

FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	TRANSPORT SALARIED STAFFS ASSOCIATION			
Year ended:	31 December 2017			
List no:	376T			
Head or Main Office:	EUSTON TOWER			
	FLOORS 32-34			
	EUSTON ROAD			
	LONDON			
Postcode	NW1 3DP			
Website address (if available)	www.tssa.org.uk			
Has the address changed during the year to which the return relates?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/> ('X' in appropriate box)
General Secretary:	Manuel Cortes			
Telephone Number:	020 7529 8000			
Contact name for queries regarding the completion of this return	Dionne Brown			
Telephone Number:	020 7529 8015			
E-mail:	brownd@tssa.org.uk			

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

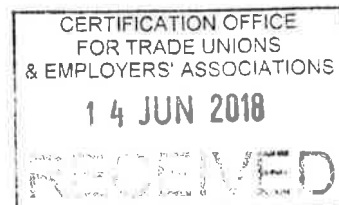
Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

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

For Unions based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
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 2011)



Transport Salaried Staffs' Association

Reference and administrative information

For the year ended 31 December 2017

Company Name Transport Salaried Staffs Association
Company Number Registered as a Trade Union, list number 376T
Registered office and operational address Euston Tower
Floors 32-34
286 Euston Road
London
NW1 3DP

Executive Committee and Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mick Carney	President
Jason Turvey	Treasurer
Cheryl O'Brien	Executive Committee Member
Bob Bayley	Executive Committee Member
Stephen Lawrence	Executive Committee Member
Gary Kilroy	Executive Committee Member
Marios Alexandrou	Executive Committee Member
Steve Andrews	Executive Committee Member
Paul Beadle	Executive Committee Member
Alexander Stoten	Executive Committee Member
Paul Corcoran	Executive Committee Member
Nicola Jukes	Executive Committee Member
Chris Clarke	Executive Committee Member
Andi Fox	Executive Committee Member
Steve Leggett	Executive Committee Member
Mike Wood	Executive Committee Member
Dave Porter	Trustee

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	12,556	189	362		13,107
FEMALE	4,708	119	235		5,062
TOTAL	17,264	308	597	A	18,169

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

635
18,169

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

OFFICERS IN POST

(see note 12)

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

RETURN OF CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold Office	Name of Officer Appointed	Date
Executive Committee	Gerrard Kennedy		30 June 2017
Executive Committee	Andrea Fox		30 June 2017
Executive Committee	Christopher Clark		30 June 2017
Executive Committee	Michael Wood		30 June 2017
Executive Committee		Marios Alexandrou	01 July 2017
Executive Committee		Paul Beadle	01 July 2017

State whether the union is:

a. A branch of another trade union?

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
-----	--------------------------	----	-------------------------------------

If yes, state the name of that other union:

b. A federation of trade unions?

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
-----	--------------------------	----	-------------------------------------

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		4,061,639
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		4,061,639
Investment income (as at page 13)		1,267,957
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	15,909,288	
Total of other income (as at page 4)		15,909,288
TOTAL INCOME		21,238,884
Interfund Transfers IN		5,843,543
EXPENDITURE		
Benefits to members (as at page 5)		2,325,604
Administrative expenses (as at page 11)		3,915,679
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		
Taxation		
TOTAL EXPENDITURE		6,241,283
Interfund Transfers OUT		
Surplus (deficit) for year		14,997,601
Amount of general fund at beginning of year		1,648,522
Amount of general fund at end of year		22,489,666

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
Other income	18,257	
Profit on sale of Walkden House	12,179,031	
Rental Income		
Pension (not included in brought forward)	3,712,000	
TOTAL OTHER INCOME		15,909,288
TOTAL OF ALL OTHER INCOME		15,909,288

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues	182,723	brought forward Advisory Services	272,099
Representation – Non Employment Related Issues		Other Cash Payments	
Personal Injury	89,376	Member's Loss of Pay	
Member's Helpdesk		Education and Training services	
		Organising Teams, Representatives, Training	
		Travel for Members	
Communications		Members Education	
		Negotiated Discount Services salary cost	2,043,083
Dispute Benefits		Other Benefits and Grants (specify)	
		ULF	
		Self- Organised Groups	10,422
carried forward	272,099	Total (should agree with figure in General Fund)	2,325,604

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Branch Accounts	£	£
Income			
	From members		76,023
	Investment income (as at page 13)		
	Other income (specify)		
	Other income		
	Rental Income		
	Profit on Sale of Walkden House		
	Total other income as specified		
	Total Income		76,023
Expenditure			
	Interfund Transfers IN		
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)		60,234
	Total Expenditure		60,234
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		15,789
	Amount of fund at beginning of year		-15,835
	Amount of fund at the end of year (as Balance Sheet)		-46
	Number of members contributing at end of year		18,169

FUND 3		Fund Account	
Name:	Divisonal Councils Fund	£	£
Income			
	From members		13,880
	Investment income (as at page 13)		
	Other income (specify)		
	Total other income as specified		
	Total Income		13,880
Expenditure			
	Interfund Transfers IN		
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)		4,357
	Total Expenditure		4,357
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		9,523
	Amount of fund at beginning of year		10,790
	Amount of fund at the end of year (as Balance Sheet)		20,313
	Number of members contributing at end of year		18,169

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		138,703
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total income		138,703
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations(Consolidation) Act 1992 (specify)		181,562
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
	Total expenditure		181,562
	Surplus (deficit) for year		-42,859
	Amount of political fund at beginning of year		-34,978
	Amount of political fund at the end of year (as Balance Sheet)		-77,837
	Number of members at end of year contributing to the political fund		17,278
	Number of members at end of the year not contributing to the political fund		891
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		474

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

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

(see notes 32 and 33)

		£
Administrative Expenses		
Remuneration and expenses of staff		1,074,694
Salaries and Wages included in above	836,529	
Auditors' fees		18,000
Legal and Professional fees		505,336
Occupancy costs		330,277
Stationery, printing, postage, telephone, etc.		153,419
Expenses of Executive Committee (Head Office)		49,226
Expenses of conferences		126,248
Other administrative expenses (specify)		
Central Services		1,259,991
Grants		120
Self Organised Groups		542
Branch Accounts and other expenses		4,073
Divisional Councils Organising		1,888
Provident benefit Administration Charge		504,957
Other Outgoings		
Bank Loans		NIL
Mortgages		NIL
Other Loans		NIL
Depreciation		115,385
Taxation		215,499
Outgoings on land and buildings (specify)		262,966
Other outgoings (specify)		
Total		4,622,621
Charged to:	General Fund (Page 3)	3,915,679
	Branch Accounts	60,234
	Divisional Councils Fund	4,357
	Benevolent Fund Cat 2	5,150
	Provident Benefit Fund	535,490
	Revaluation Reserve	95,216
	Investment Revaluation Reserve	
	Self Organised Groups	6,495
	Special Reserves Fund	
Total		4,622,621

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			616,381
Dividends (gross) from:			651,576
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
Pension Finance Income			
			1,267,957
		Total investment income	1,267,957
Credited to:			
		General Fund (Page 3)	1,267,957
		Branch Accounts	
		Divisonal Councils Fund	
		Benevolent Fund Cat 2	
		Provident Benefit Fund	
		Revaluation Reserve	
		Investment Revaluation Reserve	
		Self Organised Groups	
		Investment Revaluation Reserve	
		Political Fund	
		Total Investment Income	1,267,957

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	6,344,860		412,806	895,353	1,704,394	9,357,413
Additions						
Disposals	-6,000,000		-412,806	-845,129	-1,704,394	-8,962,329
Revaluation/Transfers						
At end of year	344,860			50,224		395,084
Accumulated Depreciation						
At start of year	1,969,538		412,806	857,685	616,472	3,856,501
Charges for year	125,991			12,556	49,165	187,712
Disposals	-2,011,653		-412,806	-845,129	-665,637	-3,935,225
Revaluation/Transfers						
At end of year	83,876			25,112		108,988
Net book value at end of year	260,984			25,112		286,096
Net book value at end of previous year	4,375,322			37,668	1,087,922	5,500,912

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	4,165,315	138,703	4,304,018
From Investments	1,267,957		1,267,957
Other Income (including increases by revaluation of assets)	17,189,149		17,189,149
Total Income	22,622,421	138,703	22,761,124
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	6,948,225	181,562	7,129,787
Funds at beginning of year (including reserves)	22,510,436	-34,978	22,475,458
Funds at end of year (including reserves)	39,130,820	-77,837	39,052,983
<i>- see note 26 in Accounting policies for prior year adjustment</i>			
ASSETS			
Fixed Assets			286,096
Investment Assets			19,701,104
Other Assets			21,991,154
		Total Assets	41,978,354
LIABILITIES			
		Total Liabilities	2,925,371
NET ASSETS (Total Assets less Total Liabilities)			39,052,983

ACCOUNTING POLICIES


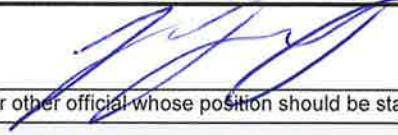
(see notes 74 and 75)



SIGNATURES TO THE ANNUAL RETURN

(see notes 76 & 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature:  <hr/> Name: MANUEL CORTES <hr/> Date: 29 NOVEMBER 2018	Chairman's Signature:  (or other official whose position should be stated) <hr/> Name: Jason Torrey <hr/> Date: 29th November 2018
---	---

CHECK LIST

(see notes 78 to 80)

(please enter 'X' as appropriate)

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

1. ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102').

b) Going concern

The executive committee consider that there are no material uncertainties about the association's ability to continue as a going concern.

c) Subscriptions

Subscriptions deducted through the paybills and collected by direct debit are dealt with in the year to which they relate. Subscriptions from cash members are recognised on receipt.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

e) Investment income

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

f) Freehold Land and Buildings

The Association's freehold property is stated at valuation. The Association has followed the transitional provisions allowable under FRS 15 and subsequently FRS 102, to hold the book cost of land and buildings as per the last revaluation carried out in 1999.

