotiation expenses</i>		
	Committees, conferences and negotiating expenses	88	93
	<i>Publicity and Propaganda</i>		
	Publicity and website costs	378	354
	RMT News	489	531
	Member communications	41	71
	Recruitment of members	136	191
	Diaries	49	56
		<u>1,093</u>	<u>1,203</u>
	General Fund	<u>3,191</u>	<u>3,745</u>

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

7 OPERATING EXPENDITURE (continued)

(b) Representation of members	2017 £ '000	2016 £ '000
<i>Branch and Regional Council costs</i>		
Branch Secretaries' salaries	708	688
Branch and Regional Council expenditure	758	673
	<u>1,466</u>	<u>1,361</u>
<i>Affiliation fees and grants</i>		
Affiliation fees	486	472
Grants	44	47
	<u>530</u>	<u>519</u>
 <i>Committees and conferences</i>		
Annual General Meeting	187	212
Delegates to TUC and various bodies	100	115
Foreign delegations	19	39
Other costs	104	90
	<u>410</u>	<u>456</u>
 General Fund	 2,406	 2,336
Political Fund	50	38
	<u>2,456</u>	<u>2,374</u>
 (c) Employment costs		
	2017 £ '000	2016 £ '000
Officers' salaries and expenses	1,482	1,389
Office staff salaries	3,480	3,272
Other staff costs	571	301
National Executive Committee	830	846
National Insurance costs	641	588
Net pension scheme charges	2,501	1,677
	<u>9,505</u>	<u>8,073</u>
General Fund	9,505	8,073
Political Fund	78	75
	<u>9,583</u>	<u>8,148</u>

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

7 OPERATING EXPENDITURE (continued)

(d) Property and equipment costs	2017 £'000	2016 £'000
Rent and rates	430	326
Insurance	70	67
Heating and lighting	92	79
Cleaning and materials	50	50
Maintenance and renewals	455	286
	<u>1,097</u>	<u>808</u>
Motor car expenses	180	167
Computer and equipment maintenance	606	542
Depreciation	248	261
	<u>1,034</u>	<u>970</u>
General Fund	<u>2,131</u>	<u>1,778</u>
(e) Professional services and administration	2017 £'000	2016 £'000
<i>Administration costs</i>		
Printing and stationery	78	73
Membership services	158	120
Literature and periodicals	27	17
Postage and carriage	283	238
Telephone	111	116
Credit Union costs	-	28
	<u>657</u>	<u>592</u>
<i>Professional services</i>		
Audit fees	60	59
Bank charges	64	67
Commission on contributions	3	7
Investment management fees	81	74
Property costs	17	40
Legal fees	70	75
Professional fees	47	39
Ballots and elections costs	20	47
General financial services	72	83
	<u>434</u>	<u>491</u>
General Fund	<u>1,091</u>	<u>1,083</u>
Political Fund	45	58
	<u>1,136</u>	<u>1,141</u>

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

7 OPERATING EXPENDITURE (continued)

(f) Other operating expenditure	2017 £ '000	2016 £ '000
Refund of VAT relating to expenditure in the current year	(98)	(108)
Bad debt provision	28	34
Interest payable	12	25
	<hr/>	<hr/>
General Fund	(58)	(49)
Orphan Fund	140	144
Political Fund	124	99
	<hr/>	<hr/>
	<u>206</u>	<u>194</u>

8 OTHER INCOME/(EXPENDITURE)

(a) Other income	2017 £ '000	2016 £ '000
Rental income	676	639
Sundry income	403	535
	<hr/>	<hr/>
	<u>1,079</u>	<u>1,174</u>
	<hr/>	<hr/>
General Fund	1,077	1,168
Orphan Fund	2	6
	<hr/>	<hr/>
	<u>1,079</u>	<u>1,174</u>
	<hr/>	<hr/>
(b) Investment income	2017 £ '000	2016 £ '000
Dividend income	762	701
Surplus on sale of investments	590	176
Provision for diminution in value of investments	-	(15)
	<hr/>	<hr/>
	<u>1,352</u>	<u>862</u>
	<hr/>	<hr/>
General Fund	1,278	835
Orphan Fund	46	15
Political Fund	28	12
	<hr/>	<hr/>
	<u>1,352</u>	<u>862</u>

