

# Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## Annual Return for a Trade Union

Name of Trade Union:	Affinity				
Year ended:	31 December 2020				
List no:	615T				
Head or Main Office address:	Bedford Heights				
	Brickhill Drive				
	Bedford				
Postcode	MK41 7PH				
Website address (if available)	www.workaffinity.co.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:	Mark V Brown				
Telephone Number:	01234 716005				
Contact name for queries regarding the completion of this return	Emma Stopford				
Telephone Number:	01234 716005				
E-mail:	Emma.Stopford@workaffinity.co.uk				

**Please follow the guidance notes in the completion of this return**

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 0330 109 3602

You should send the annual return to the following email address stating the name of the union in subject:

For Unions based in England and Wales: [returns@certoffice.org](mailto:returns@certoffice.org)

For Unions based in Scotland: [ymw@tcyoung.co.uk](mailto:ymw@tcyoung.co.uk)

# Contents

Trade Union's details.....	1
Return of members.....	2
Change of officers.....	2
Officers in post.....	2a
General fund.....	3
Analysis of income from federation and other bodies and other income.....	4
Analysis of benefit expenditure shown at general fund.....	5
Accounts other than the revenue account/general fund.....	6-8a
Political fund account.....	9-9vii
Analysis of administrative expenses .....	10
Analysis of officials' salaries and benefits.....	11
Analysis of investment income.....	12
Balance sheet as at.....	13
Fixed assets account.....	14
Analysis of investments.....	15
Analysis of investment income (controlling interests).....	16
Summary Sheet.....	17
Summary sheet (Only for Incorporated Bodies).....	17a
Information on Industrial action ballots.....	18-19
Information on Industrial action.....	20-21
Notes to the accounts.....	22
Accounting policies.....	23
Signatures to the annual return.....	23
Checklist.....	23
Checklist for auditor's report.....	24
Auditor's report (continued).....	25
Membership audit certificate.....	i-iii
Guidance on completion.....	26

# 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	8,901		2	141	9,044
Female	14,582			81	14,663
Other					
<b>Total</b>	23,483		2	222	A 23,707

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

23,627

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

119

## Change of Officers

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

Position Held	Name of Officer ceasing to hold Office	Name of Officer Appointed	Date of change

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

# Officers in post

(see note 12)

Please complete list of all officers in post at the end of the year to which this return relates.

Name of Officer	Position held
Neilson Smith	Chairman
Byran Jackson	Deputy Chairman / Treasurer
Peter Munday	Vice Chairman
Mark Brown	General Secretary

# General Fund

(see notes 13 to 18)

	£	£
<b>Income</b>		
<b>From Members:</b> Contributions and Subscriptions		2,134,012
<b>From Members:</b> Other income from members (specify)		
<b>Total other income from members</b>		
<b>Total of all income from members</b>		2,134,012
<b>Investment income (as at page 12)</b>		994
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)		
Total of other income (as at page 4)		
	<b>Total income</b>	2,135,006
	<b>Interfund Transfers IN</b>	
<b>Expenditure</b>		
Benefits to members (as at page 5)		209,213
Administrative expenses (as at page 10)		1,693,118
<b>Federation and other bodies</b> (specify)		
<b>Total expenditure Federation and other bodies</b>		
<b>Taxation</b>		
	<b>Total expenditure</b>	1,902,331
	<b>Interfund Transfers OUT</b>	
	Surplus (deficit) for year	232,675
Amount of general fund at beginning of year		1,086,523
Amount of general fund at end of year		1,319,198

## Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£
<b>Federation and other bodies</b>	
<b>Total federation and other bodies</b>	
<b>Any Other Sources</b>	
<b>Total other sources</b>	
<b>Total of all other income</b>	

## Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		<b>brought forward</b>	209,213
Consultancy	209,213	Advisory Services	
Representation – Non Employment Related Issues		Other Cash Payments	
Communications		Education and Training services	
Dispute Benefits		Negotiated Discount Services	
		Other Benefits and Grants (specify)	
<b>carried forward</b>	209,213	<b>Total (should agree with figure in General Fund)</b>	209,213

(See notes 21 and 23)

Fund 2		Fund Account	
Name:		£	£
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
<b>Total other income as specified</b>			
<b>Total Income</b>			
		Interfund Transfers IN	
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
<b>Total Expenditure</b>			
		Interfund Transfers OUT	
<b>Surplus (Deficit) for the year</b>			
<b>Amount of fund at beginning of year</b>			
<b>Amount of fund at the end of year (as Balance Sheet)</b>			
<b>Number of members contributing at end of year</b>			