The buildings are depreciated over their estimated useful lives on a reducing balance basis with a residual balance of nil, as follows:

Scottish Office	over a further 23 years
York Office	over a further 34 years

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

g) Other Fixed Assets

Fixed assets are stated at cost less depreciation sufficient to write these assets off over their estimated lives. Depreciation is charged at an annual rate of 10% on cost, except for computers and office machinery where the assets are written off at a rate of 25% per annum.

h) Investments

Investments are listed investments and are held at fair value with reference to the quoted market price at the reporting date. Movements in the fair value of investments are included in the investment revaluation reserve.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

1 ACCOUNTING POLICIES (continued)

j) Creditors

Short term trade creditors are measured at the transaction price.

k) Foreign Currency

The transactions of Branches and Divisional Council operations in the Republic of Ireland are translated at the average exchange rate prevailing during the year of the transaction. Assets and liabilities are translated into Sterling at the rate of exchange prevailing at the balance sheet date.

l) Pension costs and other post-retirement benefits

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

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

Pension scheme assets are valued at market value at the balance sheet date. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. Pension scheme surpluses are recognised in full on the balance sheet.

2. TAXATION

	2017	2016
	£	£
Current year taxation		
Corporation Tax: Provision for the current year at current rates	-	86,617
Refund of over prior years overpayment of corporation tax	(97,212)	
Under provision in prior years	-	-
	<u>(97,212)</u>	<u>86,617</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

3 Surplus/(Deficit) before tax is stated after charging:

	2017 £	2016 £
Directors' remuneration	nil	nil
Auditors' remuneration (excluding VAT):		
▪ Audit	16,000	18,000
▪ Other services	31,000	36,000
Depreciation	187,712	275,392
	<u>187,712</u>	<u>275,392</u>

4 Directors' and employees' costs and emoluments and support service costs

No emoluments are paid to any director.

Staff costs during the year were as follows:

	2017 £	2016 £
Secretariat	154,300	129,620
Operations	2,043,083	1,970,642
Central services	920,394	1,069,775
	<u>3,117,777</u>	<u>3,170,037</u>
Wages and salaries	2,010,874	2,225,826
Social security costs	150,320	203,892
Pension costs	956,583	740,319
	<u>3,117,777</u>	<u>3,170,037</u>

The average number of employees during the year was as follows:

	2017 Number	2016 Number
Management Team	2	2
Business Support Services	19	19
Scotland	1	1
Northern Region	8	8
Southern Region	10	10
Education	5	7
SULF	-	1
Ireland	1	2
	<u>46.0</u>	<u>50.0</u>

The total employee benefits including employer pension and national insurance contributions of the key management personnel were £200,447 (2016: £195,210).

Fixed Assets

	Freehold Property £	Furniture & Equipment £	Computer Equipment £	Refurbishment £	Total £
Cost or Valuation					
Cost at 1 January 2017	6,344,860	412,806	895,353	1,704,394	9,357,413
Additions		-	-	-	-
Disposals – Profit on sale of Walkden House	(6,000,000)	(412,806)	(845,129)	(1,704,394)	(8,962,329)
Cost at 31 December 2017	344,860	-	50,224	-	395,084
Depreciation					
At 1 January 2017	1,969,538	412,806	857,685	616,472	3,856,501
Charge in Year	125,991	-	12,556	49,165	187,712
Disposals	(2,011,653)	(412,806)	(845,129)	(665,637)	(3,935,225)
At 31 December 2017	83,876	-	25,112	-	108,988
Net book value					
At 31 December 2017	260,984	-	25,112	-	286,096
At 31 December 2016	4,375,322	-	37,668	1,087,922	5,500,912

The freehold property situated at Walkden House, 10 Melton Street, London was revalued at £6,000,000 (£2,000,000 relates to land) in 1999 by Smith Melzack Pepper Angliss, Property Consultants and Valuation Surveyors on an open market basis. The freehold property at 180 Hope Street, Glasgow was also revalued in 1999 at £57,500 by the Countrywide Surveyors, Chartered Surveyors on an existing use basis.

During the year, Walkden House and the associated freehold land was sold under a Mandatory Purchase Order. £17.2 million has been received in the current year in advance of a final agreed purchase price. The profit on the sale based on these proceeds has been recognised as income in the Central Fund.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

6 Investments

	2017 £	2016 £
Fair value at the start of the year	18,011,679	17,524,154
Additions at cost	32,863	36,563
Net gain / (loss) on change in fair value	1,279,861	450,962
	<u>19,324,403</u>	<u>18,011,679</u>
Cash held by investment broker pending reinvestment	376,701	1,151,715
	<u>19,701,104</u>	<u>19,163,394</u>
Fair value at the end of the year	<u>19,701,104</u>	<u>19,163,394</u>
Historic cost at the end of the year	<u>11,295,717</u>	<u>12,037,868</u>
Investments comprise:		
	2017 £	2016 £
UK Common investment funds	18,474,403	17,161,679
Unlisted shares in UK registered companies	850,000	850,000
Cash	376,701	1,151,715
	<u>19,701,104</u>	<u>19,163,394</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

7 Debtors

	2017 £	2016 £
Other debtors	399,606	131,298
Taxation and Social Security	122,688	–
Prepayments & accrued income	156,090	144,528
	<u>678,384</u>	<u>275,826</u>

8 Creditors: amounts falling due within one year

	2017 £	2016 restated £
Trade creditors	113,045	191,789
Taxation and social security	55,184	45,938
Other creditors	930,200	946,027
Accruals	73,764	54,000
Deferred income	–	125,010
	<u>1,172,193</u>	<u>1,362,764</u>

9 Creditors: amounts falling due after one year

	2017 £	2016 restated £
Deferred tax – see note 10	1,753,178	1,353,850
	<u>1,753,178</u>	<u>1,353,850</u>

10 Deferred tax liability

	2017 £	2016 restated £
Revalued investments		
Brought forward	1,353,850	1,268,167
Charge for the year	243,174	85,683
	<u>1,597,024</u>	<u>1,353,850</u>
Deferred tax: revalued investments	1,597,024	1,353,850
Compulsory purchase of Walkden House		
Brought forward	–	–
Charge for the year	156,154	–
	<u>156,154</u>	<u>–</u>
Deferred tax: Walkden House	156,154	–
Total deferred tax	<u>1,753,178</u>	<u>1,353,850</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

11 Analysis of bank balances and cash

	2017 £	2016 £
Main Fund	17,603,689	341,213
Policital Fund	(77,837)	(34,978)
Balances at Branches, Self Organised Groups and Divisional Councils	74,918	32,322
	<u>17,600,770</u>	<u>338,557</u>

12 Post year end events

Following the year ended 31 December 2017, the Transport Salaried Staffs' Association purchased new office space to replace Walkden House following the compulsory purchase. Proceeds of the Purchase of Walkden House were used to fund this acquisition, alongside investment funds.

13 Related party transactions

There are no related party transactions to disclose for 2017 (2016: none).

14 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Equipment 2017 £	2016 £
Less than one year	156,000	-
	<u>156,000</u>	<u>-</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

15 Defined benefit pension scheme asset

The disclosures below have been prepared for the Transport Salaried Staffs' Association (the "Association") in relation to benefits payable from the Transport Salaried Staffs' Association Staff Pension Scheme (the "Scheme").

The Scheme is a funded scheme of the defined benefit type, providing retirement benefits based on salary and career averaged revalued earnings. The Scheme has assets held in a separately administered fund managed by a Management Committee. The Association and Management Committee have agreed a funding plan to ensure the Scheme is sufficiently funded to meet current and future obligations. A formal schedule of contributions was drawn up on 1 November 2017 whereby the Association will pay 19.5% of pensionable salary for five years from November 2017 to cover accrual of benefits for future service.

Association contributions to the Scheme in 2018 are estimated to be £391k. Additional Association contributions may be required if there are any augmentations during the year.

The valuation used for FRS 102 disclosures has been based on a full assessment of the liabilities of the Scheme as at 31 December 2016, with the results rolled forward in an approximate manner to 31 December 2017 allowing for benefits paid and actual increases to members' benefits over this period. 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.

The principal assumptions used to calculate the liabilities under FRS 102 are set out below:

Main assumptions

	31 December 2017 %p.a.	31 December 2016 %p.a.	31 December 2015 %p.a.
Profit on sale of Walkden House			
RPI inflation	3.60	3.70	3.50
CPI inflation	2.60	2.70	2.50
Rate of general long-term increase in salaries	4.60	4.70	4.50
Rate of increase to pensions in payment (in excess of GMP)	3.60	3.70	3.50
Discount rate for Scheme liabilities	2.60	2.80	4.00
Longevity for member currently aged 60			
▪ male	87	88	88
▪ female	89	90	90
Longevity for member reaching 60 in 20 years			
▪ male	89	90	90
▪ female	91	92	92

Sensitivities of assumptions

The table below provides information on the sensitivity of the defined benefit obligation to changes to the most significant actuarial assumptions. The table shows the impact of changes to each assumption in isolation although, in practice, changes to assumptions may occur at the same time and can either offset or compound the overall impact on the defined benefit obligation. These sensitivities have been calculated using the same methodology as used for the main calculations, and there has been no change since the previous period to the method and assumptions used in preparing the sensitivity analysis. The weighted average duration of the defined benefit obligation is 22 years.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Percentage change to Defined Benefit Obligation

Assumption	Change to assumption	
	Increase by 0.25%p.a.	Decrease by 0.25% p.a.
Discount rate	-5%	+5%
Inflation*	+5%	-5%

* Please note that this change in inflation allows for corresponding changes to salary increases, deferred revaluation and pension increase assumptions.

Our calculations

An increase of one year in the assumed life expectancy for both males and females would increase the Defined Benefit Obligation by 3%.