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

8 OTHER INCOME/(EXPENDITURE) (continued)

(c) Change in fair value of investments	2017 £'000	2016 £'000
Change in fair value of listed investments	2,516	1,989
Change in fair value of investment properties	600	1,803
	<hr/>	<hr/>
General Fund	3,116	3,792
	<hr/> <hr/>	<hr/> <hr/>
(d) Net pension scheme interest	2017 £'000	2016 £'000
Interest on funded pension scheme assets	1,581	1,956
Interest on funded pension scheme liabilities	(1,927)	(2,034)
Interest on unfunded supplementation liability	(20)	(28)
	<hr/>	<hr/>
General Fund	(366)	(106)
	<hr/> <hr/>	<hr/> <hr/>

9 TAXATION

Current tax

No Corporation Tax liability arises as the cost of provident benefits provided by the Union in the year is in excess of taxable income.

Deferred tax

The Union does not expect any tax liability to arise in the event of the sale of the properties and investments measured at fair value in these accounts as a result of its ongoing reinvestment policy and the availability of prudent benefit and other reliefs. Accordingly no deferred tax liability has been recognised as at the balance sheet date. The Union is aware that all chargeable assets were disposed of in any particular year there may be a current tax liability. However, as the disposal of such assets is controlled as part of the reinvestment policy of the Union, this likelihood is considered remote and consequently no deferred tax provision has been made.

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

10 TANGIBLE FIXED ASSETS	Land and buildings £ '000	Office equipment £ '000	Total £ '000
Cost or valuation			
At 1 January 2017	14,292	1,898	16,190
Additions	57	44	101
Disposals	-	(829)	(829)
Revaluations	185	-	185
At 31 December 2017	14,534	1,113	15,647
Depreciation			
At 1 January 2017	872	1,758	2,630
Charge for the year	210	38	248
Disposals	-	(829)	(829)
Revaluations	(511)	-	(511)
At 31 December 2017	571	967	1,538
Net book value			
At 31 December 2017	13,963	146	14,109
<i>At 31 December 2016</i>	<i>13,420</i>	<i>140</i>	<i>13,560</i>
Comparable historical cost for the land and buildings included at valuation:			£ '000
Cost			
At 1 January 2017			14,292
Additions			57
At 31 December 2017			14,349
Depreciation based on cost			
At 1 January 2017			872
Charge for the year			210
At 31 December 2017			1,082
Net book value			
At 31 December 2017			13,267
<i>At 31 December 2016</i>			<i>13,420</i>

All land and buildings are freehold.

Cost or valuation in respect of land and buildings reflects the following:

The National Education Centre, Doncaster, is carried at its historic cost of £3,735,000.

All properties aside from the National Education Centre have been revalued to fair value as at 31 December 2017 by professional valuers.

11 INVESTMENT PROPERTY	Investment property £ '000
Cost or Valuation	
At 1 January 2017	20,300
Revaluations	600
At 31 December 2017	20,900

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

12 INVESTMENTS

(a) Movement in the year

	Quoted securities £ '000	Unquoted securities £ '000	Loans and deposits £ '000	Total £ '000
Fair Value				
At 1 January 2017	20,030	1,692	593	22,315
Additions	2,484	-	296	2,780
Disposals	(2,709)	-	-	(2,709)
Change in fair value	964	1,552	-	2,516
At 31 December 2017	20,769	3,244	889	24,902
<i>At 31 December 2016</i>	<i>20,030</i>	<i>1,692</i>	<i>593</i>	<i>22,315</i>

