Transport Salaried Staffs' Association

Annual Report and Accounts
For the year ended
31 December 2024

TRANSPORT SALARIED STAFFS' ASSOCIATION

CONTENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Page
Executive Committee's Annual Report	1
Independent Auditors' Report	5
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 – 20

TRANSPORT SALARIED STAFFS' ASSOCIATION

REFERENCE AND ADMINISTRATION INFORMATION

REGISTERED OFFICE	16-17 Devonshire Square London EC2M 4SQ	
UNION NUMBER	Registered as a Trade Union, list number 376T	
PRINCIPAL STAFF	Maryam Eslamdoust	General Secretary
AUDITORS	HaysMac LLP 10 Queen Street Place London EC4R 1AG	
BANKERS	Unity Trust Bank Plc Four Brindleyplace Birmingham B1 2HB Allied Irish Bank 126/128 Capel Street North City, Dublin 1	
SOLICITORS	Morrish Solicitors LLP Oxford House Oxford Row Leeds West Yorkshire LS1 3BE	

EXECUTIVE COMMITTEE AND TRUSTEES who served during the year and up to the Balance Sheet date

Melissa Heywood	President (elected 2023 for 2 years)
Mary Sithole,	Treasurer (elected 2023 for 2 years)
Gemma Southgate	Executive Committee Member
Catherine Poole	Executive Committee Member
Jayson-Mark Gill	Executive Committee Member
Barry Love	Executive Committee Member
Sam McCully	Executive Committee Member
Michael Higham	Executive Committee Member (elected March 2024, resigned June 2024)
Martyn Hartley	Executive Committee Member (resigned April 2024)
David Hardman	Executive Committee Member (term ended June 2024)
Paul Mangan	Executive Committee Member (resigned June 2024)
Allan O'Hare	Executive Committee Member (elected July 2024)
Anand Pillai	Executive Committee Member (elected July 2024)
Adam Wilson	Executive Committee Member (elected July 2024)
Dean Thwaites	Executive Committee Member (elected July 2024)
Dave Porter	Trustee (End of term June 2024)
Malcolm Wallace	Trustee
Marios Alexandrou	Trustee (elected July 2024)

TRANSPORT SALARIED STAFFS' ASSOCIATION

EXECUTIVE COMMITTEE'S ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Executive Committee present their annual report for the year ended 31 December 2024

Membership and Recruitment

The Association's membership is drawn from people working in the Rail, Transport, Travel, Ports and associated industries.

	Year End 2023	Year End 2024	Change	% Change
Total membership	17,025	17,235	210	1.23%
Total male membership	12,262	12,342	80	0.65%
Total female membership	4,692	4,832	140	2.98%
Members who decline to specify	24	28	4	16.67%
Members who self describe	5	5	0	0.00%
Members recruited	2,396	2,734	338	14.11%
Members re-instated	108	363	255	236.11%
Members who left service	618	693	75	12.14%
Members who died	53	46	(7)	(13.21)%
Members who withdrew	2,035	1,783	(252)	(12.38)%
Direct Debit Payers	14,163	14,583	420	2.97%
Paybill payers	2,822	2,626	(196)	(6.95)%
Free cash payers	40	41	1	2.50%
Subs catergory 1	878	820	(58)	(6.61)%
Subs catergory 2	12,252	12,043	(209)	(1.71)%
Subs catergory 3	2,860	3,355	495	17.31%
Subs Apprentice	312	411	99	31.73%
Subs Retired	562	565	3	0.53%
Subs Free	40	41	1	2.50%
Number of branches	49	49	0	0.00%
Membership Anglia London North East	1,252	1,223	(29)	(2.32)%
Membership Central Head Office	12	13	1	8.33%
Membership Ireland DC	776	799	23	2.96%
Membership London North West	1,541	1,507	(34)	(2.21)%
Membership London South	2,178	2,140	(38)	(1.74)%
Membership London Transport	2,488	2,593	105	4.22%
Membership Midlands	2,261	2,382	121	5.35%
Membership North East	1,697	1,721	24	1.41%
Membership North West	1,485	1,531	46	3.10%
Membership Scotland	1,540	1,495	(45)	(2.92)%
Membership Wales And Western	1,796	1,832	36	2.00%
Members in Bus & Tram	135	129	(6)	(4.44)%

At the end of 2024 the membership stood at 17,235 a net increase of 210 (0.012%) on 2023. The table below shows members broken down by various categories.