Fair value of assets

	Value at 31 December 2017 (£K)	Value at 31 December 2016 (£K)	Value at 31 December 2015 (£K)
Equities	18,427	19,791	15,832
Index-linked bonds	25,695	23,735	18,660
Other	2,394	88	93
Total	<u>46,516</u>	<u>43,614</u>	<u>34,585</u>

Reconciliation of funded status to balance sheet

	Value at 31 December 2017 (£K)	Value at 31 December 2016 (£K)
Fair value of Scheme assets	46,516	43,614
Present value of funded defined benefit obligations	<u>42,804</u>	<u>42,430</u>
Surplus	3,712	1,184
Surplus not recoverable in the future	-	-
Asset recognised on the balance sheet	<u>3,712</u>	<u>1,184</u>

Analysis of profit and loss

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Current service cost	746	605
Administration expenses	216	184
Net interest cost	(40)	(80)
Expense recognised in profit and loss	<u>922</u>	<u>709</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Changes to the present value of the defined benefit obligation

	Value at 31 December 2017 (£K) £	Value at 31 December 2016 (£K) £
Opening defined benefit obligation	42,430	32,878
Current service cost	746	605
Expenses	216	184
Interest cost	1,167	1,292
Contributions by Scheme participants	163	169
Remeasurement (gains) / losses		
Actuarial (gains)/losses on Scheme liabilities in respect of assumptions	(939)	9,518
Actuarial losses/(gains) on Scheme liabilities in respect of experience	521	(1,026)
Net benefits paid out	(1,500)	(1,190)
Closing defined benefit obligation	<u>42,804</u>	<u>42,430</u>

Changes to the fair value of Scheme assets

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Opening fair value of Scheme assets	43,614	34,585
Interest income on Scheme assets	1,208	1,371
Remeasurement (losses)/gains		
Return on Scheme assets less interest income	2,658	8,271
Contributions by the Association	373	408
Contributions by Scheme participants	163	169
Net benefits paid out	(1,500)	(1,190)
Closing fair value of Scheme assets	<u>46,516</u>	<u>43,614</u>

Analysis of amounts recognised in the other comprehensive income

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Return on Scheme assets less interest income	2,658	8,271
Gains/(losses) on assumptions	939	(9,518)
Experience gains on Scheme liabilities	(521)	1,026
Total gain / (loss)	<u>3,076</u>	<u>(221)</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Actual return on Scheme assets

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Interest Income on Scheme assets	1,208	1,371
Return on Scheme assets less interest income	2,658	8,271
Total return on Scheme assets	<u>3,866</u>	<u>9,642</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

16 Prior year adjustment

Restated funds

	31 December 2016 £	1 January 2016 £
Funds previously reported	25,013,308	24,850,570
Prior year adjustment		
Increase in deferred tax creditor–2015	(1,268,167)	(1,268,167)
Increase in deferred tax creditor–2016	(85,683)	–
	<u>(1,353,850)</u>	<u>(1,268,167)</u>
Funds restated after prior year adjustment	<u><u>23,659,458</u></u>	<u><u>23,582,403</u></u>

The prior year adjustment relates to a recalculation of the deferred tax liability for unrealised gains on investments.

2016 figures have also been restated to allocate additional central fund costs to the Provident Benefit Fund. This restatement has not impacted the overall net movement in funds for the year.

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	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
-----	-------------------------------------	----	--------------------------

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	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
-----	-------------------------------------	----	--------------------------

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	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
-----	-------------------------------------	----	--------------------------

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
(See note 85)

AUDITOR'S REPORT (continued)

ATTACHED

Signature(s) of auditor or auditors:	<i>Sayer Vincent LLP</i>	
Name(s):	Sayer Vincent LLP	
Profession(s) or Calling(s):	Statutory Auditor	
Address(es)	Sayer Vincent LLP	
	Invicta House	
	108-114 Golden Lane	
	London	
	Postcode	EC1Y 0TL
Date:	26 November 2018	
Contact name and telephone number:	Farrah Kitabi - 0207 841 6360	

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

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

Independent auditor's report to the members of Transport Salaries Staffs' Association

Opinion

We have audited the financial statements of Transport Salaries Staffs' Association for the year ended 31 December 2017 which comprise the Branch account, the Divisional Councils account, the Self-Organised Groups account, the Political Fund account, the Provident Benefit Fund account, the Benevolent Fund accounts the Property Revaluation Reserve, the Investment Revaluation Reserve, the Central Fund account, the balance sheet, the cash flow statement, the statement of changes in equity and the related notes, including a summary of 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 incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidated) Act 1992

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 our 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 ISAs (UK) require us to report to you where:

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

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

Other information

The other information comprises the information included in the Executive Committees' annual report, other than the financial statements and our auditor's report thereon. The Executive Committee are responsible for the other information. Our opinion on 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 a 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.

Matters on which we are required to report by exception

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

- The information given in the Executive Committee' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept in accordance with Section 28 of the Act; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the Executive Committee's report, the Executive Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 Executive Committee are 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 Executive Committee either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

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 to 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the Executive Committees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

Use of our report

This report is made solely to the Union's members as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidated) Act 1992. Our audit work has been undertaken so that we might state to the Union's members those matters we are required to state to them in an 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.

13 November 2018

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

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

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

YES/NO

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

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

MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

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

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

YES/NO


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

YES/NO

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

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

MEMBERSHIP AUDIT CERTIFICATE (continued)

Signature of assurer	
Name	PAUL SCHOLEY
Address	C/O MORRISH SOLICITORS LLP OXFORD HOUSE, OXFORD ROW LEEDS LS1 3BE
Date	5/12/18
Contact name and telephone number	AS ABOVE 033 3344 9600

Transport Salaried Staffs' Association

Report and financial statements

For the year ended 31 December 2017

Transport Salaried Staffs' Association

Contents

For the year ended 31 December 2017

Reference and administrative information	2
Executive Committee's annual report	4
Independent auditor's report	15
Detailed income and expenditure account	19
Balance sheet	24
Cash flow statement and other statements	25
Notes to the financial statements	27

Transport Salaried Staffs' Association

Reference and administrative information

For the year ended 31 December 2017

Malcolm Wallace Trustee

Principal staff

Manuel Cortes General Secretary

Frank Ward Assistant General Secretary

Bankers

Unity Trust Bank Plc

Nine Bridleyplace

Birmingham B1 2HB

Solicitors

Morrish Solicitors LLP

Oxford House

Oxford Row Leeds

West Yorkshire LS1 3BE

Auditors

Sayer Vincent LLP

Chartered Accountants and Statutory Auditors

Invicta House

108 -114 Golden Lane

London EC1Y 0TL

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Membership and Recruitment

The Association's membership is drawn from people working in the Rail, Transport, Travel, Ports and associated industries. At the end of 2017 the membership stood at 18,169 a net decrease of 335 on 2016. During 2017 we recruited 2,053 new members as opposed to 1,764 in 2016. The overall decline in membership numbers is partly attributable to the increasing average age of our unions membership which results in a greater number of members leaving the industries where we are organised than we were able to recruit. In 2017 the number of former members classified as left, deceased or withdrawn represented 16% of the total at the start of the year. The number of members joining represented 11% of the total at the start of the year.

The membership consisted of 5,062 women members and 13,107 men, and is split between three levels of banded subscriptions, Free/Modern Apprentices and Retired/Superannuated members as follows.

	2017 Male	2017 Female
Free/Modern Apprentice	80	59
Rate 1 subs	419	1,029
Rate 2	10,838	3,724
Rate 3	1,240	205
Retired/Superannuated	530	45
	13,107	5,062

Overall Membership

During 2017 net membership fell by 335 or 2%. The total number of members who were classed as leaving membership in 2017 was 3,519. This figure is derived from cumulative number of members who have left membership, were withdrawn, who died, or had their membership reinstated during the year. Out of the 3,519 members leaving the Association during 2017 at least 581 did so because they had left employment. 2,340 were classified as "withdrawn" and 28 classified as deceased. Most would have left employment within the industry therefore not qualifying them for TSSA membership. At the end of 2017 a total of 13,151 members paid their subscriptions by direct debit compared with 13,107 in 2016. Those paying via paybill were 4,939. Cash members were 31 and 48 were free.

Recruitment

The geographic profile of our membership showed a number of changes in 2017. Membership fell in all but three Divisional Council Areas.

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Divisional Council	Members end 2017	Annual Change
Anglia & London North East	1,535	-20
Irish	905	-1
London North West	1,762	-51
London South	2,854	153
London Transport	2,854	113
Midlands	2,002	-68
North East	1,823	-97
North West	1,638	-52
Scotland	1,502	-34
Wales & Western	1,586	40

The largest falls in membership numbers is in the North East Council area which accounts for 10% of the annual loss across the union.

There were gains in London South, London Transport and Wales & Western. This is due to successful recruitment campaigns along with changes in those workplaces that encouraged new union members to join membership and retained existing members. Particular reference needs to be made to our Time to Grow campaign within the Transport for London. Between May 2016 and December 2017, membership net growth in TFL was 162 members despite 600 job losses in 2017. Much credit must go to our activists in TFL who recruited 408 new members in 2017.

Movement Within The Sectors

Membership in Engineering stood at 1,244 compared with 1,347 at the end of 2016 a drop of 8%.

Membership in Transport for London stood at 2,499 compared with 2,375 at the end of 2016 an increase of 5%.

In the Travel Trade in 2017 stood at 616 compared with 706 in 2016 a reduction of 90 members or 13%.

Membership in Ireland stood at 889 in 2017 compared to 887 in 2016 an increase in two members.

Recruitment in the Ports and Shipping sector stood at 217 in 2017 compared to 240 in 2016 reducing by 23 members or 10%.

Membership in Road Haulage stood at 20 in 2017 compared to 20 in 2016 remaining stable in 2017.

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Staffing

The staff grades and pay rates (excluding London Allowance) for 2017 are as follows:

Grade 4	£55,303 to	£61,564
Grade 3	£46,955 to	£53,216
Grade 2	£37,564 to	£46,121
Grade 1	£25,043 to	£32,347

The General Secretary's salary excluding London Allowance was £79,573.

Those staff that left the Association during 2017 were:

Wayne Geoghan, Vic Paulino, Vic Walsh, Joel Sperry, Nick Child.

New members of staff that joined the Association in 2017 were:

Graham Henson, Bonnie Craven, Ben Stephenson, Maggie Hayes, and Luke Chester.

At 31st December 2017 41 full time equivalent members of staff were employed by the Association

Commentary upon TSSA Financial Statements for the year ended 31st December 2017

The Association, along with its members continued to face another challenging year. However, this was filled with hope and excitement when looking towards the future.