(b) Summary position

	2017		2016	
	Cost or realisable value £ '000	Market value £ '000	Cost or realisable value £ '000	Market value £ '000
Quoted				
Industrial	15,561	20,769	15,717	20,030
Unquoted				
Other shares	1,692	3,244	1,692	1,692
Loans and deposits				
Loans	-	-	-	-
Cash deposits	904	889	593	593
	904	889	593	593
	18,157	24,902	18,002	22,315

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

(c) Detailed schedule of investments			Market value
Quoted			£ '000
10,000	Anglo American Plc	US\$0.54 Ordinary (Post Cons)	155
320,000	Artemis fund Mgrs		331
10,500	Astrazeneca Plc	US\$0.25 Ordinary	446
25,000	Baillie Gifford Japan Trust	Ordinary	206
50,000	Barclays Plc	Ordinary	102
31,000	BHP Billiton Plc	US\$0.50 Ordinary	477
125,000	Blackrock Fund MGRS	Contl European Income D Inc	201
40,000	Blackrock Greater Europe	Ordinary	135
100,000	BP Plc	US\$0.25 Ordinary	523
12,500	British American Tobacco Plc	Ordinary	627
200,000	British Telecom Plc	8.625% Bonds 26/03/2020	246
112,000	BT Group Plc	Ordinary	304
5,300	Carnival Plc	US\$1.66 Ordinary Shares	259
26,000	Compass Group Plc	Ordinary	416
15,000	Coupland Cardiff Funds	Jpn Inc & Gth Found Inc (USD)	226
300,000	Coventry Building Society	5.875% EMTN 28/09/2022	363
22,500	Diageo Plc	Ordinary	613
150,000	Ecclesiastical Ins Office	8.625% Non Cum Irrd Pref	235
28,000	Experian PLC	US\$0.10 Ordinary	458
5,000	Findlay Park	FP American (US\$)	402
300,000	General Electric Capital	6.25% MTN 29/9/2020	355
32,000	GlaxoSmithKline Plc	Ordinary	423
64,000	HSBC Holdings Plc	US\$0.50 Ordinary	491
47,000	Informa Plc	Ordinary	393
7,500	Intertek Group Plc	Ordinary	389
96,000	Invesco Asia Trust Plc	Ordinary	287
52,000	Ishares Plc	S&P 500 shares	1,033
50,000	JP Morgan Euro SMLR CO	Ordinary	210
75,000	JPM American Inv Trust Plc	Ordinary	304
200,000	Kames Capital	Investment Grade Bond B	254
18,750	Land Securities Group Plc	Ordinary	189
175,000	Legal & General Group Plc	Ordinary	478
1,000	Legg Mason Global Funds	ClearBridge US Agg Gwth Class	218
200,000	Lloyds TSB Bank PLC	5.125% Notes 07/03/2025	257
620,000	Lloyds TSB Group Plc	Ordinary	422
400,000	Marks & Spencer Plc	6.125% MTN 6/12/2021	467
150,000	Marks & Spencer Plc	4.75% Bonds 12/06/2025	173
15,000	Mercantile Investment	Ordinary	327
15,000	Prudential Plc	Ordinary	286
54,000	River & Mercantile Asset Mgmt	UK Equity Smlr Cos B Inc (GBP)	279
920,000	Rolls Royce Holdings Plc	c shares	1
20,000	Rolls Royce Holdings Plc	Ordinary	169
13,376	Royal Bank of Scotland	Ordinary	37
43,000	Royal Dutch Shell Plc	EUR0.07 B Shares (UK Listed)	1,079
62,000	Schroder Asia Pacific Fund	Ordinary	288
100,000	Scottish Widows PLC	5.5% Bonds 16/06/2023	118
17,500	Shaftesbury Plc	25p Ordinary Shares	183
31,000	Smith & Nephew Plc	US\$0.20 Ordinary Shares	400
17,500	SSE Plc	50p Ordinary Shares	231
20,000	Standard Chartered Plc	US\$0.50 Ordinary	156
300,000	Threadneedle Investments	UK Corp Bond Inst 2 Dist	188
630,000	Treasury Stock	5% Stock 7/03/2025	817
250,000	Treasury Stock	4% Treasury Gilt 7/03/2022	288
12,000	Unilever Plc	Ordinary	495
20,000	United Utilities Group Plc	Ordinary	166
210,000	Vodafone Group Plc	US\$0.2095238 Ordinary	494
160,000	Vodafone Group Plc	6% Stock	200
4,700	Whitbread Plc	76.797385p Ordinary Shares	188
24,000	WPP Plc	Ordinary	322
			19,775