Membership and Recruitment (Continued)

Members in Docks Shipping Waterways	150	117	(33)	(22.00)%
Members in Engineering	1,270	1282	12	0.94%
Members in Ireland	752	769	17	2.26%
Members in Miscellaneous	271	286	15	5.54%
Members in Rail Network Rail	6,302	6255	(47)	(0.75)%
Members in Rail Rail Freight	447	411	(36)	(8.05)%
Members in Train Operating Companies	4,354	4410	56	1.29%
Retired	573	576	3	0.52%
Members in Road Haulage	8	5	(3)	(37.5)%
Members in Service	498	562	64	12.85%
Members in Transport for London	2,194	2,257	63	2.87%
Members in Travel Trade	172	186	14	8.14%

Staffing

The staff grades and pay rates (excluding London Allowance) for 2024 were as follows:

- Grade 4 £68,929 to £76,321
- Grade 3 £59,065 to £66,461
- Grade 2 £47,972 to £58,080
- Grade 1 £35,381 to £43,723

The General Secretary's salary, including London Allowance, was £103,523.

Starters – 7 new staff who joined the Association in 2024.

Leavers – 11 Staff left the Association in the year 2024.

At 31 December 2024 35 full-time equivalent members of staff were employed by TSSA.

Executive Committee Observations

At the end of the year 2024, the Executive Committee is pleased to report on the wider organisational developments across TSSA. They are:

Financial Oversight

In response to the need for strengthened financial management and accountability, TSSA has appointed a Chartered Accountant to lead on the union's financial operations. This appointment is a significant step toward ensuring robust oversight, clearer financial reporting, and increased transparency.

As part of the commitment to sound governance, we have implemented stricter internal controls: all invoices exceeding £1,000 now require sign-off from both the General Secretary and Assistant General Secretary. While this process is rigorous, it has greatly improved the internal checking of contracts and expenditure monitoring.

Executive Committee Observations (Continued)

Our review of existing contracts has allowed us to significantly reduce the union's deficit. By applying scrutiny to spending and renegotiating or eliminating unnecessary contracts, we have identified savings that are being reinvested into the core activities of the union—most importantly, supporting and training our reps and members. Some other notable financial milestones are:

- In year 2024, we have invested £3M from the £6.5M HS2 monies received in year 2023. This is invested in our high yielding investment Account with Janus Henderson.
- A full RICS Red Book Valuation of the Devonshire Square Head Office building was carried out and it is valued at £17.2M. This is £2.7M more than the previous valuation.
- The Actuarial valuation of our Pension Asset at end of 2024 showed a gain of approximately £1M compared with last year's valuation.

Contract and Property Management Efficiency

We will continue to reduce excessive contracts and explore further opportunities to eliminate unnecessary spending. In addition, we will take a more disciplined approach to contract renewals and property management, aiming to tighten the belt on both service agreements and building usage. This ensures that every pound spent delivers maximum value and aligns with our priorities.

Strategic Recruitment and Organisational Capacity

In the past year, we have made several key appointments aimed at building our organisational capacity and strategic reach. These include:

- The recruitment of a Chartered Accountant to manage financial systems.
- The recruitment of an Assistant General Secretary to support the General Secretary in delivering TSSA's vision.
- Strategic recruitment of a National Organising Team, who report directly to the Assistant General Secretary, who are focused on building workplace capacity, supporting Branches to build capacity, and develop Reps and lay Officers. This will enable TSSA to respond rapidly to industrial issues, as they emerge across the country.

Industrial Relations and Member Wins

Over the summer and autumn of 2024, TSSA successfully negotiated a series of pay deals for members within Network Rail and Train Operating Companies. These outcomes reflect the union's sustained efforts to deliver real benefits to members during a challenging economic period.

Our Eliminating Violence Against Transport Workers campaign has gained meaningful traction both within our membership and in Parliament. This important work is part of our commitment to ensuring dignity, safety, and respect for all transport workers.