HS2 Ltd, Compulsory Acquisition of Walkden House in September 2017. After 60 years of the building being the Association's Head Office, a fond farewell was bid to the building which meant so much to many members, staff past and present.

With the past firmly behind us, the Association is looking forward to moving into new premises in the Liverpool Street area. With renewed vigour and excitement, to continue to expanding membership numbers in the coming year and beyond, by involving all members of staff in regular recruitment campaigns. After a successful recruitment week in December 2017, where all staff from all departments within the Association took part, it has been decided to make this a regular occurrence. There was a plethora of advantages to running the campaign, apart from the obvious of increasing membership numbers. Inter-departmental team working, getting out to meet, speak to and understand member issues, in particular for our back-office staff who rarely get to meet members in their environments.

The Association continued to deal with the uncertainty surrounding the future of Walkden House as the plans for the future of Euston Station and High Speed 2 progressed. Rental income from Walkden House fell gradually as leases were terminated in 2017 and eventually reached zero following the compulsory purchase of the building which took effect on

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Monday 18 September. Having to vacate Walkden House meant that temporary head office accommodation was required for our staff and this was leased on the 32nd floor of Euston Towers for a period of one year pending the purchase of a new property.

Toward the year end we were still in discussions over the compensation for Walkden House and therefore sought an advance payment and received £17.2m on 24 November 2017. At the time of writing we remain in discussions over a final settlement.

The political uncertainty caused by Brexit continued and saw the UK embroiled in an early General Election which the Prime minister, Theresa May, claimed was necessary to deliver a mandate for the Brexit negotiations. Not surprisingly the electorate saw Brexit as the most important issue facing the country in the run up to the election, although this wasn't necessarily reflected on the campaign trail. For much of the campaign, both the Conservatives and Labour focused largely on issues other than Brexit. Jeremy Corbyn's strong performance, allied by Theresa May's shockingly poor campaign, ultimately saw the Conservatives lose their majority in June's election as Labour won significantly more seats than most pundits and even some Party members expected. Left without a majority in Parliament the Prime Minister went cap-in-hand to the DUP party of Northern Ireland in a bid to prop up her government in what became known as the £1bn cash for votes deal. By the end of the year the Irish border was the single most important issue in the Brexit negotiations.

The rate of inflation in the UK rose to its highest level in nearly six years. Data from the Office for National Statistics (ONS) showed that the Consumer Prices Index 12-month rate – which compares prices in the current month with the same month a year earlier – was at 3% in December 2017, slightly down from 3.1% in November 2017 which was the highest level since March 2012. Inflation had been generally rising since the Brexit referendum in June 2016, primarily as a result of the depreciation of sterling which hit the cost of imports hard. Whilst the Bank of England is optimistic that inflation will generally fall in 2018 it was disappointing to note that the International Monetary Fund (IMF) cut its growth forecast for the UK economy, citing Brexit uncertainty as the main cause.

The FTSE100 ended 2017 on a new record high, showing an impressive 7.63% increase over the year. The strength of the markets was clearly reflected in our unions equity investments.

Data from the ONS labour market statistics showed that the average increase in wages in 2017 continued to lag behind inflation, leaving UK households struggling to cope with a squeeze on their incomes. Other data released by ONS showed that household spending exceeded household incomes for each of the four quarters of 2017, the first time this happened since records began in 1987. This suggests that people are dipping into their savings or borrowing to fund their spending. The Resolution Foundation's Director Torsten Bell, put it well when he said: "The good news is that things will get better in 2018. The bad news is we may only go from backwards to standing still".

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Political Fund

By law a UK-based trade union has to maintain a political fund to enable it to meet the costs of any political affiliations it wishes to have and to meet the costs of political campaigning. Once every ten years a trade union is obliged to ballot its members on the continuance or otherwise of the political fund.

The fund was in deficit at the end of 2016, of £34,978. This increased by £42,859 in 2017 to a total of £77,837. The reason for the deficit was due to the increased pressure placed upon the fund with the frequency of elections held over the past few years; Scottish referendums, two General Elections etc. The Association has been in discussions with the Certification Officer regarding the deficit, who have advised that no further funds can be spent from the fund until the deficit has been cleared. The Association has respectfully taken this advice. It is expected that the deficit will be cleared by the end of 2018.

Benevolent Fund

The Benevolent Fund provides grants to individuals in distress and in financial difficulties. Its income is derived from donations, principally from members who choose to opt out of the political fund and who donate the relevant portion of their subscription to the benevolent fund instead. Total income was £3,351 a decrease of £659 on 2016. Grants totalled £5,150 compared to £6,250 in 2016 a decrease of £1,100.

Provident Benefit Fund

The provident benefit fund provides a range of grants including retirement and death grants to members. Income in the provident benefit fund is not taxable. The administrative costs of the fund represent the net legal and associated costs of personal injury claims of members. The fund expenditure on Provident Benefits for the year decreased by £232,746 in 2017. Investment income is now allocated to the Central Fund and there was an excess of expenditure over income of £535,490 giving a fund balance of £3,250,541 as at 31 December 2017.

As stated last year, a great deal of work had been undertaken on this fund on finding the best use of the fund. As a result, the reallocation of staff time, spent on providing Provident Benefits to members was charged to the fund, reducing the amount charged to the Central Fund.

Revaluation and Special Reserves

The property revaluation at the year end 2017 stood at zero, due to the sale/ compulsory purchase of Walkden House.

The special reserve fund represents the long term gain arising on the sale of the Blackrock Global Investors investment portfolio prior to using the sale proceeds to purchase the Janus

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Hendersons Global Investors investment portfolio. The total of these funds at the year-end stood at £4.8M at the 31 December 2017, there is no change from year to year.

Investment Revaluation Reserves

The markets performed incredibly during 2017 with a net gain of £1.3M. The increase represents a movement in the market on the Association's listed investments.

Central Fund

Total central fund expenditure in the financial year increased by £943,903. This increase was in part due to the associated costs of the move from Walkden House. The Association has had to employ specialist professionals to negotiate with HS2 Ltd to ensure that the best possible outcome will be gained from the Association's most valuable asset. Included within that figure is the cost of the move of staff, equipment, additional storage, temporary offices, additional meeting rooms etc, these all add up while the Association and its staff are temporarily without a permanent Head Office.

There were variations in expenditure in all sections within the Central Fund during 2017. These occurred for a variety of reasons. The greatest increases were found within staff salary costs for the Operations department. This was due to a back dated pay increase, relating to the introduction of the new staff pay and grading structure. The Operations team's salary required more re-alignment, than other teams within the Association. The payment of staff severances, are allocated to the Operations department for those staff opting to take the severance package, adding to the overall increase for the year.

In the Business & Support Services team, there is a reduced number of staff as a result of the major re-organisation a few years ago. All staff within the team are those that have been budgeted for in the original re-structure plan. In addition, staff costs in the department reduced due to the cessation of temporary agency staff. The Association employed a permanent member to the team, a post that has been budgeted in to the original re-organisational staffing plan.

Other costs in increased within the Business & Support Services department by £740K plus, all due to the associated costs of the move from Walkden House and the Compulsory Purchase of the building to HS2 Ltd. The cost of the specialist professionals has been allocated to the Business & Support Service department.

Income is over three times greater than last year due to the profit on sale of Walkden House.

The Investment portfolio managed by Janus Hendersons performed well throughout 2017 closing at £18.8M at the year end and providing £650k in additional income.

The additional financial pressures placed on the Association's cashflow due to the HS2 Ltd compulsory purchase expenditure, associated move expenditure from Walkden House and

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

the winding down of the building, lead to continued careful management of the finances during 2017.

The financial position of the Association has continued to be a focus for the Executive Committee throughout the year.

Quarterly management accounts were presented to the Executive Committee during 2017. The Executive Committee had the opportunity to assess how the Association managed their expenditure against the budgets they had set previously, giving the Executive Committee direct information on how funds were being spent along with the chance to ask further questions to aid understanding of the finances.

This process has proved to be an effective tool in the past and will aid the Executive Committee to understand the financial position of the Association throughout 2018.

An analysis of Branch finances for 2018 showed a number of branches claiming 100% of their Branch Commission whilst having incurred little to no expenditure during the year. There were several examples of Commission claimed for the year in the region of £1,500 with no expenditure on printing, postage, meeting or organising activity. The Executive Committee will be looking further into Branch finances during 2018.

The income of any organisation is key to its ability to meet the day to day expenses it incurs. Fluctuations in income received are inevitable in all businesses. However, there has been a steady decline in membership which has not been ignored. The Association actively addressed this in 2017 with the Recruitment Week Campaign at the end of the year. Due to the success of this campaign, the Executive Committee plans to repeat the campaign at regular intervals throughout 2018, building on the success of the December campaign along with raising the awareness of the Union with members and non-members within the industry at the ground level.

The push by staff to regularly get out onto the lines to recruit and meet with members in their workplaces has proved to be incredibly positive and brings staff from the Union closer to those who work within the industries front line services. Greater understanding of current issues experienced by members and non-members help staff to tailor advice to their particular needs within a workplace. Our staff are in a prime position to recruit new members of staff to join our Union and to help workplace reps provide a better service to those in need, by building their confidence.

Organising in the new areas of work that are being created within the industry, empowering reps to encourage new members of staff to join the union, encouraging those who have never thought about the benefits of joining the union to become members, are increasingly becoming the focus of the Executive Committee. The efficiencies and changes that have proved successful in strengthening the Central Fund expenditure must now be mirrored to

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

improve, grow and strengthen the Central Fund income, through the growth of membership numbers.

The recruitment of new members is the responsibility of everyone involved with our Union. We all should strive to retain and help recruit new members to preserve not only the income of the union but its position within the Transport and Travel Trade Industry. Increasing subscription fees annually is not a viable option and will only lead to the loss of further members and ultimately impact on our ability to recruit potential members.

Walkden House

The Association moved from Walkden House in September after sixty years of the building being the Head Office and focal point of the Union.

The Association's advisors are in negotiations with HS2 Ltd, to secure the maximum amount possible for the Association's most valuable asset.