Fund 3		Fund Account	
Name:		£	£
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
<b>Total other income as specified</b>			
<b>Total Income</b>			
		Interfund Transfers IN	
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
<b>Total Expenditure</b>			
		Interfund Transfers OUT	
<b>Surplus (Deficit) for the year</b>			
<b>Amount of fund at beginning of year</b>			
<b>Amount of fund at the end of year (as Balance Sheet)</b>			
<b>Number of members contributing at end of year</b>			



(See notes 21 and 23)

<b>Fund 4</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
	Interfund Transfers IN		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	Interfund Transfers OUT		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

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

(See notes 21 and 23)

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

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

(See notes 21 and 23)

Fund 8		Fund Account		
Name:		£	£	
<b>Income</b>	From members			
	Investment income (as at page 12)			
	Other income (specify)			
	<b>Total other income as specified</b>			
	<b>Total Income</b>			
	Interfund Transfers IN			
<b>Expenditure</b>	Benefits to members			
	Administrative expenses and other expenditure (as at page 10)			
		<b>Total Expenditure</b>		
		Interfund Transfers OUT		
	<b>Surplus (Deficit) for the year</b>			
	<b>Amount of fund at beginning of year</b>			
	<b>Amount of fund at the end of year (as Balance Sheet)</b>			
	<b>Number of members contributing at end of year</b>			

Fund 9		Fund Account		
Name:		£	£	
<b>Income</b>	From members			
	Investment income (as at page 12)			
	Other income (specify)			
	<b>Total other income as specified</b>			
	<b>Total Income</b>			
	Interfund Transfers IN			
<b>Expenditure</b>	Benefits to members			
	Administrative expenses and other expenditure (as at page 10)			
		<b>Total Expenditure</b>		
		Interfund Transfers OUT		
	<b>Surplus (Deficit) for the year</b>			
	<b>Amount of fund at beginning of year</b>			
	<b>Amount of fund at the end of year (as Balance Sheet)</b>			
	<b>Number of members contributing at end of year</b>			

## Political fund account

(see notes 24 to 33)

£

£

<b>Political fund account 1</b>		<b>To be completed by trade unions which maintain their own political fund</b>	
	<b>Income</b>		
	Members contributions and levies		
	Investment income (as at page 12)		
Other income (specify)			
		Total other income as specified	
		Total income	

**Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period**

<b>Expenditure A</b> (as at page i)	
<b>Expenditure B</b> (as at page ii)	
<b>Expenditure C</b> (as at page iii)	
<b>Expenditure D</b> (as at page iv)	
<b>Expenditure E</b> (as at page v)	
<b>Expenditure F</b> (as at page vi)	
<b>Non-political expenditure</b> (as at page vii)	
	Total expenditure
	Surplus (deficit) for year
	Amount of political fund at beginning of year
	Amount of political fund at the end of year (as <u>Balance Sheet</u> )
	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 contribute to the political fund

**Political fund account 2 To be completed by trade unions which act as components of a central trade union**

<b>Income</b>	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects(specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
	Amount held on behalf of trade union political fund at beginning of year		
	Amount remitted to central political		
	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		

The following pages 9i to 9vii relate to the Political Fund Account Expenditure

**Political fund account expenditure (a)**

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

Contribution to the funds of, or on the payment of expenses incurred directly or indirectly by a political party
--

Name of political party in relation to which money was expended	Total amount spent during the period £
<b>Total</b>	

**Political fund account expenditure (b)**

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates

Expenditure of money on the provision of any services or property for use by or on behalf of any political party	
Name of political party to which payment was made	Total amount paid during the period
	£
<b>Total</b>	

## **Political fund account expenditure (c)**

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

Expenditure in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office

Title and Date of election	Name of political party/organisation	Name of candidate, organisation or political party (see 33(iii))	£
<b>Total</b>			





**Political fund account expenditure (e)**

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

The expenditure of money on the holding of any conference or meeting by or on behalf of a political party or of any other meeting the main purpose of which is the transaction of business in connection with a political party

Name of political party	£
<b>Total</b>	

## **Political fund account expenditure (f)**

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates

On the production, publication or distribution of any literature, document, film, sound recording or advertisement the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate

Name of organisation or political party	£
<b>Total</b>	

**Expenditure from the political fund not falling within section 72 (1) of the trade union & labour relations (consolidation) act 1992**

**For expenditure not falling within section 72 (1) the required information is-**

(a) the nature of each cause or campaign for which money was expended, and the total amount expended in relation to each one	£

Total expenditure

(b) the name of each organisation to which money was paid (otherwise than for a particular cause of campaign), and the total amount paid to each one	£