Political Engagement and Labour Affiliation

Our affiliation with the Labour Party continues to be an important avenue for advancing the interests of our members. Since the change in government, TSSA has increased its engagement with politicians and decision-makers. These relationships are proving beneficial in shaping policy outcomes and giving transport workers a voice at the highest levels.

Executive Committee Observations (continued)

Training and Governance Development

Training and development continue to be core areas of investment. We have procured a comprehensive suite of training for reps, staff, and Executive Committee members through GFTU, including bespoke offerings such as the *Women in* Leadership programme. This initiative is helping foster a more diverse leadership pipeline within the union.

We are also focused on improving governance across all levels of the organisation. Executive Committee members and Trustees are being supported through upskilling and training to strengthen their understanding of governance, accountability, and strategy.

Looking Ahead

The upcoming year will prioritise two key goals: growing our membership and enhancing the quality of service offered to existing members. By continuing to invest in our people, streamline our operations, and innovate in our organising work, TSSA remains committed to being a strong, relevant, and effective trade union for transport and travel workers across the UK and Ireland.

STATEMENT OF EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The Union is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Union and for ensuring that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992 as amended and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Executive Committee is aware:

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

Law applicable to Trade Unions requires the preparation of financial statements for each financial year which give a true and fair view of the Union's activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Executive Committee is required to;

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue in operation.

Signed on behalf of the Executive Committee on 30 April 2025 by:

…….. ……...……

M Heywood **M Eslamdoust**
(President) **(General Secretary)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

TRANSPORT SALARIED STAFFS' ASSOCIATION

Opinion
We have audited the financial statements of Transport Salaries Staffs' Association for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 2024 and of the Union's surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to 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 Executive Committee's 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 Executive Committee with respect to going concern are described in the relevant sections of this report.

Other information
The Executive Committee are responsible for the other information. The other information comprises the information included in the Executive Committee's Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the regulations require us to report to you if, in our opinion:

- proper accounting records have not been maintained by the Union; or
- a satisfactory system of financial control has not been maintained by Union; or
- we have not received all of the information and explanations we require for our audit; or
- the Union's financial statements are not in agreement with the accounting records and returns.

Respective responsibilities of the Union's Executive Committee and auditors
As described on page 4 the Executive Committee are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standard for Auditors.

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, 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:

Based on our understanding of the Union and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Trade Union legislation, data protection regulations and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Trade Union and Labour Relations (Consolidation) Act 1992 and corporation tax regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries in respect of revenue recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 members of the Union, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (amended). Our audit work has been undertaken so that we might state to the members of the Union those matters we are required to state to them in an independent 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 members of the Union as a body, for our audit work, for this report, or for the opinion we have formed.

HaysMac LLP

HaysMac LLP
Chartered Accountants
Registered Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 16 June 2025

TRANSPORT SALARIED STAFFS' ASSOCIATION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
INCOME FROM:			
Members' Subscriptions		4,148,867	4,124,485
Rental income		964,117	776,114
Investment income		298,580	301,648
Other income		696,986	612,667
Compensation from sale of Walkden House		-	6,462,422
		6,108,550	12,277,436
EXPENDITURE ON:			
Union activities		(6,916,504)	(7,150,946)
		(6,916,504)	(7,150,946)
TOTAL OPERATING SURPLUS/ (DEFICIT)		(807,954)	5,126,490
Net gains/ (losses) on investments	5	904,274	1,497,666
Net gains on investment property	6	2,630,000	-
(DEFICIT)/SURPLUS BEFORE TAXATION		2,726,320	6,624,157
Taxation	10	1,076,022	(2,433,480)
TOTAL SURPLUS/(DEFICIT) FOR THE YEAR		3,802,342	4,190,677
OTHER COMPREHENSIVE INCOME			
Actuarial gains/ (losses) on DB pension scheme	14	732,000	(1,444,000)
TOTAL COMPREHENSIVE INCOME		£4,534,342	£2,746,677