The Association has purchased its new head office in Devonshire Square, in the Liverpool Street area of the City of London. Staff will move into their new head office in the coming months once necessary refurbishment work has been completed.

Staff Costs

Salary costs continue to be our main item of expenditure and are allocated into the various activity cost centres that the Executive Committee considers provide a more meaningful picture of the activities and their costs.

Secretariat

The Annual Delegate Conference costs increased by £21,811 in 2017.

There was a change of venue and location in 2017. Previous savings gained from having the Annual Conference in Bournemouth for two years in row could not be achieved in Liverpool.

Operations

In line with the Strategic Plan, TSSA continues to be fully committed to be an Organising Union. Our Time to Grow (T2G) strategy continued to be the central focus of our efforts to reverse the decline in membership as reported elsewhere this began to deliver with a notable slowdown in the rate of membership decline. One of the key challenges we face as a Union is developing teams of lay representatives that work together as a unit and support each other both collectively and individually to deliver agreed objectives across different disciplines - industrial, H&S, learning, equalities, pensions etc. 2017 proved to be a continuation of the strategic approach to delivering on this with training and support to reps expanded significantly.

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Business and Support Services

The Business and Support Services team continued to support the core elements of the Association. There have been and are continued technological implementations to the team, to support their work. A new membership database will be installed during the year, giving the Membership team an overdue update to their systems. The Finance team are to receive an automated invoice processing system which will give greater control and decrease the time it takes for payments to be made. The Despatch team have state of the art printing machines.

Balance Sheet

Total funds at 31st December 2017 were £39,052,983. The increase is due to the Compulsory Purchase of Walkden House.

The Association Sponsored Pension Fund is still in surplus despite the changes seen in worldwide markets.

The legal requirement under Financial Reporting Standard 102 (FRS102) to bring in the results of the Association's Sponsored Staff Pension Scheme continues. The FRS102 requirement resulted in an actuarial gain of £3,076,000. The scheme has a surplus of £3,712,000. Actual payments by the Association into the pension scheme were £373,000 reduced from £408,000 in 2016 due to the change of contribution amount made to the staff pension fund, which were effective from April 2016.

Post Balance Sheet Event

The Association's purchase of a new Head Office, will have been finalised after 31 December 2017 to which this set of Accounts relates to.

As mentioned earlier in this report the new Head Office will be in the Liverpool Street area of the City of London, which is in close proximity to Liverpool Street Station and Cross Rail once the project has been completed.

The new office was purchased at a cost of £27M. The purchase has been funded by the use of monies received from HS2 Ltd £17M and the sale of £10M worth of shares from Janus Henderson to make up the shortfall in the purchase price, whilst negotiations with HS2 Ltd continue for the remainder of value for Walkden House.

The building has an expected rental yield of around a million pounds per year. The building has current tenants, with rental income due during 2017. The building will give the Association further income to support its activities, help to build its financial reserves and support the Association into the future by providing a relatively stable additional source of income in the near and further future.

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

Republic of Ireland

For the purposes of these accounts, all transactions dealt with through Allied Irish Bank, Dublin have been converted into £'s sterling using the average exchange rate (£ sterling / Euro) for the year of the transactions. The fluctuations in current rates cannot be controlled by the Association, being wholly dependent on movements in the currency markets.

Investments

At 31 December 2017 the Association held investments as follows:

	2017 Book Value	2016 Book Value	2017 Market Value	2016 Market Value
Janus Henderson Global Care UK Income Fund	£8,894,106	£8,894,106	£15,813,695	£14,773,485
Janus Henderson Institutional Global Managed Fund	£1,474,910	£1,442,045	£2,660,708	£2,388,194
Unity Trust Bank plc	£550,000	£550,000	£850,000	£850,000
Total	10,919,016	£10,886,151	19,324,403	£18,011,679

Ethical Investments

The Investments Performance and Review Committee are responsible for the monitoring and continuing implementation of the Association's ethical investment stance and charter. This Executive Committee's nominated sub-committee continued its work in 2017 including meeting with Janus Henderson Global Investor and supporting the Association by way of giving invaluable financial advice.

The Association will continue to apply ethical investment principles within the new framework of Janus Henderson's pooled funds and will continue to actively engage with our Investment Managers.

Statement of responsibility

Trade Union law requires TSSA to prepare accounts for each financial year which give a true and fair view of the revenue accounts, indicating income and expenditure of the Association for the period to which they relate and a balance sheet as at the period end. In preparing financial statements giving a true and fair view, the Executive Committee is required to:

- Select suitable accounting policies and then apply them consistently

Transport Salaried Staffs' Association

Executive Committee's annual report

For the year ended 31 December 2017

- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business

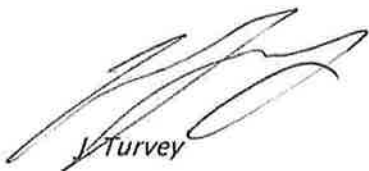
TSSA is required to keep adequate accounting records, with respect to its transactions and its assets and liabilities, as are necessary to give a true and fair view of the state of its affairs and to explain its transactions. TSSA is also responsible for establishing and maintaining a satisfactory system of internal controls of its accounting, its cash holdings and all its receipts and remittances.

In so far as the Executive Committee are aware:

- There is no relevant audit information of which the Association's auditor is unaware and
- The Executive Committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Executive Committee on9 October 2018.....

M. CARNEY PP M. Sten
President



J. Turvey

Treasurer



M. CORTES Walkden House
General Secretary 2018

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

Independent auditor's report to the members of Transport Salaries Staffs' Association

Opinion

We have audited the financial statements of Transport Salaries Staffs' Association for the year ended 31 December 2017 which comprise the Branch account, the Divisional Councils account, the Self-Organised Groups account, the Political Fund account, the Provident Benefit Fund account, the Benevolent Fund accounts the Property Revaluation Reserve, the Investment Revaluation Reserve, the Central Fund account, the balance sheet, the cash flow statement, the statement of changes in equity and the related notes, including a summary of 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 incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidated) Act 1992

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 our 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 ISAs (UK) require us to report to you where:

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

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

Other information

The other information comprises the information included in the Executive Committees' annual report, other than the financial statements and our auditor's report thereon. The Executive Committee are responsible for the other information. Our opinion on 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 a 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.

Matters on which we are required to report by exception

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

- The information given in the Executive Committee' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept in accordance with Section 28 of the Act; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the Executive Committee's report, the Executive Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 Executive Committee are 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 Executive Committee either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

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 to 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the Executive Committees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report

To the members of

Transport Salaried Staffs' Association

Use of our report

This report is made solely to the Union's members as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidated) Act 1992. Our audit work has been undertaken so that we might state to the Union's members those matters we are required to state to them in an 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.

Sayer Vincent LLP

13 November 2018

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Transport Salaried Staffs' Association

Detailed Income and expenditure account

For the year ended 31 December 2017

Central Fund Account	2017	2016
	£	£
Income		
Members' Subscriptions		
Collected by Head Office	3,985,232	3,931,256
Collected by Branches	152,430	154,925
Less Branch Allocation	<u>(76,023)</u>	<u>(57,305)</u>
Total membership income	4,061,639	4,028,876
Other Income	18,257	192,743
Profit on sale of Walkden House	12,179,031	-
Rental income	616,381	698,772
Investment income	<u>651,576</u>	<u>618,395</u>
Total Income	<u>17,526,884</u>	<u>5,538,786</u>
Expenditure		
Operations		
Salary Costs (Note 4)	2,043,083	1,970,642
Organising Teams, Representatives Training, Recruitment	254,187	282,058
Union Modernisation Fund Project (net of grant)	<u>17,912</u>	<u>10,220</u>
Self-Organised Groups	<u>10,422</u>	<u>-</u>
Total operations cost	<u>2,325,604</u>	<u>2,268,920</u>
Administrative expenses		
Secretariat		
Salary Costs (Note 4)	154,300	129,620
Annual Conference	126,248	104,437
Executive Committee, International Delegation, National Ballot Costs	<u>49,226</u>	<u>49,999</u>
	<u>329,774</u>	<u>284,056</u>
Central Services (Business & Support Services)		
Salary Costs (Note 4)	920,394	1,069,775
Other Costs *	2,092,619	1,370,346
Irrecoverable VAT	167,147	-
Divisional Council	<u>13,880</u>	<u>6,463</u>
	<u>3,194,040</u>	<u>2,446,584</u>

* Other costs mainly relate to professional fees including legal, accountancy and the overall management costs of the office.

Transport Salaried Staffs' Association

Detailed income and expenditure account

For the year ended 31 December 2017

Central Fund account (continued)

	2017	2016 restated
	£	£
Walkden House		
Rates	-	24,922
Heating and Electric	58,583	41,677
Managing Agents/Professional Fees	122,530	152,039
Repairs and Maintenance	81,853	78,018
Depreciation	115,385	221,556
	<u>378,351</u>	<u>518,212</u>
Total Administrative expenses	<u>3,902,165</u>	<u>3,248,852</u>
Less: Admin Charge		
Transfer to Provident Benefit	(504,957)	(738,863)
Total expenditure	<u>5,722,812</u>	<u>4,778,909</u>
Surplus/ (deficit) before tax	11,804,072	759,877
Taxation charges		
Taxation (reclaim)/charges	(183,829)	86,617
Deferred tax charge-Walkden House	399,328	85,683
	<u>215,499</u>	<u>172,300</u>
Surplus/(Deficit) after Taxation	11,588,573	587,577
Pension Scheme Financial income/(expenditure)	-	79,000
Surplus/(Deficit) for the year	<u>11,588,573</u>	<u>666,577</u>
Balance at 1 January 2017	2,832,522	2,259,991
Surplus/(Deficit) for the year	11,588,573	666,577
Difference between historical cost Depreciation charge and the actual Depreciation charge of the year calculated	95,216	126,954
Derecognition of revaluation reserve on sale of Walkden House	4,897,355	-
Actuarial (Loss)/Gain on pension scheme (note 11)	3,076,000	(221,000)
Balance at 31 December 2017	<u>22,489,666</u>	<u>2,832,522</u>
The balance is made up as follows:		
Central Fund	18,777,666	1,648,522
Pension Reserve	3,712,000	1,184,000
	<u>22,489,666</u>	<u>2,832,522</u>