Total expenditure

(c) the total amount of all other money expended	£

Total expenditure

**Total of all expenditures**

## Analysis of administrative expenses and other outgoings excluding amounts charged to political fund accounts

(see notes 34 and 35)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		1,261,839
Salaries and Wages included in above	1,068,727	
Auditors' fees		8,100
Legal and Professional fees		74,918
Occupancy costs		46,570
Stationery, printing, postage, telephone, etc.		154,757
Expenses of Executive Committee (Head Office)		67,588
Expenses of conferences		67,588
Other administrative expenses (specify)		
Bank charges and interest		20,251
General expenses		2,884
Computer costs		96,843
Charitable donations		660
<b>Other Outgoings</b>		
Other loans (hire purchase interest)		2,471
Depreciation		41,503
Taxation		113
Profit on disposal of fixed assets		-152,967
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
tretert		
<b>Total</b>		1,693,118
Charged to:	General Fund (Page 3)	1,693,118
<b>Total</b>		1,693,118

## Analysis of officials' salaries and benefits

(see notes 36 to 46 below)

Office held	Gross Salary	Employers N.I. contributions	Benefits			Total
			Pension Contributions	Other Benefits		
				Description	Value	
£	£	£	£	£	£	
Neilson Smith - Chairman	20,000	1,553				21,553
Peter Munday - General Council	19,515	2,162	958	Car allowance	2,500	25,135
Mark Brown - General Secretary	107,770	17,940	12,978	Car allowance	18,000	156,688

# Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			2
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			992
Bank and Building Societies			
Other investment income (specify)			
			994
		Total investment income	994
		Credited to:	
		General Fund (Page 3)	994
		Political Fund	
		Total Investment Funds	994

# Balance sheet as at

31 December 2020

(see notes 49 to 52)

Previous Year		£	£
906,287	Fixed Assets (at page 14)		138,958
	Investments (as per analysis on page 15)		
5,149	Quoted (Market value £ (     4,192     )		5,149
4,700	Unquoted		
	<b>Total Investments</b>		<b>5,149</b>
	<b>Other Assets</b>		
	Loans to other trade unions		
174,344	Sundry debtors		110,746
182,899	Cash at bank and in hand		1,227,858
	Income tax to be recovered		
17,622	Stocks of goods		3,223
	Others (specify)		
	<b>Total of other assets</b>		<b>1,341,827</b>
1,291,001		<b>Total assets</b>	<b>1,485,934</b>
1,086,523	General fund (page 3)		1,319,198
	Political Fund Account		
	<b>Liabilities</b>		
	Amount held on behalf of central trade union political fund		
£371	Tax payable		189
£74,383	Sundry creditors		72,325
£102,421	Accrued expenses		93,761
£27,303	Loans: other		461
		<b>Total liabilities</b>	<b>166,736</b>
£204,478		<b>Total assets</b>	<b>1,485,934</b>
£1,291,001			

## Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
<b>Cost or Valuation</b>						
At start of year	765,000		390,042	172,605		1,327,647
Additions			41,507			41,507
Disposals	-765,000			-24,323		-789,323
Revaluation/Transfers						
At end of year			431,549	148,282		579,831
<b>Accumulated Depreciation</b>						
At start of year			319,873	101,487		421,360
Charges for year			24,307	17,196		41,503
Disposals				-21,990		-21,990
Revaluation/Transfers						
At end of year			344,180	96,693		440,873
<b>Net book value at end of year</b>			87,369	51,589		138,958
<b>Net book value at end of previous year</b>	765,000		70,169	71,118		906,287



# Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Groupo Santander	599	
Lloyds TSB Group Plc Ordinary Shares (25p)	3,955	
NatWest (previously RBS) Ordinary Shares (25p)	595	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	5,149	
Market Value of Quoted Investment	4,192	
Unquoted		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)		
Market Value of Unquoted Investments		



# Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>Income</b>			
From Members	2,134,012		2,134,012
From Investments	994		994
Other Income (including increases by revaluation of assets)			
<b>Total Income</b>	2,135,006		2,135,006
<b>Expenditure</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	1,902,331		1,902,331
<b>Funds at beginning of year</b> (including reserves)	1,086,523		1,086,523
<b>Funds at end of year</b> (including reserves)	1,319,198		1,319,198
<b>Assets</b>			
Fixed Assets			138,958
Investment Assets			5,149
Other Assets			1,341,827
		<b>Total Assets</b>	1,485,934
<b>Liabilities</b>		<b>Total Liabilities</b>	166,736
<b>Net Assets (Total Assets less Total Liabilities)</b>			1,319,198

# Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>Income</b>			
From Members			
From Investments			
Other Income (including increases by revaluation of assets)			
<b>Total Income</b>			
<b>Expenditure</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>			
<b>Funds at beginning of year</b> (including reserves)			
<b>Funds at end of year</b> (including reserves)			
<b>Assets</b>			
Fixed Assets			
Investment Assets			
Other Assets			
		<b>Total Assets</b>	
<b>Liabilities</b>		<b>Total Liabilities</b>	
<b>Net Assets (Total Assets less Total Liabilities)</b>			

**Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet**

(see notes 74 to 80)

<b>Did the union hold any ballots in respect of industrial action during the return period?</b>	<b>No</b>
If Yes How many ballots were held: <input style="width: 50px;" type="text"/>	
For each ballot held please complete the information below:	
<b>Ballot 1</b>	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
<b>Number of votes cast in the ballot</b>	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> <sup>1</sup>
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> <sup>2</sup>
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> <sup>3</sup>
	<b>1-3 should total "Number of votes cast"</b>
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
<b>Ballot 2</b>	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
<b>Number of votes cast in the ballot</b>	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> <sup>1</sup>
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> <sup>2</sup>
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> <sup>3</sup>
	<b>1-3 should total "Number of votes cast"</b>
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
<b>Ballot 3</b>	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
<b>Number of votes cast in the ballot</b>	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> <sup>1</sup>
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> <sup>2</sup>
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> <sup>3</sup>
	<b>1-3 should total "Number of votes cast"</b>
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>

**Ballots & Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet**

**Ballot 4**

Number of individual who were entitled to vote in the ballot

**Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question  1

Number of individuals answering "No" to the question  2

Number of invalid or otherwise spoiled voting papers returned  3

**1-3 should total "Number of votes cast"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

**Ballot 5**

Number of individual who were entitled to vote in the ballot

**Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question  1

Number of individuals answering "No" to the question  2

Number of invalid or otherwise spoiled voting papers returned  3

**1-3 should total "Number of votes cast"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

**Ballot 6**

Number of individual who were entitled to vote in the ballot

**Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question  1

Number of individuals answering "No" to the question  2

Number of invalid or otherwise spoiled voting papers returned  3

**1-3 should total "Number of votes cast"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

**Ballots and Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet**

(see note 81)

**\*Categories of Nature of Trade Dispute**

- A: terms and conditions of employment, or the physical conditions in which any workers require to work;
- B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;
- C: allocation of work or the duties of employment between workers or groups of workers;
- D: matters of discipline;
- E: a worker's membership or non-membership of a trade union;
- F: facilities for officials of trade unions;
- G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

**Did Union members take industrial action during the return period in response to any inducement on the part of the Union? YES/NO**

If **YES**, for each industrial action taken please complete the information below:

**Industrial Action 1**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 2**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 3**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**use a continuation page if necessary**

**Industrial Action 4**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 5**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 6**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 7**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 8**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet**



# Notes to the accounts

(see notes 82 and 83)

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

See attachment "Notes to the financial statements".

## AFFINITY

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020**

**OFFICERS RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS**

In respect of the preparation of financial statements, the Union's Officers are required to prepare financial statements which give a true and fair view of the state of the affairs of the Union at the year end and of the results and cashflows for the year to that date. The officers are also required to ensure that suitable accounting policies are consistently applied, applicable accounting and reporting standards are followed and that the financial statements are prepared on a going concern basis.

The officers are also responsible for maintaining proper accounting records which disclose the financial position of the Union at any time, for safe guarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**1. ACTIVITIES AND ACCOUNTING POLICIES****(a) Activities**

Affinity is the major trade union representing staff working in Lloyds Banking Group and TSB Bank. It also represents members in a wide range of other companies. Its primary function is to provide representation services to these members.

**(b) Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" applicable to entities subject to the small entity regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The entity's functional currency is GBP.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Union's accounting policies (see note 2).

The following principle accounting policies have been applied:

**(c) Income**

Income represents subscriptions receivable from members during the year, income receivable from investments and monies on deposit, and the surplus arising from the trading activities of the Union.

Income is recognized to the extent that it is probable that the economic benefits will flow to the Union and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and other sales taxes. The following criteria must also be met before income is recognised:

Income from subscriptions is recognised in the period in which subscription is due from the member and when all of the following conditions are satisfied:

- the amount of income can be measured reliably
- it is probable that the Union will receive the consideration due under the description

Ancillary services are recognised net of costs due to other services and recognised on an accruals basis.

**(d) Investments**

Fixed asset investments are stated at market value (based in bid market values) as at the balance sheet date.

**(e) Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The estimated working life at the following rates:

Licences & Databases	- 10% pa on cost
----------------------	------------------

## AFFINITY

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020**

**1. ACTIVITIES AND ACCOUNTING POLICIES - CONTINUED****(f) Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Freehold land and buildings are maintained and improved such that the residual values of these properties, based on prices prevailing at the time of acquisition, are at least equal to their book values. Having regard to this, it is the opinion of the Union's Officers that depreciation on any such properties as required by Accounting Standards would not be material.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The estimated working life at the following rates:

Freehold property	- not depreciated
Computers and equipment	- 33% pa on cost
Office equipment	- 20% pa on cost
Motor vehicles	- 25% pa on net book value
Furniture and fittings	- 10% pa on cost

The assets' residual values, useful lives and deprecation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

**(g) Stock**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises of voucher value less discount.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the income and expenditure account.