TRANSPORT SALARIED STAFFS' ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
FIXED ASSETS	4		7,674,722		7,979,884
INVESTMENTS					
Main Fund	5		13,876,158		9,971,883
Investment Property	6		17,150,000		14,520,000
			38,700,880		32,471,767
CURRENT ASSETS					
Debtors	7	903,993		1,162,890	
Cash and cash equivalents	11	2,089,280		6,846,385	
		2,993,273		8,009,275	
Less: Creditors	8	(1,181,697)		(2,564,787)	
Net current assets/(liabilities)			1,811,576		5,444,488
Total assets less current liabilities			40,512,456		37,916,255
Deferred taxation	9		(3,169,231)		(4,155,372)
Net assets excluding pension asset			37,343,225		33,760,883
Pension asset	14		11,846,000		10,894,000
NET ASSETS			£49,189,225		£44,654,883
RESERVES					
Central Fund Account			23,866,035		21,219,845
Branch Account			40,834		40,198
Divisional Councils Account			16,622		13,613
Political Fund Account			316,591		271,437
Self Organised Groups			6,094		8,693
Provident Benefit Fund Account			2,645,922		2,654,665
Benevolent Fund Account			139,453		145,032
Investment Revaluation Reserve Fund			5,466,674		4,562,400
Pension Reserve			11,846,000		10,894,000
Special Reserve			4,845,000		4,845,000
			£49,189,225		£44,654,883

The financial statements were approved and authorized for issue by the Executive Committee on 30 April 2025 and signed on their behalf by:

…….
M Heywood
(President)

……..……
M Eslamdoust
(General Secretary)

TRANSPORT SALARIED STAFFS' ASSOCIATION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Unrestricted Reserves £	Investment Revaluation Reserve £	Pension Reserve £	Total Reserves £
At 1 January 2024	29,198,483	4,562,400	10,894,000	44,654,883
Comprehensive income for the year				
Surplus for the year	48,068	-	220,000	268,068
Unrealised gains for the year	-	904,274	-	904,274
Actuarial gain	-	-	732,000	732,000
Gains/(losses) on Investment property revaluation	2,630,000	-	-	2,630,000
Transfers	-	-	-	-
At 31 December 2024	£31,876,551	£5,466,674	£11,846,000	£49,189,225

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Unrestricted Reserves £	Investment Revaluation Reserve £	Pension Reserve £	Total Reserves £
At 1 January 2023	26,387,472	3,564,734	11,956,000	41,908,206
Comprehensive income for the year				
Surplus/(deficit) for the year	2,311,010	-	382,000	2,693,010
Unrealised gains for the year	-	1,497,666	-	1,497,666
Actuarial gains/(losses)	-	-	(1,444,000)	(1,444,000)
Transfer	500,000	(500,000)	-	-
At 31 December 2023	£29,198,482	£4,562,400	£10,894,000	£44,654,883

TRANSPORT SALARIED STAFFS' ASSOCIATION

STATEMENT OF CASH FLOWS

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Total comprehensive income		4,534,342		2,746,677	
Investment income		(298,580)		(301,648)	
Depreciation		329,384		320,635	
(Gains)/ losses on investments		(904,274)		(1,497,666)	
(Gain) on revaluation of investment property		(2,630,000)		-	
Tax (credit)/charge for the year		(1,076,022)		2,433,480	
Decrease in debtors		258,897		104,942	
Decrease/(Increase) in pension asset		(952,000)		1,062,000	
Increase/ (decrease) in creditors		(115,244)		459,635	
Tax paid		(1,177,965)		-	
Net cash inflow/ (outflow) from operating activities			(2,031,462)		5,328,055
Cash flows from investing activities					
Investment income		298,580		301,648	
Purchase of Fixed Assets		(24,222)		-	
Disposal of fixed asset investments		-		500,000	
Purchase of investments		(3,076,750)		-	
Cash movements on investments		76,749		-	
			(2,725,643)		801,648
Increase in Cash in the Year (Note b)			£(4,757,105)		£6,129,702

(b) Analysis of Changes in Net Funds

	At 1 Jan 2024 £	Cash Flows £	At 31 Dec 2024 £
Cash at Bank and in hand	£6,846,385	£(4,757,105)	£2,089,280

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

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

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

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

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

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

Freehold Land and Buildings
The Association's freehold property in Glasgow is stated at deemed cost. The Association has followed the transitional provisions allowable under FRS 102, to hold the book cost of land and buildings as per the last revaluation carried out in 1999. All other properties are stated at cost.