Transport Salaried Staffs' Association

Detailed income and expenditure account

For the year ended 31 December 2017

Other Funds

	2017		2016	
	£	£	£	£
Branch Account				
Income				
Members' Subscriptions: Paybill and Direct Debit		152,430		154,925
		<u>152,430</u>		<u>154,925</u>
Less Remitted to Head Office		(76,407)		(97,620)
Contribution from Central Fund		<u>-</u>		<u>-</u>
Total income		<u>76,023</u>		<u>57,305</u>
Expenditure				
Secretaries' and Organisers' Commission	56,161		60,318	
Other Expenses	<u>4,073</u>		<u>5,021</u>	
		<u>(60,234)</u>		<u>(65,339)</u>
Surplus/(Deficit) of Expenditure over Income		<u>15,789</u>		<u>(8,034)</u>
Balance at 1 January		(15,835)		(7,801)
Surplus/(Deficit) of Expenditure over Income		<u>15,789</u>		<u>(8,034)</u>
Balance at 31 December		<u>(46)</u>		<u>(15,835)</u>

	2017		2016	
	£	£	£	£
Divisional Councils Account				
Income				
From Central Fund		13,880		6,463
Total Income		<u>13,880</u>		<u>6,463</u>
Expenditure				
Council Meetings	1,892		3,844	
Organising	1,888		1,727	
Printing and Stationery	426		237	
Postage	128		109	
Other Expenses	<u>23</u>		<u>-</u>	
		<u>(4,357)</u>		<u>(5,917)</u>
Excess of Income over Expenditure		<u>9,523</u>		<u>546</u>
Balance at 1 January		10,790		10,244
Excess of Income over Expenditure		<u>9,523</u>		<u>546</u>
Balance at 31 December		<u>20,313</u>		<u>10,790</u>

Transport Salaried Staffs' Association

Detailed Income and expenditure account

For the year ended 31 December 2017

	2017		2016	
	£	£	£	£
Political Fund Account				
Income				
Members' Subscriptions		138,703		140,172
Total Income		<u>138,703</u>		<u>140,172</u>
Expenditure				
Political	181,562		181,305	
Total Expenditure		<u>(181,562)</u>		<u>(181,305)</u>
(Deficit) of Expenditure over Income		<u>(42,859)</u>		<u>(41,133)</u>
Balance at 1 January		(34,978)		6,155
(Deficit) of Expenditure over Income		<u>(42,859)</u>		<u>(41,133)</u>
Balance at 31 December		<u>(77,837)</u>		<u>(34,978)</u>

	2017		2016	
	£	£	£	£
Self-Organised Groups Fund Account				
Income				
From Central Fund		10,422		-
Total Income		<u>10,422</u>		<u>-</u>
Expenditure				
Meetings	1,408		243	
Events	4,352		50	
Travel	193		61	
Office Expenses	-		-	
Other Expenses	542		33	
		<u>(6,495)</u>		<u>(387)</u>
Surplus/(Deficit) of Expenditure over Income		<u>3,927</u>		<u>(387)</u>
Balance at 1 January		4,013		4,400
Surplus/(Deficit) of Expenditure over Income		<u>3,927</u>		<u>(387)</u>
Balance at 31 December		<u>7,940</u>		<u>4,013</u>

	2017		2016 restated	
	£	£	£	£
Provident Benefit Fund Account				
Total Income		<u>-</u>		<u>-</u>
Expenditure				
Provident Benefits:				
Death and Accident	8,950		-	
Retirement	21,583		29,373	
Administration Charge	504,957		738,863	
Total Expenditure		<u>(535,490)</u>		<u>(768,236)</u>
(Deficit) of Expenditure over Income		<u>(535,490)</u>		<u>(768,236)</u>
Balance at 1 January		3,786,031		4,554,267
(Deficit) of Expenditure over Income		<u>(535,490)</u>		<u>(768,236)</u>
Balance at 31 December		<u>3,250,541</u>		<u>3,786,031</u>

Transport Salaried Staffs' Association

Detailed Income and expenditure account

For the year ended 31 December 2017

	2017		2016 restated	
	£	£	£	£
<u>Benevolent Fund Account</u>				
Income				
Members' Donations		3,351		4,010
Total Income		<u>3,351</u>		<u>4,010</u>
Expenditure				
Grants	5,150		6,250	
Total Expenditure		<u>(5,150)</u>		<u>(6,250)</u>
(Deficit)/Excess of Income over Expenditure		<u>(1,799)</u>		<u>(2,240)</u>
Balance at 1 January		113,816		116,056
(Deficit)/Excess of Income over Expenditure		<u>(1,799)</u>		<u>(2,240)</u>
Balance at 31 December		<u>112,017</u>		<u>113,816</u>

	2017		2016	
	£	£	£	£
<u>Property Revaluation Reserve Fund</u>				
Balance at 1 January		4,992,571		5,119,525
Difference between historical cost depreciation charge and the actual depreciation charge of the year calculated		(95,216)		(126,954)
Derecognition of revaluation reserve on sale of Waltham House		<u>(1,807,355)</u>		<u>(1,113,046)</u>
Balance at 31 December		<u>3,090,000</u>		<u>3,879,525</u>

	2017		2016 restated	
	£	£	£	£
<u>Investment Revaluation Reserve Fund</u>				
Balance at 1 January		7,125,528		6,674,566
Unrealised gain/(loss) on investments		<u>1,279,861</u>		<u>450,962</u>
Balance at 31 December		<u>8,405,389</u>		<u>7,125,528</u>

Transport Salaried Staffs' Association

Balance sheet

As at 31 December 2017

	Note	2017		2016 restated	
		£	£	£	£
FUNDS					
Central Fund Account		18,777,666		1,648,522	
Branch Account		(46)		(15,835)	
Divisional Councils Account		20,313		10,790	
Political Fund Account		(77,837)		(34,978)	
Self Organised Groups		7,940		4,013	
Provident Benefit Fund Account		3,250,541		3,786,031	
Benevolent Fund Account		112,017		113,816	
Property Revaluation Reserve Fund		-		4,992,571	
Investment Revaluation Reserve Fund		8,405,389		7,125,528	
Pension Reserve		3,712,000		1,184,000	
Special Reserve		4,845,000		4,845,000	
		<u>39,052,983</u>		<u>23,659,458</u>	
FIXED ASSETS	5		286,096		5,500,912
INVESTMENTS	6		19,701,104		19,163,394
Main Fund			<u>19,987,200</u>		<u>24,664,306</u>
CURRENT ASSETS					
Debtors	7	678,384		275,826	
Bank Balances and Cash:		17,600,770		338,557	
		<u>18,279,154</u>		<u>614,383</u>	
Deduct: CURRENT LIABILITIES	8				
Creditors		1,172,193		1,362,764	
Taxation		-		86,617	
		<u>1,172,193</u>		<u>1,449,381</u>	
NET CURRENT (LIABILITIES)			<u>17,106,961</u>		<u>(834,998)</u>
Deduct: NON-CURRENT LIABILITIES	9				
Deferred tax		1,753,178		1,353,850	
		<u>1,753,178</u>		<u>1,353,850</u>	
NET ASSETS EXCLUDING PENSION ASSET			<u>35,340,983</u>		<u>22,475,458</u>
PENSION ASSET	15		<u>3,712,000</u>		<u>1,184,000</u>
NET ASSETS INCLUDING PENSION ASSET			<u>39,052,983</u>		<u>23,659,458</u>

Approved on behalf of the Executive Committee on 9 October 2018...

M. CARNEY - President

PP - M. Alex

M. CORTES - General Secretary

Carles

J. Carney - Treasurer

[Signature]

Transport Salaried Staffs' Association

Cash flow statement and other statements

For the year ended 31 December 2017

	2017 £	£	2016 restated £	£
Operating Activities				
Union Activities	(1,403,121)		341,633	
Movement in Provident Benefit Fund Account	(535,490)		(768,236)	
Movement in Branch Account	15,789		(8,034)	
Movement in Political Fund Account	(42,859)		(41,133)	
Movement in Self Organised Groups Fund Account	3,927		(387)	
Movement in Divisional Councils Account	9,523		546	
Movement in Benevolent Fund Account	(1,799)		(2,240)	
Net cash inflow/(outflow) from operating activities		(1,954,030)		(477,851)
Cash flows from investing activities				
Dividends, interest and rents from investments	1,267,957		1,317,167	
Expenditure on rental investments	-		(267,247)	
Purchase of fixed assets	-		(50,224)	
Proceeds from sale of Walkden House	17,206,134		-	
Cash movements on investments	644,940		(618,397)	
		19,119,031		381,299
Taxation		97,212		(94,074)
Increase/(Decrease) in Cash in the Year (Note b)		<u>17,262,213</u>		<u>(190,626)</u>

(a) Reconciliation of Central fund deficit before tax to Net Cash Outflow from Union Activities

	2017 £	2016 £
Central fund surplus after tax	11,588,573	587,577
Dividends, interest and rents from investments	(1,267,957)	(1,317,167)
Profit on sale of Walkden House	(12,179,031)	-
Expenditure on property investment	-	267,247
Depreciation	187,712	275,392
(Increase)/Decrease in Debtors	(402,558)	108,767
(Decrease) in Creditors	(190,571)	(133,479)
Increase in Long term creditors	399,328	85,679
Taxation	(86,617)	86,617
Pension expense	548,000	381,000
Net Cash (Inflow) / Outflow from Union Activities	<u>(1,403,121)</u>	<u>341,633</u>

(b) Analysis of Changes In Net Funds

	At 1 Jan 2017	Cash Flows	At 31 Dec 2017	At 1 Jan 2016	Cash Flows	At 31 Dec 2016
Cash at Bank and In Hand	<u>338,557</u>	<u>17,262,213</u>	<u>17,600,770</u>	<u>529,183</u>	<u>(190,626)</u>	<u>338,557</u>

Transport Salaried Staffs' Association

Cash flow statement and other statements

For the year ended 31 December 2017

Statement of changes in equity for the year ended 31 December 2017

Surplus or (Deficit) for the year as reported	2017 £	2016 £
Branch Account	15,789	(8,034)
Self-Organised Groups Fund Account	3,927	(387)
Divisional Councils Account	9,523	546
Political Fund Account	(42,859)	(41,133)
Benevolent Fund Account	(1,799)	(2,240)
Provident Benefit Fund Account	(535,490)	(73,931)
Central Fund Account	11,683,789	184,909
Property Revaluation Reserve Fund	(4,992,571)	(126,954)
Investment Revaluation Reserve	1,279,861	450,962
Actuarial (loss)/gains in respect of pension scheme	3,076,000	(221,000)
Total Recognised gains	10,496,170	162,738

For all the other funds, the reported surpluses or deficits are stated on an unmodified historical cost basis.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

1. ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102').

b) Going concern

The executive committee consider that there are no material uncertainties about the association's ability to continue as a going concern.

c) Subscriptions

Subscriptions deducted through the paybills and collected by direct debit are dealt with in the year to which they relate. Subscriptions from cash members are recognised on receipt.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

e) Investment income

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

f) Freehold Land and Buildings

The Association's freehold property is stated at valuation. The Association has followed the transitional provisions allowable under FRS 15 and subsequently FRS 102, to hold the book cost of land and buildings as per the last revaluation carried out in 1999.