**(h) Leased assets**

Where assets are financed by leasing agreements that give rights approximating to ownership, the assets are treated as if they had been purchased outright and any finance costs are charged to the income and expenditure account over the purchase period.

All other leases are operating leases, and the annual rentals are charged to the income and expenditure account on a straight line basis over the lease term.

**(i) Debtors**

Short and long term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**(j) Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

## AFFINITY

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

The main areas where judgement and estimates may have a significant effect on the amounts included in the financial statements are:

- Tangible assets – the basis of calculation and assumptions used to perform revaluation and useful economic life of assets used in calculating depreciation.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>as restated</b>
		<b>£</b>
<b>3. OPERATING DEFICIT</b>		
The operating deficit is stated after charging:		
Depreciation of tangible fixed assets	35,688	30,196
Amortisation of intangible fixed assets	5,815	2,067
Auditors remuneration:		
-audit services	8,100	7,750
-non audit services	10,800	12,400
	<u>10,800</u>	<u>12,400</u>
<b>4. EMPLOYEES</b>		
Staff costs were as follows:		
Wages & Salaries	<u>1,261,839</u>	<u>1,294,513</u>
The average monthly number of employees during the year was as follows:		
Administrative	<u>29</u>	<u>34</u>
<b>5. CONTRIBUTIONS FROM MEMBERS</b>		
Subscriptions	2,152,769	2,206,088
Ancillary services	(18,757)	(12,569)
	<u>2,134,012</u>	<u>2,193,519</u>
<b>6. OTHER OPERATIONS</b>		
Dividends and royalties	26	657
	<u>26</u>	<u>657</u>
<b>7. INVESTMENT INCOME</b>		
Interest received on loans	968	1,152
	<u>968</u>	<u>1,152</u>

## AFFINITY

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £ as restated
<b>8. PREMISES, EQUIPMENT AND STAFF</b>		
Staff remuneration and severance	1,261,839	1,294,513
Rent, rates and maintenance	30,085	38,231
Light and heat	13,921	15,971
Equipment hire	3,503	3,208
	<u>1,309,348</u>	<u>1,351,923</u>
<b>9. ADMINISTRATION</b>		
Printing, stationery and publications	49,971	67,674
Committee and travelling expenses	125,800	201,540
Postage	29,375	29,108
Telephone	71,907	89,460
Computer costs	96,843	91,807
Bank charges and interest	20,251	22,344
Insurance	21,128	12,810
Lease and hire purchase interest	2,471	3,110
Sundry expenses	1,332	3,411
Charitable donations	660	-
	<u>419,738</u>	<u>521,264</u>
<b>10. DEPRECIATION</b>		
Amortisation on intangible fixed assets	5,815	2,067
Depreciation on tangible fixed assets	35,688	30,196
	<u>41,503</u>	<u>32,263</u>

## AFFINITY

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

## 11. TAXATION

The Union is not subject to taxation on its normal activities, but is taxable in respect of any profits arising from its trading activities and on its investment income. Provision has been made in the accounts in respect of corporation tax due as follows:

	2020	2019
	£	£
<b>Current tax</b>		
UK corporation tax on surplus for the year	189	371
Adjustments in respect of prior years	(76)	-
<b>Total current tax</b>	<u>113</u>	<u>371</u>

The tax assessed for the year is lower (2019 – lower) than the standard rate of corporation tax in the UK. The differences are explained below

Surplus/(Deficit) on ordinary activities before tax	<u>232,788</u>	<u>(16,232)</u>
(Deficit)/Surplus on ordinary activities at standard rate of corporation tax in the UK of 19% (2019 – 19%)	<u>-</u>	<u>-</u>
Effects of :		
Surplus chargeable to corporation tax	189	371
Other tax adjustments	<u>(76)</u>	<u>-</u>
	113	371
<b>Current Tax Charge for year</b>	<u>113</u>	<u>371</u>

No deferred tax has been accounted for as it is immaterial.