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

Devonshire House	over 40 years
Scottish Office	over a further 23 years
York Office	over a further 34 years

The Association does not identify any items that could be recognised as component assets, but rather believes them to have the same economic life as the building and therefore does not require these to be depreciated on a different basis from the buildings themselves.

Depreciation is not provided on the value of the freehold land, as the majority of the value of the land is including as an investment property.

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

1. ACCOUNTING POLICIES (CONTINUED)

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

Investment property has been valued on a fair value basis by an external valuer as at 31 December 2024.

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

Creditors
Short term trade creditors are measured at the transaction price.

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

Pension costs and other post-retirement benefits
The Association operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the Association.

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

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

Tax
The majority of the Union's income is exempt from taxation under the mutual trading exemption. Where income is not covered by this exemption, which largely represents investment income, provision for taxation has been made in the accounts.

Deferred tax is provided on all timing differences where the ultimate crystallization of a gain is expected to give rise to a tax liability, primarily being unrealised gains on listed equity and unit trust investments.

Tax is recognised in the Statement of Comprehensive Income. A change attributable to an item of income and expense recognised as other comprehensive income is also recognised in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Union operates and generates income.

Significant estimates and areas of judgments
The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent liabilities at the balance sheet date.

Estimates and judgements are based on historical experience along with reasonable expectations around future events. Actual outcomes could differ from the estimates. This is especially the case of the valuation of the Union's investment property and defined benefit pension asset. The valuation methodologies applied are considered to be the best estimate of market value.

2. Surplus/(deficit) before tax is stated after charging:

	2024 £	2023 £
Auditors' remuneration (excluding VAT):		
– Audit	32,000	29,100
– Prior year overrun	17,600	-
– Other services	8,900	8,900
Depreciation	329,384	320,635

3. Directors' and employees' costs and emoluments and support service costs

No emoluments are paid to any member of the Executive Committee.

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	2,259,372	2,262,860
Social security costs	225,196	235,156
Pension costs	382,602	593,804
	£2,867,170	£3,091,820

The average number of employees during the year were 47 (2023: 49).

The total employee benefits including employer pension and national insurance contributions of the key management personnel were £574,223 (2023: £500,056).

4. Fixed Assets

	Freehold Property £	Computer Equipment £	Refurbishment £	Total £
Cost at 1 January 2024	8,882,956	65,958	993,715	9,942,639
Additions	-	24,222	-	24,222
Cost at 31 December 2024	8,882,956	90,180	993,715	9,966,861
Depreciation				
At 1 January 2023	1,418,650	65,968	478,137	1,962,755
Charge in year	222,074	8,749	98,561	329,384
At 31 December 2023	1,640,724	74,717	576,698	2,292,139
Net book value				
At 31 December 2024	£7,242,232	£15,474	£417,017	£7,674,722
At 31 December 2023	£7,464,306	£-	£515,579	£7,979,884

The freehold property situated at 16-17 Devonshire Square, London was bought for a value of £27,667,830 on an open market basis. This includes an undefined element of land value. The balance not represented here is included within investment properties. The freehold property at 180 Hope Street, Glasgow was revalued in 1999 at £57,500 by the Countrywide Surveyors, Chartered Surveyors on an existing use basis. On the adoption of FRS 102 this became the deemed cost.

5. Investments

	2024	2023
	£	£
Fair value at the start of the year	9,793,766	8,796,100
Additions at cost	3,076,750	-
Disposal proceeds	-	(500,000)
Net gain/(loss) on change in fair value	904,274	1,497,666
	13,774,790	9,793,766
Cash held by investment broker pending reinvestment	101,368	178,118
Fair value at the end of the year	£13,876,158	£9,971,884
UK Common investment funds	9,372,284	6,370,142
Unlisted shares in UK registered companies	4,402,506	3,423,624
Cash	101,368	178,118
	£13,876,158	£9,971,884

6. Investment property

	2024	2023
	£	£
Brought forward value	14,520,000	14,520,000
Net gain/(loss) on change in fair value	2,630,000	-
	£17,150,000	£14,520,000

The Executive Committee has obtained a market valuation of the investment property as at 31 December 2024 which has resulted in a revaluation gain of £2,630k (2023: £nil). A desktop valuation carried out by Newton Perkins indicated that market conditions had not changed significantly and therefore no adjustment to the valuation of the investment property was recommended.

