

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 2022				
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 type="checkbox"/>	No	<input checked="" 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:

returns@certoffice.org

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
	19,041		4	307	19,352
Total	19,041		4	307	A 19,352

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

18,904

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

85

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
Vice Chairman	Peter Munday	Rhonda Barnes	01 June 2022
Treasurer	Bryan Jackson	Gary Fullbrook	01 June 2022

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

General Fund

(see notes 13 to 18)

	£	£
Income		
From Members: Contributions and Subscriptions		1,895,882
From Members: Other income from members (specify)		
Anciliary services		692,277
Total other income from members		692,277
Total of all income from members		2,588,159
Investment income (as at page 12)		77,412
Other Income		
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)		
Total income		2,665,571
Interfund Transfers IN		
Expenditure		
Benefits to members (as at page 5)		958,363
Administrative expenses (as at page 10)		1,610,932
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		
Taxation		
Total expenditure		2,569,295
Interfund Transfers OUT		
Surplus (deficit) for year		96,276
Amount of general fund at beginning of year		1,733,203
Amount of general fund at end of year		1,829,479

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	
Any Other Sources	
Total other sources	
Total of all other income	

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	243,061
Consulting	243,061	Advisory Services	
		Other Cash Payments	
Representation – Non Employment Related Issues		Education and Training services	
		Negotiated Discount Services	
Communications		Other Benefits and Grants (specify)	
		Ancillary services	715,302
Dispute Benefits			
carried forward	243,061	Total (should agree with figure in General Fund)	958,363

(See notes 21 and 23)

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

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

(See notes 21 and 23)

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

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

(See notes 21 and 23)

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

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

(See notes 21 and 23)

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

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

Political fund account

(see notes 24 to 33)

£

£

Political fund account 1				To be completed by trade unions which maintain their own political fund			
Income		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

Expenditure A (as at page i)			
Expenditure B (as at page ii)			
Expenditure C (as at page iii)			
Expenditure D (as at page iv)			
Expenditure E (as at page v)			
Expenditure F (as at page vi)			
Non-political expenditure (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

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					
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 £
Total	

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
	£
Total	

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))	£
Total			

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	£
Total	

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	£
Total	

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)

		£
Administrative Expenses		
Remuneration and expenses of staff		1,085,519
Salaries and Wages included in above	1,080,394	
Auditors' fees		9,390
Legal and Professional fees		58,595
Occupancy costs		21,349
Stationery, printing, postage, telephone, etc.		74,471
Expenses of Executive Committee (Head Office)		50,614
Expenses of conferences		50,614
Other administrative expenses (specify)		
Bank charges and interest		18,197
General expenses		6,990
Computer costs		117,114
Hire purchase interest		297
Other Outgoings		
Depreciation		30,690
Taxation		1,570
(Profit)/Loss on disposal of fixed assets		-4,976
(Profit)/Loss on disposal of financial investments		90,047
Interest on overdue taxation		451
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Total		1,610,932
Charged to:	General Fund (Page 3)	1,610,932
Total		1,610,932

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	20,313	1,637	422		22,372	
Peter Munday - General Council (Resigned 31/5/2022)						
Rhonda Barnes - General Council	7,211	234			7,445	
Mark Brown - General Secretary	110,778	19,731	14,299	Car allowance	21,000	165,808

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)			76,348
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			593
Other investment income (specify)			
Interest on loans			471
			77,412
		Total investment income	77,412
		Credited to:	
		General Fund (Page 3)	77,412
		Political Fund	
		Total Investment Funds	77,412

Balance sheet as at

31 December 2022

(see notes 49 to 52)

Previous Year		£	£
111,004	Fixed Assets (at page 14)		168,915
1,294,844	Investments (as per analysis on page 15)		
	Quoted (Market value £ (1,370,150))		1,370,150
	Unquoted		
	Total Investments		1,370,150
	Other Assets		
	Loans to other trade unions		
98,718	Sundry debtors		124,496
380,297	Cash at bank and in hand		342,087
	Income tax to be recovered		
23,011	Stocks of goods		13,910
	Others (specify)		
	Total of other assets		480,493
		Total assets	2,019,558
1,733,203	General fund (page 3)		1,829,479
	Political Fund Account		
	Liabilities		
	Amount held on behalf of central trade union political fund		
20,463	Tax payable		22,336
87,403	Sundry Creditors		69,949
66,805	Accrued expenses		73,795
	Hire purchase		23,999
	Total liabilities		190,079
		Total assets	2,019,558