## AFFINITY

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020

12. INTANGIBLE FIXED ASSETS	as restated	
	Licences & Databases £	Total £
<b>COST</b>		
1 January 2020	45,313	45,313
Additions	23,195	23,195
Disposals	-	-
31 December 2020	<u>68,508</u>	<u>68,508</u>
<b>AMORTISATION &amp; IMPAIRMENT</b>		
1 January 2020	4,505	4,505
Disposals	-	-
Charge for year	5,815	5,815
31 December 2020	<u>10,320</u>	<u>10,320</u>
<b>NET BOOK VALUE</b>		
31 December 2020	<u>58,188</u>	<u>58,188</u>
31 December 2019	<u>40,808</u>	<u>40,808</u>

13. TANGIBLE FIXED ASSETS	as restated					
	Freehold Property £	Computer Equipment £	Office Equipment £	Motor Vehicles £	Furniture & Fittings £	Total £
<b>COST</b>						
1 January 2020	765,000	180,423	25,262	172,605	139,044	1,282,334
Additions	-	18,014	298	-	-	18,312
Disposals	(765,000)	-	-	(24,323)	-	(789,323)
31 December 2020	<u>-</u>	<u>198,437</u>	<u>25,560</u>	<u>148,282</u>	<u>139,044</u>	<u>511,323</u>
<b>DEPRECIATION</b>						
1 January 2020	-	155,363	24,833	101,487	135,172	416,855
Disposals	-	-	-	(21,990)	-	(21,990)
Charge for year	-	17,528	350	17,196	614	35,688
31 December 2020	<u>-</u>	<u>172,891</u>	<u>25,183</u>	<u>96,693</u>	<u>135,786</u>	<u>430,553</u>
<b>NET BOOK VALUE</b>						
31 December 2020	<u>-</u>	<u>25,546</u>	<u>377</u>	<u>51,589</u>	<u>3,258</u>	<u>80,770</u>
31 December 2019	<u>765,000</u>	<u>25,060</u>	<u>429</u>	<u>71,118</u>	<u>3,872</u>	<u>865,479</u>

The net book value of tangible fixed assets includes £48,575 (2019- £64,766) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £16,192 (2019- £21,589) for the year.

## AFFINITY

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
<b>14. INVESTMENTS</b>		
Listed investments at cost	5,149	5,149
[Market Value £4,192 (2019- £6,595)]		
Unlisted investments at cost	-	4,700
	<u>5,149</u>	<u>9,849</u>
<b>15. DEBTORS AND PREPAYMENTS</b>		
Prepayments and accrued income	20,058	30,909
Other debtors	90,688	143,435
	<u>110,746</u>	<u>174,344</u>
Included within other debtors are amounts due after one year totalling £27,200 (2019- £34,789), all amounts are recoverable.		
<b>16. CASH AT BANK AND IN HAND</b>		
Bank current account	1,227,702	182,743
Cash in hand	156	156
	<u>1,227,858</u>	<u>182,899</u>
<b>17. CREDITORS - due within one year</b>		
Creditors and accruals	93,761	93,327
Obligations under hire purchase and finance leases	461	26,842
Other creditors	72,325	83,477
Corporation tax	189	371
	<u>166,736</u>	<u>204,017</u>
<b>18. CREDITORS - due after more than one year</b>		
Obligations under hire purchase and finance leases	-	461
	<u>-</u>	<u>461</u>
<b>19. ACCUMULATED FUND</b>		
Balance at 1 January 2020	1,086,523	1,103,126
Surplus/(Deficit) for the year previously reported	232,675	(42,267)
Prior year adjustment	-	25,664
	<u>1,319,198</u>	<u>1,086,523</u>
<b>20. OPERATING LEASE COMMITMENTS</b>		
At the reporting end date, the union had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:		
Total lease commitments	<u>18,862</u>	<u>33,742</u>



## AFFINITY

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020

	As previously reported	Adjustment	As restated 31 December 2019
	£	£	£
<b>21 PRIOR YEAR ADJUSTMENT</b>			
<b>Reconciliation of balance sheet for previous financial period</b>			
Intangible fixed assets	17,514	23,294	40,808
Fixed assets	863,109	2,370	865,479
Net assets	<u>880,623</u>	<u>25,664</u>	<u>906,287</u>
Accumulated fund	1,103,126	(25,664)	1,086,523
Total Accumulated fund	<u>1,103,126</u>	<u>(25,664)</u>	<u>1,086,523</u>

	<b>2019</b>
<b>Reconciliation of changes in deficit for previous financial period</b>	
Administration expenses	38,230
Depreciation	(12,566)
Total adjustments	<u>25,664</u>
Deficit as previously reported	(42,267)
Deficit as adjusted	<u>(16,603)</u>

A prior year adjustment has been made in the current financial statements to reflect computer costs and related depreciation and amortisation incorrectly not previously capitalised. The net effect on reserves brought forward is an increase of £25,664.

**22. RELATED PARTY TRANSACTIONS****Transactions with people with significant control or influence:**

- (a) During the year the Union paid a salary of £20,000 (2019: £20,000) to Mr Neilson Smith in his capacity as Chairman of the Union.
- (b) During the year the Union paid a salary of £22,973 (2019: £35,583) to Mr Peter Munday, a member of the general council, in his capacity for the advice team and administrative work as required.