The total minimum future lease rentals receivable for buildings under non-cancellable operating leases is as follows for each of the following periods:

	2024	2023
	£	£
Within one year	955,624	946,130
Two to five years	2,717,093	2,948,843
Over 5 years	519,333	589,142
	£4,192,050	£4,484,114

7. Debtors

	2024	2023
	£	£
Other debtors	636,361	822,083
Prepayments	32,138	66,474
Accrued income	235,494	274,333
	£903,993	£1,162,890

8. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	176,025	403,669
Taxation and social security	265,826	187,991
Corporation tax	-	1,267,846
Other creditors	380,100	389,329
Accruals	178,181	25,591
Deferred income	181,565	290,362
	£1,181,697	£2,564,787

9. Creditors: amounts falling due after one year

	2024	2023
	£	£
Deferred tax - see note 10	3,169,231	4,155,372
	£3,169,231	£4,155,372

10. Taxation

10.a Taxation

	2024	2023
	£	£
Current year taxation	-	1,267,846
Adjustment to prior year current tax	(89,881)	-
Deferred tax on revalued investments – note 10b	(22,991)	1,165,634
Adjustment to deferred tax re prior years	(963,150)	-
	£(1,076,022)	£2,433,480

10.b Taxation (Continued)

	2024	2023
	£	£
Revalued investments		
Brought forward	1,991,732	826,098
(Credit)/charge for the year	(986,141)	1,165,634
Deferred tax: revalued investments	1,005,591	1,991,732
Compulsory purchase of Walkden House		
Brought forward	2,163,640	2,163,640
Charge for the year	-	-
Deferred tax: Walkden House	2,163,640	2,163,640
Total deferred tax	£3,169,231	£4,155,372

11. Analysis of bank balances and cash

	2024	2023
	£	£
Main Fund	2,023,315	6,780,420
Political Fund	9,300	9,300
Balances at Branches, Self Organised Groups and Divisional Councils	56,665	56,665
	£2,089,280	£6,846,385

12. Related party transactions

Other than key management personnel compensation disclosed in note 3, there are no related party transactions to disclose for 2024 (2023: none).

13. Operating lease commitments

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

	2024 Equipment	Total
	£	£
Less than one year	348,971	348,971
Two to five years	261,729	261,729
Greater than five years	-	-
	£610,700	£610,700

	2023 Equipment	Total
	£	£
Less than one year	178,295	178,295
Two to five years	1,305,385	1,305,385
Greater than five years	214,085	214,085
	£1,697,765	£1,697,765

14. Defined benefit pension scheme asset

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

The Scheme is a funded scheme of the defined benefit type, providing retirement benefits based on salary and career averaged revalued earnings. The Scheme has assets held in a separately administered fund managed by a Management Committee. The Association and Management Committee have agreed a funding plan to ensure the Scheme is sufficiently funded to meet current and future obligations. A formal schedule of contributions was drawn up on 1 November 2018 whereby the Association will pay 19.5% of pensionable salary for five years from November 2018 to cover accrual of benefits for future service.

Association contributions to the Scheme in 2024 are estimated to be £352k (2023: £402k). Additional Association contributions may be required if there are any augmentations during the year.

The valuation used for FRS 102 disclosures has been based on a full assessment of the liabilities of the Scheme as at 31 December 2017, with the results rolled forward in an approximate manner to 31 December 2018 allowing for benefits paid and actual increases to members' benefits over this period. The present values of the defined benefit obligation, the related current service cost and any past service costs were measured using the projected unit credit method.