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year			455,850	97,845		553,695
Additions			46,078	60,914		106,992
Disposals			-307,912	-80,720		-388,632
Revaluation/Transfers						
At end of year			194,016	78,039		272,055
Accumulated Depreciation						
At start of year			369,558	73,133		442,691
Charges for year			22,563	8,124		30,687
Disposals			-305,260	-64,978		-370,238
Revaluation/Transfers						
At end of year			86,861	16,279		103,140
Net book value at end of year			107,155	61,760		168,915
Net book value at end of previous year			86,292	24,712		111,004

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Groupo Santander	548	
Lloyds TSB Group PLC Ordinary Shares (25p)	2,804	
NatWest Ordinary Shares (25p)	2,320	
Killick & Co	1,364,478	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	1,370,150	
Market Value of Quoted Investment	1,370,150	
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		

Analysis of investment income (controlling interests)

(see notes 60 and 61)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?

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

If YES name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)

Are the shares which are controlled by the union registered in the names of the union's trustees?

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

If NO, state the names of the persons in whom the shares controlled by the union are registered.

Company name	Names of shareholders

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds	Political Funds £	Total Funds £
Income			
From Members	2,588,159		2,588,159
From Investments	77,412		77,412
Other Income (including increases by revaluation of assets)			
Total Income	2,665,571		2,665,571
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	2,569,295		2,569,295
Funds at beginning of year (including reserves)	1,733,203		1,733,203
Funds at end of year (including reserves)	1,829,479		1,829,479
Assets			
Fixed Assets			168,915
Investment Assets			1,370,150
Other Assets			480,493
		Total Assets	2,019,558
Liabilities		Total Liabilities	190,079
Net Assets (Total Assets less Total Liabilities)			1,829,479

Summary sheet

(see notes 62 to 73)

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

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

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?	No
If Yes How many ballots were held: <input style="width: 50px;" type="text"/>	
For each ballot held please complete the information below:	
Ballot 1	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> 1
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> 2
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> 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	<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"/>
Ballot 2	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> 1
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> 2
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> 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	<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"/>
Ballot 3	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> 1
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> 2
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> 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	<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 2022

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

(b) 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.

(c) Investments

Fixed asset investments, which consist of investments in quoted shares, traded bonds and similar investments, are initially valued at cost and then subsequently at fair value (their market value) at the year end.

Any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year are recognised within the income and expenditure account.

(d) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The company has no bank loans or other more complex financial instruments that require measurement at amortised cost using the effective interest method.

(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 (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

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.

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:

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 depreciation 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.

(k) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(l) Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

AFFINITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

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.

	2022	2021
	£	as restated £
3. OPERATING DEFICIT		
The operating surplus is stated after charging:		
Depreciation of tangible fixed assets	21,822	27,338
Amortisation of intangible fixed assets	8,868	7,749
Auditors remuneration:		
-audit services	9,390	8,340
-non audit services	15,214	8,660
	<u>15,214</u>	<u>8,660</u>
4. EMPLOYEES		
Staff costs were as follows:		
Wages & Salaries	<u>1,085,519</u>	<u>1,193,255</u>
The average monthly number of employees during the year was as follows:		
Administrative	<u>17</u>	<u>19</u>
5. CONTRIBUTIONS FROM MEMBERS		
Subscriptions	1,895,882	2,033,773
Ancillary services	692,277	633,648
	<u>2,588,159</u>	<u>2,667,421</u>
6. INVESTMENT INCOME		
Dividends and royalties	76,348	26,788
Bank interest	593	128
Interest received on loans	471	787
	<u>77,412</u>	<u>27,703</u>

AFFINITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
7. PREMISES, EQUIPMENT AND STAFF		
Staff remuneration and severance	1,085,519	1,193,255
Rent, rates and maintenance	7,997	(6,472)
Light and heat	861	7,600
Equipment hire	-	(438)
	<u>1,094,377</u>	<u>1,193,945</u>
8. ADMINISTRATION		
Printing, stationery and publications	20,826	19,066
Committee and travelling expenses	101,228	99,286
Postage	13,302	21,273
Telephone	40,343	45,919
Computer costs	117,114	99,928
Bank charges and interest	18,197	19,814
Insurance	12,491	19,190
Lease and hire purchase interest	297	-
Sundry expenses	6,990	6,136
	<u>330,788</u>	<u>330,612</u>
9. DEPRECIATION		
Amortisation on intangible fixed assets	8,868	7,749
Depreciation on tangible fixed assets	21,822	27,338
	<u>30,690</u>	<u>35,087</u>
10. ANCILLARY SERVICES SURPLUS/(DEFICIT)		
Ancillary services income	692,277	633,648
Ancillary services expenditure	(715,302)	(659,913)
	<u>(23,025)</u>	<u>(26,265)</u>

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:

	2022	2021
	£	£
Current tax		
UK corporation tax on surplus for the year	1,300	20,463
Adjustments in respect of prior years	270	-
Total current tax	<u>1,570</u>	<u>20,463</u>

AFFINITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

12. INTANGIBLE FIXED ASSETS

	Licences & Databases	Total
	£	£
COST		
1 January 2022	80,505	80,505
Additions	40,091	40,091
31 December 2022	<u>120,596</u>	<u>120,596</u>
AMORTISATION & IMPAIRMENT		
1 January 2022	18,069	18,069
Charge for year	8,867	8,867
31 December 2022	<u>26,936</u>	<u>26,936</u>
NET BOOK VALUE		
31 December 2022	<u>93,660</u>	<u>93,660</u>
31 December 2021	<u>62,436</u>	<u>62,436</u>

13. TANGIBLE FIXED ASSETS

	Computer Equipment	Office Equipment	Motor Vehicles	Furniture & Fittings	Total
	£	£	£	£	£
COST					
1 January 2022	210,740	25,565	97,845	139,040	473,190
Additions	5,987	-	60,914	-	66,901
Disposals	(154,140)	(14,732)	(80,720)	(139,040)	(388,632)
31 December 2022	<u>62,587</u>	<u>10,833</u>	<u>78,039</u>	<u>-</u>	<u>151,459</u>
DEPRECIATION					
1 January 2022	189,780	25,337	73,133	136,372	424,622
Disposals	(153,700)	(14,732)	(64,978)	(136,828)	(370,238)
Charge for year	13,198	42	8,124	456	21,820
31 December 2022	<u>49,278</u>	<u>10,647</u>	<u>16,279</u>	<u>-</u>	<u>76,204</u>
NET BOOK VALUE					
31 December 2022	<u>13,309</u>	<u>186</u>	<u>61,760</u>	<u>-</u>	<u>75,255</u>
31 December 2021	<u>20,960</u>	<u>228</u>	<u>24,712</u>	<u>2,668</u>	<u>48,568</u>

The net book value of tangible fixed assets includes £30,249 (2021- nil) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £2,750 (2021- nil) for the year.

AFFINITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
14. INVESTMENTS		
Listed investments at valuation	1,370,150	1,294,844
	<u>1,370,150</u>	<u>1,294,844</u>

MOVEMENTS IN INVESTMENTS

	Investments
	£
Cost or valuation	
At 1 January 2022	1,294,844
Additions	379,505
Revaluations	(99,252)
Disposals	<u>(204,947)</u>
At 31 December 2022	1,370,150
Carrying amount	
At 31 December 2022	<u>1,370,150</u>
At 31 December 2021	<u>1,294,844</u>

Investments have been revalued as at the year end to fair value (their market value). The original cost of the shares totalled £1,386,760 (2021: £1,130,579).

	2022	2021
	£	£
15. DEBTORS AND PREPAYMENTS		
Prepayments and accrued income	44,056	36,151
Other debtors	80,440	62,378
Corporation tax recoverable	-	189
	<u>124,496</u>	<u>98,718</u>

Included within other debtors are amounts due after one year totalling £11,344 (2021- £19,430), all amounts are recoverable.