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

(c) Detailed schedule of investments (continued)

Unquoted		Fair value £ '000
Other shares		
1,622,052 Unity Trust Bank plc £1 Ordinary shares		3,244
<hr/>		
Loans and deposits		
Cash deposits		851
<hr/>		
13 DEBTORS AND PREPAYMENTS	2017	2016
	£ '000	£ '000
Trade debtors	263	202
Other debtors	420	667
Prepayments and accrued income	153	135
	<hr/>	<hr/>
	836	1,004
<hr/>		
14 CREDITORS AND ACCRUALS	2017	2016
	£ '000	£ '000
Trade creditors	370	348
Taxes and social security costs	192	188
Other creditors	42	107
Accruals and deferred income	1,171	1,402
	<hr/>	<hr/>
	1,775	2,045
<hr/>		
15 BANK LOANS		
Bank loan maturity analysis		
	2017	2016
	£ '000	£ '000
Due within one year	236	233
<hr/>		
Bank loan due after more than one year		
Due between one to two years	140	239
Due between two to five years	-	24
Due in five years or more	-	-
	<hr/>	<hr/>
	140	263
<hr/>		

The bank loans are unsecured and interest is charged at 2.25% above the bank's base rate. At the balance sheet date the base rate was 0.25% p.a.

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

16 FINANCIAL ASSETS AND LIABILITIES BY CATEGORY	2017 £ '000	2016 £ '000
Financial assets:		
Measured at fair value through income and expenditure	20,030	20,030
Equity instruments measured at cost less impairment	1,692	1,692
Basic debt instruments measured at cost less impairment	1,394	1,394
Total financial assets	23,116	23,116
Financial liabilities:		
Short-term debt instruments measured at cost	1,583	1,857
Financial liabilities measured at amortised cost	376	496
Total financial liabilities	1,959	2,353

17 ANALYSIS OF FUNDS

As at 31 December 2017	General Fund £ '000	Orphan Fund £ '000	Political Fund £ '000	Combined Funds £ '000
Head office	44,106	2,386	(105)	46,387
Branches	745	-	116	861
Regional Councils	142	-	3	145
	44,993	2,386	14	47,393
As at 31 December 2016	<i>General Fund £ '000</i>	<i>Orphan Fund £ '000</i>	<i>Political Fund £ '000</i>	<i>Combined Funds £ '000</i>
Head office	38,845	2,127	(90)	40,882
Branches	745	-	116	861
Regional Councils	142	-	3	145
	39,732	2,127	29	41,888

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

18 POST-EMPLOYMENT BENEFITS

The Union operates a defined benefit pension scheme for its employees and officials. The assets of the scheme are held in trustee administered funds separate from the Union's finances.

In addition to the funded scheme, the Union has granted unfunded supplementation benefits to certain historic pensioners of the National Union of Railwaymen.

The details of both of these schemes are given in the following notes.

1. The National Union of Rail, Maritime & Transport Workers Pension Scheme

From 1 January 1991, the Fund incorporates the assets and liabilities of the National Union of Railwaymen's Employee's Superannuation Fund. From 31 January 2008 the Fund incorporates The National Union of Seamen - Officials' and Employees' Superannuation Fund.