The buildings are depreciated over their estimated useful lives on a reducing balance basis with a residual balance of nil, as follows:

Scottish Office	over a further 23 years
York Office	over a further 34 years

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

g) Other Fixed Assets

Fixed assets are stated at cost less depreciation sufficient to write these assets off over their estimated lives. Depreciation is charged at an annual rate of 10% on cost, except for computers and office machinery where the assets are written off at a rate of 25% per annum.

h) Investments

Investments are listed investments and are held at fair value with reference to the quoted market price at the reporting date. Movements in the fair value of investments are included in the investment revaluation reserve.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

1 ACCOUNTING POLICIES (continued)

j) Creditors

Short term trade creditors are measured at the transaction price.

k) Foreign Currency

The transactions of Branches and Divisional Council operations in the Republic of Ireland are translated at the average exchange rate prevailing during the year of the transaction. Assets and liabilities are translated into Sterling at the rate of exchange prevailing at the balance sheet date.

l) Pension costs and other post-retirement benefits

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

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

Pension scheme assets are valued at market value at the balance sheet date. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. Pension scheme surpluses are recognised in full on the balance sheet.

2. TAXATION

	2017 £	2016 £
Current year taxation		
Corporation Tax: Provision for the current year at current rates	-	86,617
Refund of over prior years overpayment of corporation tax	(97,212)	
Under provision in prior years	-	-
	<u>(97,212)</u>	<u>86,617</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

3 Surplus/(Deficit) before tax is stated after charging:	2017	2016
	£	£
Directors' remuneration	nil	nil
Auditors' remuneration (excluding VAT):		
▪ Audit	16,000	18,000
▪ Other services	31,000	36,000
Depreciation	187,712	275,392
	<u>187,712</u>	<u>275,392</u>

4 Directors' and employees' costs and emoluments and support service costs

No emoluments are paid to any director.

Staff costs during the year were as follows:

	2017	2016
	£	£
Secretariat	154,300	129,620
Operations	2,043,083	1,970,642
Central services	920,394	1,069,775
	<u>3,117,777</u>	<u>3,170,037</u>
Wages and salaries	2,010,874	2,225,826
Social security costs	150,320	203,892
Pension costs	956,583	740,319
	<u>3,117,777</u>	<u>3,170,037</u>

The average number of employees during the year was as follows:

	2017	2016
	Number	Number
Management Team	2	2
Business Support Services	19	19
Scotland	1	1
Northern Region	8	8
Southern Region	10	10
Education	5	7
SULF	-	1
Ireland	1	2
	<u>46.0</u>	<u>50.0</u>

The total employee benefits including employer pension and national insurance contributions of the key management personnel were £200,447 (2016: £195,210).

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

5 Fixed Assets	Freehold Property £	Furniture & Equipment £	Computer Equipment £	Refurbishment £	Total £
Cost or Valuation					
Cost at 1 January 2017	6,344,860	412,806	895,353	1,704,394	9,357,413
Additions		-	-	-	-
Disposals - Profit on sale of Walkden House	(6,000,000)	(412,806)	(845,129)	(1,704,394)	(8,962,329)
Cost at 31 December 2017	344,860	-	50,224	-	395,084
Depreciation					
At 1 January 2017	1,969,538	412,806	857,685	616,472	3,856,501
Charge in Year	125,991	-	12,556	49,165	187,712
Disposals	(2,011,653)	(412,806)	(845,129)	(665,637)	(3,935,225)
At 31 December 2017	83,876	-	25,112	-	108,988
Net book value					
At 31 December 2017	260,984	-	25,112	-	286,096
At 31 December 2016	4,375,322	-	37,668	1,087,922	5,500,912

The freehold property situated at Walkden House, 10 Melton Street, London was revalued at £6,000,000 (£2,000,000 relates to land) in 1999 by Smith Melzack Pepper Angliss, Property Consultants and Valuation Surveyors on an open market basis. The freehold property at 180 Hope Street, Glasgow was also revalued in 1999 at £57,500 by the Countrywide Surveyors, Chartered Surveyors on an existing use basis.

During the year, Walkden House and the associated freehold land was sold under a Mandatory Purchase Order. £17.2 million has been received in the current year in advance of a final agreed purchase price. The profit on the sale based on these proceeds has been recognised as income in the Central Fund.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

6 Investments	2017 £	2016 £
Fair value at the start of the year	18,011,679	17,524,154
Additions at cost	32,863	36,563
Net gain / (loss) on change in fair value	1,279,861	450,962
	<u>19,324,403</u>	<u>18,011,679</u>
Cash held by investment broker pending reinvestment	376,701	1,151,715
	<u>19,701,104</u>	<u>19,163,394</u>
Historic cost at the end of the year	<u>11,295,717</u>	<u>12,037,868</u>
Investments comprise:	2017 £	2016 £
UK Common investment funds	18,474,403	17,161,679
Unlisted shares in UK registered companies	850,000	850,000
Cash	376,701	1,151,715
	<u>19,701,104</u>	<u>19,163,394</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

7 Debtors	2017 £	2016 £
Other debtors	399,606	131,298
Taxation and Social Security	122,688	-
Prepayments & accrued income	156,090	144,528
	<u>678,384</u>	<u>275,826</u>

8 Creditors: amounts falling due within one year

	2017 £	2016 restated £
Trade creditors	113,045	191,789
Taxation and social security	55,184	45,938
Other creditors	930,200	946,027
Accruals	73,764	54,000
Deferred income	-	125,010
	<u>1,172,193</u>	<u>1,362,764</u>

9 Creditors: amounts falling due after one year

	2017 £	2016 restated £
Deferred tax – see note 10	1,753,178	1,353,850
	<u>1,753,178</u>	<u>1,353,850</u>

10 Deferred tax liability

	2017 £	2016 restated £
Revalued investments		
Brought forward	1,353,850	1,268,167
Charge for the year	243,174	85,683
	<u>1,597,024</u>	<u>1,353,850</u>
Deferred tax: revalued investments	1,597,024	1,353,850
Compulsory purchase of Walkden House		
Brought forward	-	-
Charge for the year	156,154	-
	<u>156,154</u>	<u>-</u>
Deferred tax: Walkden House	156,154	-
Total deferred tax	<u>1,753,178</u>	<u>1,353,850</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

11 Analysis of bank balances and cash

	2017 £	2016 £
Main Fund	17,603,689	341,213
Political Fund	(77,837)	(34,978)
Balances at Branches, Self Organised Groups and Divisional Councils	74,918	32,322
	<u>17,600,770</u>	<u>338,557</u>

12 Post year end events

Following the year ended 31 December 2017, the Transport Salaried Staffs' Association purchased new office space to replace Walkden House following the compulsory purchase. Proceeds of the Purchase of Walkden House were used to fund this acquisition, alongside investment funds.

13 Related party transactions

There are no related party transactions to disclose for 2017 (2016: none).

14 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Equipment 2017 £	2016 £
Less than one year	<u>156,000</u>	<u>-</u>
	<u>156,000</u>	<u>-</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

15 Defined benefit pension scheme asset

The disclosures below have been prepared for the Transport Salaried Staffs' Association (the "Association") in relation to benefits payable from the Transport Salaried Staffs' Association Staff Pension Scheme (the "Scheme").

The Scheme is a funded scheme of the defined benefit type, providing retirement benefits based on salary and career averaged revalued earnings. The Scheme has assets held in a separately administered fund managed by a Management Committee. The Association and Management Committee have agreed a funding plan to ensure the Scheme is sufficiently funded to meet current and future obligations. A formal schedule of contributions was drawn up on 1 November 2017 whereby the Association will pay 19.5% of pensionable salary for five years from November 2017 to cover accrual of benefits for future service.

Association contributions to the Scheme in 2018 are estimated to be £391k. Additional Association contributions may be required if there are any augmentations during the year.

The valuation used for FRS 102 disclosures has been based on a full assessment of the liabilities of the Scheme as at 31 December 2016, with the results rolled forward in an approximate manner to 31 December 2017 allowing for benefits paid and actual increases to members' benefits over this period. 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.

The principal assumptions used to calculate the liabilities under FRS 102 are set out below:

Main assumptions

	31 December 2017 %p.a.	31 December 2016 %p.a.	31 December 2015 %p.a.
Profit on sale of Walkden House			
RPI inflation	3.60	3.70	3.50
CPI inflation	2.60	2.70	2.50
Rate of general long-term increase in salaries	4.60	4.70	4.50
Rate of increase to pensions in payment (in excess of GMP)	3.60	3.70	3.50
Discount rate for Scheme liabilities	2.60	2.80	4.00
Longevity for member currently aged 60			
▪ male	87	88	88
▪ female	89	90	90
Longevity for member reaching 60 in 20 years			
▪ male	89	90	90
▪ female	91	92	92

Sensitivities of assumptions

The table below provides information on the sensitivity of the defined benefit obligation to changes to the most significant actuarial assumptions. The table shows the impact of changes to each assumption in isolation although, in practice, changes to assumptions may occur at the same time and can either offset or compound the overall impact on the defined benefit obligation. These sensitivities have been calculated using the same methodology as used for the main calculations, and there has been no change since the previous period to the method and assumptions used in preparing the sensitivity analysis. The weighted average duration of the defined benefit obligation is 22 years.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Percentage change to Defined Benefit Obligation

Assumption	Change to assumption	
	Increase by 0.25%p.a.	Decrease by 0.25% p.a.
Discount rate	-5%	+5%
Inflation*	+5%	-5%

* Please note that this change in inflation allows for corresponding changes to salary increases, deferred revaluation and pension increase assumptions.