No other members of the General Purpose Committee received remuneration during the year.

**Transactions with people with key management personnel:**

- (a) In the prior year the Union made a loan in the year of £3,000 to Mr Mark Brown, the General Secretary, which bears no interest.  
The balance due from Mr Mark Brown at the year-end was £1,307 (2019: Owed to Mr Mark Brown £1,779). The Union made repayments in the year totalling £3,086
- (b) Amounts paid to Plus Insurance Limited totalling £106,233 (2019: £107,291) were made in the year, a company controlled by a key management personnel.

**AFFINITY****NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020****22. BUSINESS REVIEW**

In 2014 the Union had to decide whether to accept 'sweetheart deals' with Lloyds and TSB banks, which it knew would place it under the control of those employers and make it impossible to provide independent representation to its members or to resist the pressure from these banks and suffer so-called de-recognition. The Union chose the path of independence and since 2014 had had a number of major victories in legal actions and in direct campaigns in the two banks.

It became obvious then that contraction in the number of bank branches, efficiency initiatives and the outsourcing of central functions, aggravated by the capture of synergetic benefits in the Lloyds Banking Group would have a material effect of the Union's membership. Thus the Union's membership base needed to diversify; digital technology, in which the union had invested heavily, needed to drive a reduction in its operating costs and the Union need to reduce its dependence on external legal and other expertise in key areas.

The realisation of these goals was achieved in 2021, at the end of which some 20% of members worked outside banks. Digitisation of the Union's communications is now largely complete and the vast majority of the Union's legal and technology work is carried out internally. This has had a significant, beneficial effect on costs.

It is impossible to report on 2020 without mentioning the effects of Covid-19. In January 2020 the Union moved all but a handful to staff to home working to mitigate the predictable effects of the virus. The shift from office working allowed the Union to accelerate the sale of its Bedford office, built originally to house a much larger staff, working pre-digitally and the move to new premises. By the end of 2020, all staff were working from home and this model will be operated post-Covid. The move has freed up funds and reduced costs significantly.

Operationally, Covid-19 has had limited adverse effect on the Union. The most obvious impact has been in the field of individual representation where most employers have reflected Government policy by moving meetings to video formats such as Zoom or written processes. Conducting cases either by video or in writing has been essential because of Covid-19 and may still be appropriate in cases after restrictions are lifted, provided suitable arrangements can be agreed with employers.

Individually, the union had to contest less Employment Tribunal cases in 2020 but still represented members in some 3,200 cases in business that included banking, insurance, the NHS, education, the services sector and even the funeral industry.

Collectively, Affinity remains the only independent trade union in Lloyds and TSB and as the largest union in those banks, even without collective recognition, we remain the driver of a campaigning agenda inside and outside the banks and with politicians, press and regulators. The loss of traditional trade union 'recognition' by Lloyds and TSB has done nothing to weaken the Union's effectiveness not least because Affinity is free from the employer control that a sweetheart deal would have entailed. The Union drives the industrial relations agenda in Lloyds and TSB.

In the second part of the most important pension case in 30 years, the High Court ruled that Lloyds Banking Group pension schemes are legally responsible for equalising the guaranteed minimum pensions for those men and women who transferred out of one of the schemes. Of the 270 transfers looked at by the High Court, 147 needed to be topped up. The average top-up payment was £3,900, with the largest being £23,000. We estimate that half of the 30,000 members who have left one of the Lloyds schemes will be affected by the High Court judgement. Across the economy we estimate that 500,000 members of defined benefit pension schemes will benefit from the outcome of our legal victory.

# Accounting policies



(see notes 84 and 85)

See attachment "Notes to the financial statements".

## Signatures to the annual return

(see notes 86 & 87)

**Including the accounts and balance sheet contained in the return. Please copy and paste your electronic signature here**

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:	Mark Brown	Name:	Neilson Smith
Date:	24 May 2021	Date:	24 May 2021

## Checklist

(see notes 88 to 89)

(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2 and Note 12)	Yes	<b>X</b>	No	
Has the list of officers in post been completed? (see Page 2 and Note 12)	Yes	<b>X</b>	No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes	<b>X</b>	No	
Has the auditor's report been completed? (see Pages 20 and 21 and Notes 2 and 77)	Yes	<b>X</b>	No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes	<b>X</b>	No	
A member statement is: (see Note 80)	Enclosed	<b>X</b>	To follow	
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	<b>X</b>	To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes	<b>X</b>	No	

# Checklist for auditor's report

(see notes 90 and 96)

**The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.**

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 related? (See section 36(1) and (2) of the 1992 Act and notes 92 and 93)

Please explain in your report overleaf or attached.