	2022	2021
	£	£
16. CREDITORS - due within one year		
Creditors and accruals	73,795	66,805
Obligations under hire purchase and finance leases	9,000	-
Other creditors	69,949	87,403
Corporation tax	22,336	20,463
	<u>175,080</u>	<u>174,671</u>

AFFINITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
17. CREDITORS - due after more than one year		
Obligations under hire purchase and finance leases	14,999	-
	<u>14,999</u>	<u>-</u>

18. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made in the current financial statements to reflect the split of ancillary services income and expenditure. This has no impact on the overall surplus or deficit for the year and does not affect accumulated funds.

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

- (a) During the year the Union paid a salary of £20,313 (2021: £20,206) to Mr Neilson Smith in his capacity as Chairman of the Union.
 - (b) During the year the Union paid a salary of £Nil (2021: £12,728) to Mr Peter Munday, a member of the general council, in his capacity for the advice team and administrative work as required.
 - (c) During the year the Union paid a salary of £7,211 (2021: Nil) to Mrs Rhonda Barnes, in her capacity of vice chair of the Union.
- No other members of the General Purpose Committee received remuneration during the year.

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		Date:	29 March 2023
Date:	29 March 2023		Date:	29 March 2023
				Neilson Smith

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		No	
Has the list of officers in post been completed? (see Page 2 and Note 12)	Yes		No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	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 88)	Yes		No	
A member statement is: (see Note 80)	Enclosed		To follow	
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes		To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes		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 Accountants

Address(es):

Market House

10 Market Walk

Saffron Walden

Essex

Postcode

CB10 1JZ

Date

29/03/2023

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.

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	
Name	Paul Tucker on behalf of Croucher Needham (Essex) LLP
Address	Market House, 10 Market Walk, Saffron Walden, Essex, CB10 1JZ
Date	
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	

AFFINITY**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AFFINITY****YEAR ENDED 31 DECEMBER 2022****Opinion**

We have audited the financial statements of Affinity for the year ended 31 December 2022, which comprise the income and expenditure account, balance sheet 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 2022 and of its surplus and the year ended 31 December 2022;
- 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.

AFFINITY**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AFFINITY (CONTINUED)****YEAR ENDED 31 DECEMBER 2022****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 union has not maintained satisfactory control over its transactions in accordance with the requirements section 28; 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.

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.

AFFINITY

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AFFINITY (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

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 review of the union's compliance with The Trade Union and Labour Relations (Consolidation) Act 1992, with reference to the legislation requirements.

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

29/3/2023
Market House
10 Market Walk
Saffron Walden
Essex
CB10 1JZ

AFFINITY

OFFICERS' REPORT

YEAR ENDED 31 DECEMBER 2022

The officers present their annual report and financial statements for the year ended 31 December 2022.

Principal 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.

Affinity is a public benefit entity.

Officers

The officers who held office during the year and up to the date of signature of the financial statements were as follows:

Rhonda Barnes	(Appointed 01/06/2022)
Gary Fullbrook	(Appointed 01/06/2022)
Bryan Jackson	(Resigned 31/05/2022)
Peter Munday	(Resigned 31/05/2022)
Neilson Smith	

Statement of disclosure to auditor

So far as each person who was an officer at the date of approving this report is aware, there is no relevant audit information of which the Union's auditor is aware. Additionally, the officers individually have taken all the necessary steps that they ought to have taken as officers in order to make themselves aware of all relevant audit information and to establish that the Union's auditor is aware of that information.

Officers report

We reported at some length last year on abusive practices by employers, the implications of their actions for members and the Union and what would be needed to change employer behaviours.

In the banking industry in which most Affinity members work (under the BTU, TBU and Bank Affinity brands) most of employers we deal with are amongst the largest businesses in the country. Generally, they are most certainly not bad employers. However, they have used weak UK labour law to stifle genuine independent trade union representation of staff so that Affinity is now the only independent union in banking and some employers have used corrupt relationships with 'sweetheart' trade unions to drive down pay, benefits and costs.