The Fund is a funded defined benefit scheme providing benefits based on final pensionable salary. The basis of determining the final pension and the rates at which the member and the Union provides contributions differ depending on when the member entered the Fund. Contribution rates are determined by the Fund's actuary. A salary sacrifice arrangement is now in place resulting in the Union making contributions on behalf of members and members having a corresponding reduction in pay.

The Union pays additional employer contributions of £490,000 per annum until 30 November 2026.

The most recent actuarial valuation was carried out as at 31 December 2014. This valuation showed that the fair value of the assets of the Fund was £51.6 million. The estimated actuarial value of the liabilities is assessed as being £56.2 million, which represents a deficit of £4.6 million and a funding level of 92%, compared to the projected liabilities. The next triennial actuarial valuation will be performed as at 31 December 2017.

The most recent comprehensive actuarial valuation has been updated by independent actuaries appointed by the Union in order to measure the defined benefit pension obligation as at 31 December 2017. The result of this updated valuation is reported below.

Net defined benefit pension liability at the balance sheet date

	2017 £ '000	2016 £ '000
Fair value of scheme assets	63,128	59,016
Present value of defined benefit pension obligations	(74,392)	(71,540)
Net defined benefit pension liability	<u>(11,264)</u>	<u>(12,524)</u>

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

18 POST-EMPLOYMENT BENEFITS (continued)

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

	2017 £ '000	2016 £ '000
Scheme liabilities at start of year	71,541	54,305
Current service cost	1,825	1,518
Interest expense	1,927	2,034
Actual contributions - members	41	38
Actual benefit payments by the scheme	(2,230)	(1,741)
Actuarial loss/(gain)	1,288	15,387
Scheme liabilities at end of year	<u>74,392</u>	<u>71,541</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

	2017 £ '000	2016 £ '000
Fair value of scheme assets at start of year	59,016	51,406
Actual benefit payments by the scheme	(2,230)	(1,741)
Actual contributions - employer	1,355	1,837
Actual contributions - members	41	38
Administrative expenses paid by scheme	(118)	-
Interest income	1,581	1,956
Return on assets less amount recognised in interest income	3,483	5,520
Fair value of scheme assets at end of year	<u>63,128</u>	<u>59,016</u>

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

	2017 £ '000	2016 £ '000
<i>Employment costs</i>		
Current service cost	1,825	1,518
<i>Investment income</i>		
Interest income on scheme assets	(1,581)	(1,956)
Interest expense on scheme liabilities	1,927	2,034
Net interest on the net defined benefit pension liability	<u>346</u>	<u>78</u>
Total charge to income and expenditure	<u>2,171</u>	<u>1,596</u>

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

18 POST-EMPLOYMENT BENEFITS (continued)

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

	2017 £ '000	2016 £ '000
Return on scheme assets less interest on scheme assets recognised in the income and expenditure account	(3,483)	(5,520)
Actuarial loss/(gain)	1,288	15,387
Total amount recognised in other comprehensive income	<u>(2,195)</u>	<u>9,867</u>

Analysis of scheme assets

	Fair values	
	2017 £ '000	2016 £ '000
Equity securities	33,699	30,452
Debt securities	18,926	18,708
Other (includes investments in diversified growth funds, alternatives and c:	10,503	9,856
Total fair value of scheme assets	<u>63,128</u>	<u>59,016</u>

The return on scheme assets for the year was £5,064,000 (2016: £7,476,000).

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

	2017 %	2016 %
Rate of increase in pensionable salaries	4.50	4.50
Rate of increase in pensions in payment	3.30	3.20
Rate of increase of deferred benefits	2.40	2.50
Discount rate for scheme liabilities	2.50	2.70
Rate of inflation (RPI/CPI)	3.40/2.40	3.50/2.50

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 2017

18 POST-EMPLOYMENT BENEFITS (continued)

2. Unfunded supplementation to historic pensioners of the National Union of Railwaymen

Benefit supplementation was awarded to certain historic members of the National Union of Railwaymen's Employees' Superannuation Fund to provide cost of living increases. The benefits are unfunded and are payable directly by the Union. No new members accrue further supplementation.