2. 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 note 92)

Please explain in your report overleaf or attached

3. Your auditors or auditor must include in their report the following wording:

**In our opinion the financial statements:**

- **give a true and fair view of the matters to which they relate to.**
- **have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.**

**Auditor's report (continued)**

See attached

Signature(s) of auditor or auditors:

*Paul Tucker*

Name(s):

Croucher Needham (Essex) LLP

Profession(s) or Calling(s):

Chartered Certified Accountant

Address(es):

Market House

10 Market Walk

Saffron Walden

Essex

Postcode

CB10 1JZ

Date

27-May-21

Contact name for inquiries and telephone number:

Paul Tucker - 01799 521301

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

## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AFFINITY

### Opinion

We have audited the financial statements of Affinity for the year ended 31 December 2020, which comprise the income and expenditure account, balance sheet, cashflow statement and notes to the financial statements, 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 year ending 31 December 2020 and of its surplus or the year ended 31 December 2020;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

### 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

In auditing the financial statements, we have concluded that the officers use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the union's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the officer with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The officers are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AFFINITY (CONTINUED)

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

In the light of the knowledge and understanding of the union and its environment obtained in the course of the audit, we have not identified material misstatements in the officer's report.

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- the revenue account to which our report relates, and the balance sheet are not in agreement with the books of account of the union; or
- we have not received all the information and explanations we require for our audit; or
- certain disclosures within the form AR21 of Officers' remuneration specified by law are not made.

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

### Responsibilities of the Union's Officers

As explained more fully in the officer's responsibilities statement, the officers 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 officer determines 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 officer is responsible for assessing the union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the officer either intends to liquidate the union or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and 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.

### Irregularities including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

There are inherent difficulties in detecting instances of fraud and non-compliance with laws and regulations. The objective of our audit in relation to irregularities, including fraud, is to design and apply appropriate audit procedures based on a comprehensive assessment of the relevant risks. Audit procedures covering all identified risks were performed and the Union maintains a strong control environment, minimizing the risk of failure to detect irregularities.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with applicable laws and regulations and for the prevention and detection of fraud. It was identified that the way in which fraud might occur would be through management override of controls made possible by limited segregation of duties, or through collusion.

## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AFFINITY (CONTINUED)

### Irregularities including Fraud (continued)

We assessed the risks of material misstatement in respect of fraud through a combination of enquiries of key management and those charged with governance, analytical review of the financial information provided and discussion with the audit engagement team of the areas that would be most susceptible to fraud.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity through enquiries of management and consideration of the nature of the industry and sector. It was determined that the most significant are those that relate to:

- The Trade Union and Labour Relations (Consolidation) Act 1992;
- FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice);

The audit engagement team identified the risk of non-identification of related party transactions as the area where the financial statements were most susceptible to material misstatement due to fraud.

Based on the results of our risk assessment we designed audit procedures to identify fraud or non-compliance with such laws and regulations identified above. The relevant audit procedures performed included, but weren't limited to:

- enquiry of key management and those charged with governance around actual and potential litigation and claims, and corroborating the responses;
- the review of related parties and the identification of any transactions;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

### Use of our report

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

*Croucher Needham (Essex) LLP*

**PAUL TUCKER (SENIOR STATUTORY AUDITOR)  
FOR AND ON BEHALF OF CROUCHER NEEDHAM (ESSEX) LLP  
CHARTERED CERTIFIED ACCOUNTANTS  
STATUTORY AUDITOR**

*27/5/2021*  
**Market House  
10 Market Walk  
Saffron Walden  
Essex  
CB10 1JZ**



## Membership audit certificate

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

(See notes 97 to 103)

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

**Yes**

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

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

## Membership audit certificate

### Section one

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

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

**Yes**

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

**Yes**

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

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

Membership audit certificate (continued)

Signature of assurer	<i>Paul Tucker</i>
Name	Paul Tucker on behalf of Croucher Needham (Essex) LLP
Address	Market House, 10 Market Walk, Saffron Walden, Essex, CB10 1JZ
Date	27-May-21
Contact name and telephone number	Paul Tucker - 01799 521301

## Membership audit certificate

### Section two

For a trade union with no **more than 10,000 members** at the end of the reporting period preceding the one to which this audit relates.

To the best of your knowledge and belief has the trade union during this reporting period complied with its duty to compile and maintain a register of the names and addresses of its members and secured, so far as is reasonably practicable, that the entries in the register are accurate and up-to-date?

N/A

If "No" Please explain below:

[Large greyed-out area for explanation]

Signature	
Name	
Office held	
Date	



# Document

Double-click on icon to open guidance