But constant pressure on staff numbers and dilution of the levels at which jobs are done was bound to have an effect 2022 and was the year in which some banks sank to new lows in their cynical misuse of financial regulations, designed to protect consumers, as proxy disciplinary procedures allowing people accused of trivial offences to be sacked and unable to work in the finance sector, without proper appeal mechanisms or the scrutiny of Employment Tribunals. This caused us to take our case to the Financial Conduct Authority, whose rules are being abused and at the end of the year we were waiting for the FCA's response.

AFFINITY**OFFICERS' REPORT (CONTINUED)****YEAR ENDED 31 DECEMBER 2022**

Why was this issue important? For three reasons:

1. It illustrated the decline in ethical standards at the top of banks.
2. It should have showed regulators that leaving banks to make up their own rules is like leaving a fox in charge of the hens.
3. It demonstrates that the Union has to operate vigorously in the regulatory and political sphere.

Whether the Union will need to launch serial legal actions to protect members will depend on what the FCA has to say and the guidance it now gives banks.

As we said last year, the largest and fastest growing group of members has been in the betting industry where staff encounter many of the same problems we have seen in banking.

Betting is another regulated industry in which regulation by the Gambling Commission appears to ignore the position of employees completely, even though they are key players in implementing betting regulations and standards. Whilst the levels of professionalism in managing staff varies considerably, William Hill is the front-runner in a weak field, members suffer routinely from deliberate under-resourcing, long working hours and senior management who, despite high sounding HR policies, have little real commitment to their staff. Particularly in large cities betting shops see significant levels of criminality amongst customers and threats of abuse and violence are a daily reality.

As with the banks, Affinity has begun to take the dire situation many betting shops staff experience to the Gambling Commission and its response will determine whether we have to campaign with MPs, many of whom we know share our concerns about the betting industry.

The Union's campaign on the issue of Guaranteed Minimum Pensions inched closer to a conclusion when the Trustee Board of the Lloyds Banking Group Pension Schemes said that it was going to make equalisation top-up payments to those members who transferred out of their final pension schemes following our long campaign on Guaranteed Minimum Pensions (GMP). It will start making those payments in late 2023. It's difficult to know the exact figure but we estimate that up to 30,000 members have transferred out of one of the Group's final salary pension schemes over the last few years and that £63 million will be distributed to members in the form of equalisation top-up payments. And that's on top of the £150 million we secured for pension scheme members following our first GMP High Court case a few years ago. According to one actuary, Lane, Clark & Peacock, the cost to UK employers of equalising GMP benefits could be between £15-20 billion. It is tempting to add here that Lloyds could have avoided all the cost of legal action and the diversion of expensive staff and consultants if it had engaged with the Union rather than shelter behind the pretence of derecognition. Our expertise and the ability of our legal advisers won the day, proving that Lloyds can run but can't hide!

Outside banking and betting, Affinity has dealt with a massive range of individual cases, many of considerable legal complexity and our in-house legal expertise and investment in technology has enabled us to absorb this interesting but demanding workload. Given the negative environments in banking it has been pleasing to play a generally constructive role resolving individual disputes in diverse businesses and organisations from the NHS to boutique banks. Our longer-standing members in the banking industry have benefitted greatly from the expertise this exposure has developed.

We are particularly pleased with a relatively small but growing membership in universities where our lack of a political agenda and deep commitment to protecting free speech and genuine equality has won us loyal support. Defending free speech was not a battle that we could win on our own of course and the UK government's moves to safeguard academic rights to think and speak freely have been a major and very welcome development. But in the final analysis, the harassment or dismissal of dissenting academics by their universities or colleges is an employment law issue and the combination of our expertise and determination to fight genuine free speech cases all the way to a conclusion has proved a potent combination. One consequence of the fightback against intolerance of other people's views has been a significant and general reduction in the number of cases in which members have been accused of by employers.

AFFINITY

OFFICERS' REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

Also in 2022 the Certification Officer for Trade Unions, in effect Affinity's regulator, carried out a review of all trade unions to ensure that only those organisations that met the statutory definitions of a trade union or employers' association were included in the official list. In 2022 by the Certification Officer confirmed that Affinity met the definition.

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. 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.

M Brown
General Secretary

Date: 29th March 2023