Independent actuaries appointed by the Union have valued the Union's obligations arising from these supplementation rights as at 31 December 2016. The result of this valuation is reported below.

Defined benefit pension liability at the balance sheet date

	2017 £ '000	2016 £ '000
Present value of defined benefit pension obligations	705	800

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

	2017 £ '000	2016 £ '000
Scheme liabilities at start of year	800	796
Interest expense	20	28
Actual benefit payments by the Union	(92)	(97)
Actuarial loss/(gain)	(23)	73
Scheme liabilities at end of year	705	800

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

<u>Income and expenditure account</u>	2017 £ '000	2016 £ '000
<i>Investment income</i>		
Interest expense on scheme liabilities	20	28
Total amount recognised in the income and expenditure account	20	28
<u>Remeasurement of defined benefit pension liability other comprehensive income</u>	2017 £ '000	2016 £ '000
Actuarial loss	(23)	73
Total amount recognised in other comprehensive income	(23)	73

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

	2017 %	2016 %
Rate of increase in pensions in payment	3.30	3.20
Discount rate for scheme liabilities	2.50	2.70
Rate of inflation (RPI)	3.40	3.50

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

COSTS OF THE NATIONAL EXECUTIVE COMMITTEE

YEAR ENDED 31 DECEMBER 2017

	Attendance £	Expenses, excluding travel £	Fares, rail & others £	Lodging allowance £	Total £
A Budds	38,736	1,671	5,731	9,842	55,980
M Craig*	18,330	1,932	4,147	3,759	28,168
L Davison	38,736	1,838	712	11,179	52,465
E Dempsey	38,736	-	3,327	8,689	50,752
S Hoyle*	38,736	2,303	7,717	9,348	58,104
G Kite	38,736	1,485	2,175	9,842	52,238
A. Littlechild	38,736	1,470	1,460	9,719	51,385
K Lingwood*	34,929	-	280	3,985	39,194
K Mazur	37,248	-	1,428	10,377	49,053
B Pascoe*	38,736	2,926	3,984	9,307	54,953
B Potts*	38,736	2,784	14,431	9,801	65,752
P. Reilly	38,736	1,539	5,099	9,554	54,928
M Rodgers*	37,248	1,524	7,437	9,348	55,557
D Shannon*	37,248	2,677	1,803	9,883	51,611
P Shaw*	7,443	747	374	1,927	10,491
S Shaw*	37,248	1,434	3,386	10,172	52,240
J Slee	37,248	-	316	9,883	47,447
	<u>595,566</u>	<u>24,330</u>	<u>63,807</u>	<u>146,615</u>	<u>830,318</u>

* In addition, the Union provides accommodation while on Union business.

NATIONAL UNION OF RAIL, MARITIME AND TRANSPORT WORKERS
DERIVATION OF FIRST COLUMN ON THE SUMMARY SHEET
YEAR ENDED 31 DECEMBER 2017

	<u>General</u> <u>Fund</u> £'000	<u>Orphan</u> <u>Fund</u> £'000	<u>Totals</u> £'000
<u>Income:</u>			
From Members	15,508	351	15,859
From Investments	5,400	46	5,446
Other income	401	2	403
Total income	<u>21,309</u>	<u>399</u>	<u>21,708</u>
Total expenditure	<u>16,048</u>	<u>140</u>	<u>16,188</u>
<u>Result</u>	<u>5,261</u>	<u>259</u>	<u>5,520</u>
Funds at beginning of year	39,732	2,127	41,859
Funds at end of year	<u>44,993</u>	<u>2,386</u>	<u>47,379</u>