Our calculations

An increase of one year in the assumed life expectancy for both males and females would increase the Defined Benefit Obligation by 3%.

Fair value of assets

	Value at 31 December 2017 (£K)	Value at 31 December 2016 (£K)	Value at 31 December 2015 (£K)
Equities	18,427	19,791	15,832
Index-linked bonds	25,695	23,735	18,660
Other	2,394	88	93
Total	46,516	43,614	34,585

Reconciliation of funded status to balance sheet

	Value at 31 December 2017 (£K)	Value at 31 December 2016 (£K)
Fair value of Scheme assets	46,516	43,614
Present value of funded defined benefit obligations	42,804	42,430
Surplus	3,712	1,184
Surplus not recoverable in the future	-	-
Asset recognised on the balance sheet	3,712	1,184

Analysis of profit and loss

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Current service cost	746	605
Administration expenses	216	184
Net interest cost	(40)	(80)
Expense recognised in profit and loss	922	709

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Changes to the present value of the defined benefit obligation

	Value at 31 December 2017 (£K) £	Value at 31 December 2016 (£K) £
Opening defined benefit obligation	42,430	32,878
Current service cost	746	605
Expenses	216	184
Interest cost	1,167	1,292
Contributions by Scheme participants	163	169
Remeasurement (gains) / losses		
Actuarial (gains)/losses on Scheme liabilities in respect of assumptions	(939)	9,518
Actuarial losses/(gains) on Scheme liabilities in respect of experience	521	(1,026)
Net benefits paid out	(1,500)	(1,190)
Closing defined benefit obligation	<u>42,804</u>	<u>42,430</u>

Changes to the fair value of Scheme assets

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Opening fair value of Scheme assets	43,614	34,585
Interest income on Scheme assets	1,208	1,371
Remeasurement (losses)/gains		
Return on Scheme assets less interest income	2,658	8,271
Contributions by the Association	373	408
Contributions by Scheme participants	163	169
Net benefits paid out	(1,500)	(1,190)
Closing fair value of Scheme assets	<u>46,516</u>	<u>43,614</u>

Analysis of amounts recognised in the other comprehensive income

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Return on Scheme assets less interest income	2,658	8,271
Gains/(losses) on assumptions	939	(9,518)
Experience gains on Scheme liabilities	(521)	1,026
Total gain / (loss)	<u>3,076</u>	<u>(221)</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Actual return on Scheme assets

	Year ending 31 December 2017 (£K)	Year ending 31 December 2016 (£K)
Interest Income on Scheme assets	1,208	1,371
Return on Scheme assets less interest income	2,658	8,271
Total return on Scheme assets	<u>3,866</u>	<u>9,642</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

16 Prior year adjustment

Restated funds

	31 December 2016 £	1 January 2016 £
Funds previously reported	25,013,308	24,850,570
Prior year adjustment		
Increase in deferred tax creditor-2015	(1,268,167)	(1,268,167)
Increase in deferred tax creditor-2016	(85,683)	-
	<u>(1,353,850)</u>	<u>(1,268,167)</u>
Funds restated after prior year adjustment	<u><u>23,659,458</u></u>	<u><u>23,582,403</u></u>

The prior year adjustment relates to a recalculation of the deferred tax liability for unrealised gains on investments.

2016 figures have also been restated to allocate additional central fund costs to the Provident Benefit Fund. This restatement has not impacted the overall net movement in funds for the year.

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Appendix A – Analysis of other costs

This appendix does not form part of the audited financial statements.

	2017	2016
	£	£
Business and Campaigns	–	331
Staff Training	134,772	192,916
Information Technology	275,017	72,974
Membership Administration	84,646	7,082
Rent and Office	356,697	139,666
Print and Stationery	77,634	74,435
Post and Carriage	75,785	96,811
Accounting and Audit Fees	107,127	56,707
Other Professional Fees	228,006	101,984
Bank Charges and Interest	28,288	11,875
Legal Expenses	182,731	192,986
Other Affiliations	158,174	140,140
Other Expenses	97,970	153,728
Donations	<u>12,647</u>	<u>13,370</u>
Total	<u>1,819,694</u>	<u>1,255,611</u>

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Appendix B – (deficit) arising on membership

This appendix does not form part of the audited financial statements.

	2017	2016
Total membership income	4,061,639	4,028,876
Other income	18,257	192,743
	<u>4,079,896</u>	<u>4,221,619</u>
Operations cost	2,325,604	1,915,526
Admin costs	3,902,165	3,117,898
	<u>6,227,769</u>	<u>5,033,424</u>
(Deficit) on membership	(2,147,873)	(811,805)

Transport Salaried Staffs' Association

Notes to the financial statements

For the year ended 31 December 2017

Appendix C – Analysis of administration costs

This appendix does not form part of the audited financial statements.

	Central fund £	Branch accounts £	Divisional council £	Self-org groups £	Provident fund £	Benevolent funds £	2017 Total £	2016 Total £
Remuneration and expenses of staff	1,074,694	-	-	-	21,583	-	1,096,277	1,228,768
Stationary	-	-	554	-	-	-	554	346
Expenses of Executive committee	189,354	56,161	1,892	1,408	-	-	248,815	225,304
Other admin:								
Central services	2,092,619	-	-	-	-	-	2,092,619	1,370,346
Grants	-	-	-	-	-	5,150	5,150	6,250
Events & travel	-	-	-	4,545	-	-	4,545	111
Provident benefit fund admin charge	-	-	-	-	504,957	-	504,957	44,558
Self organised group fund	-	-	-	542	-	-	542	33
Branch account other expenses	-	4,073	-	-	-	-	4,073	5,021
Divisional councils organising	-	-	1,888	-	-	-	1,888	1,727
Depreciation	275,392	-	-	-	-	-	275,392	275,392
Land and buildings outgoings	167,750	-	-	-	-	-	167,750	169,702
Total administrative costs 2017	3,799,809	60,234	4,334	6,495	526,540	5,150	4,402,562	3,327,558
Total administrative costs 2016	3,175,734	65,339	5,917	387	73,931	6250		3,327,558

Transport Salaried Staffs' Association

Branches and Members

For the year ended 31 December 2017

		Branches	Members			Branches	Members
Dec-31	1897	12	297	Dec-31	1957	424	88,218
"	1898	12	220	"	1958	423	87,322
"	1899	20	1,031	"	1959	421	84,748
"	1900	28	1,550	"	1960	420	86,830
"	1901	43	2,473	"	1961	427	87,079
"	1902	48	3,019	"	1962	423	85,928
"	1903	53	4,034	"	1963	421	83,723
"	1904	59	4,666	"	1964	416	78,896
"	1905	67	4,129	"	1965	402	75,045
"	1906	86	6,277	"	1966	362	72,355
"	1907	120	10,114	"	1967	346	70,970
"	1908	114	8,043	"	1968	329	70,259
"	1909	124	8,457	"	1969	315	69,346
"	1910	132	9,476	"	1970	312	75,188
"	1911	173	16,903	"	1971	304	75,163
"	1912	191	19,151	"	1972	302	73,190
"	1913	212	25,791	"	1973	294	71,690
"	1914	233	29,394	"	1974	295	71,305
"	1915	259	42,654	"	1975	292	74,292
"	1916	277	49,036	"	1976	294	73,842
"	1917	293	58,661	"	1977	297	72,768
"	1918	355	71,441	"	1978	296	72,070
"	1919	427	84,337	"	1979	299	72,659
"	1920	478	87,054	"	1980	295	70,901
"	1921	478	60,264	"	1981	294	66,763
"	1922	464	51,137	"	1982	282	60,215
"	1923	464	57,482	"	1983	278	56,476
"	1924	467	62,526	"	1984	258	52,116
"	1925	469	66,130	"	1985	242	49,126
"	1926	455	54,795	"	1986	233	45,824
"	1927	447	50,208	"	1987	227	43,560
"	1928	448	52,227	"	1988	226	39,795
"	1929	444	54,347	"	1989	221	38,435
"	1930	444	59,473	"	1990	215	38,909
"	1931	443	59,158	"	1991	210	40,030
"	1932	442	58,964	"	1992	205	40,874
"	1933	444	57,968	"	1993	200	39,234
"	1934	435	58,677	"	1994	193	36,933
"	1935	430	60,059	"	1995	183	35,414
"	1936	432	60,931	"	1996	176	33,636
"	1937	433	62,365	"	1997	169	31,132
"	1938	435	64,106	"	1998	170	30,671
"	1939	438	64,389	"	1999	204	31,088
"	1940	435	69,877	"	2000	201	31,494
"	1941	437	78,387	"	2001	197	31,741
"	1942	435	85,140	"	2002	187	32,345
"	1943	433	87,645	"	2003	184	32,939
"	1944	436	88,815	"	2004	185	32,426
"	1945	439	89,409	"	2005	172	31,356
"	1946	447	87,358	"	2006	168	30,571
"	1947	447	90,351	"	2007	166	29,102
"	1948	459	88,978	"	2008	158	29,079
"	1949	461	86,323	"	2009	152	28,298
"	1950	467	85,216	"	2010	125	26,830
"	1951	460	89,076	"	2011	106	24,662
"	1952	460	91,514	"	2012	105	22,762
"	1953	449	91,157	"	2013	88	21,726
"	1954	431	89,681	"	2014	87	20,671
"	1955	431	87,560	"	2015	89	19,238
"	1956	427	87,767	"	2016	89	18,508