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

Main assumptions

	31 December 2024 %p.a.	31 December 2023 %p.a.	31 December 2022 %p.a.
Discount rate for Scheme liabilities	5.40	4.60	4,85
RPI inflation	3.20	3.05	3.15
CPI inflation	2.90	2.75	2,85
Rate of general long-term increase in salaries	4.20	4.05	4.15
Rate of increase to pensions in payment (in excess of GMP)	3.25	3.20	3.15
Longevity for member currently aged 65			
– Male	21.6	21.3	22.5
– Female	24.1	23.8	24.8
Longevity for member reaching 65 in 20 years			
– Male	22.5	22.2	24.1
– female	25.2	24.9	26.5

Sensitivities of assumptions

The table below provides information on the sensitivity of the defined benefit obligation to changes to the most significant actuarial assumptions. The table shows the impact of changes to each assumption in isolation although, in practice, changes to assumptions may occur at the same time and can either offset or compound the overall impact on the defined benefit obligation. These sensitivities have been calculated using the same methodology as used for the main calculations, and there has been no change since the previous period to the method and assumptions used in preparing the sensitivity analysis. The weighted average duration of the defined benefit obligation is 21 years.

14. Defined benefit pension scheme asset (continued)

Percentage change to Defined Benefit Obligation

Assumption	Change to assumption	
	Decrease by 0.1%pa £'000	Decrease by 0.1%pa £'000
Discount rate	432	(520)
Inflation*	(436)	410

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

Our calculations

An increase of one year in the assumed life expectancy for both males and females would increase the Defined Benefit Obligation by approximately £886,000.

Fair value of assets

	Value at 31 December 2024 (£'000)	Value at 31 December 2023 (£'000)	Value at 31 December 2022 (£'000)
Equities	15,409	15,843	18,117
Index-linked bonds	28,885	29,102	24,279
Other	278	362	181
Total	£44,572	£45,307	£42,577

Reconciliation of funded status to balance sheet

	Value at 31 December 2024 (£'000)	Value at 31 December 2023 (£'000)
Fair value of Scheme assets	44,572	45,307
Present value of funded defined benefit obligations	(32,726)	(34,413)
Surplus	£11,846	£10,894

Analysis of profit and loss

	Value at 31 December 2024 (£'000)	Value at 31 December 2023 (£'000)
Current service cost	483	398
Administration expenses	158	197
Net interest (credit)	(509)	(575)
Expense recognised in profit and loss	£132	£20

14. Defined benefit pension scheme asset (continued)

Changes to the present value of the defined benefit obligation

	Value at 31 December 2024 (£'000)	Value at 31 December 2023 (£'000)
Opening defined benefit obligation	34,413	30,621
Current service cost	483	398
Expenses	158	197
Interest cost	1,554	1,463
Contributions by Scheme participants	153	169
Actuarial (gains) on Scheme liabilities in respect of assumptions	(3,235)	(38)
Actuarial losses on Scheme liabilities in respect of experience	639	3,295
Net benefits paid out	(1,439)	(1,692)
Closing defined benefit obligation	£32,726	£34,413

Changes to the fair value of Scheme assets

	Value at 31 December 2024 (£'000)	Value at 31 December 2023 (£'000)
Opening fair value of Scheme assets	45,307	42,577
Interest income on Scheme assets	2,063	2,038
Return on Scheme assets less interest income	(1,864)	1,813
Contributions by the Association	352	402
Contributions by the Scheme participants	153	169
Net benefits paid out	(1,439)	(1,692)
Closing fair value of Scheme assets	£44,572	£45,307

Analysis of amounts recognised in the other comprehensive income

	Value at 31 December 2024 (£'000)	Value at 31 December 2023 (£'000)
Return on Scheme assets less interest income	(1,864)	1,813
Gains on assumptions	3,235	38
Experience gains on Scheme liabilities	(639)	(3,295)
Total (loss)/gain	£732	£(1,444)

14. Defined benefit pension scheme asset (continued)

Actual return on Scheme assets

	Value at 31 December 2024 (£'000)	Value at 31 December 2023 (£'000)
Interest income on Scheme assets	2,063	2,038
Return on Scheme assets less interest	(1,864)	1,813
Total return on Scheme assets	£199	£3,851