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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

Equity

Year ended:

31 December 2012

List no:

069T

Head or Main Office:

Guild House
Upper St Martin's Lane
London
WC2H 9EG

Website address (if available)

www.equity.org.uk

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

Yes

No

(Click the appropriate box)

General Secretary:

Christine Payne

Telephone Number:

020 7379 6000

Contact name for queries regarding

Duncan Smith

Telephone Number:

020 7670 0230

E-mail:

dsmith@equity.org.uk

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

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

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

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JJ



(Revised February 2011)

RETURN OF MEMBERS

(see notes 10 and 11)

NUMBER OF MEMBERS AT THE END OF THE YEAR					
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	18,170	179	49	335	18,733
FEMALE	18,172	186	39	299	18,696
TOTAL	36,342	365	88	634	A 37,429

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

263

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

37,429

OFFICERS IN POST

(see note 12)

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

RETURN OF CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
No changes	No changes	No changes	No changes

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

N/a

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

N/a

and names:

N/a

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		4,209,645
From Members: Other income from members (specify)		
Visiting artists	-	
Total other income from members		-
Total of all income from members		4,209,645
Investment income (as at page 12)		582,737
Other Income		
Income from Federations and other bodies (as at page 4)	1,290,448	
Income from any other sources (as at page 4)	-	
Total of other income (as at page 4)		1,290,448
		TOTAL INCOME
		6,082,830
EXPENDITURE		
Benefits to members (as at page 5)		1,269,313
Administrative expenses (as at page 10)		5,586,714
Federation and other bodies (specify)		
Trade Union Charges	97,848	
F.I.A	53,258	
Others	11,452	
Total expenditure Federation and other bodies		162,558
Taxation		(36,868)
		TOTAL EXPENDITURE
		6,981,717
Surplus (deficit) for year		(898,887)
Amount of general fund at beginning of year		7,248,090
Amount of general fund at end of year		6,349,203

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		-
Other income		
Educational Recording Agency	991,723	
Services Sound and Vision Corporation	97,186	
Non- distributable cable re-transmission monies	144,798	
Administration charge to British Equity Collection Society	15,267	
Advertising	13,593	
Agents information service	9,767	
Credit Card Commission	20,679	
FRS17 Adjustments	(97,000)	
Recorded media	10,500	
Film & TV Distribution Charge	13,847	
Miscellaneous	70,088	
TOTAL OTHER INCOME		1,290,448
TOTAL OF ALL OTHER INCOME		1,290,448

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
<u>Representation – Employment Related Issues</u>		brought forward	916,037
Professional Fees	4,950	<u>Education and Training services</u>	
Legal – contractual disputes	134,178	Training	1,406
Legal – Personal accident claims	1,917	Organising for success	3,002
<u>Representation – Non Employment Related Issues</u>			
Legal - defamation	566,000	<u>Negotiated Discount Services</u>	
		Public liability insurance	99,353
<u>Communications</u>			
Diaries	31,862		
Equity Magazine	96,870		
Job Information Service	283		
Insurance booklet	5,311	<u>Salary Costs</u>	
New member guides	2,340		
Newspaper cutting services	1,742		
Campaigning	7,392		
Website	58,357		
		<u>Other Benefits and Grants (specify)</u>	
		Funeral Benefits	33,222
<u>Dispute Benefits</u>		Accident and Backstage Insurance	207,795
		Theatre Awards	6,248
		Bursaries	2,000
		Tennis Tournaments	250
<u>Other Cash Payments</u>			
Special Royalty Projects	3,527		
Theatre Council Funding	1,308		
carried forward	916,037	Total (should agree with figure in General Fund)	1,269,313

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Benevolent Fund	£	£
Income			
	From members		-
	Investment income (as at page 12)		-
	Other income (specify)		
	Donations	5,568	
	Un-distributable monies from BECS	30,000	
	Total other income as specified		35,568
	Total Income		35,568
Expenditure			
	Benefits to members	27,223	
	Administrative expenses and other expenditure (as at page 10)	-	
	Total Expenditure		27,223
	Surplus (Deficit) for the year		8,345
	Amount of fund at beginning of year		308,151
	Amount of fund at the end of year (as Balance Sheet)		316,496
	Number of members contributing at end of year		n/a

FUND 3		Fund Account	
Name:	Legal Defence Costs	£	£
Income			
	From members		-
	Investment income (as at page 12)		-
	Other income (specify)		-
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 10)		-
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		200,000
	Amount of fund at the end of year (as Balance Sheet)		200,000
	Number of members contributing at end of year		n/a

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	Industrial Disputes	£	£
Income			
	From members		-
	Investment income (as at page 12)		-
	Other income (specify)		-
		Total other income as specified	-
		Total Income	-
Expenditure			
	Benefits to members		-
	Administrative expenses and other expenditure (as at page 10)		-
		Total Expenditure	-
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	100,000
		Amount of fund at the end of year (as Balance Sheet)	100,000
		Number of members contributing at end of year	

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

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		
	Investment income (as at page 12)		
	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 of political fund at beginning of year		
	Amount of political fund at the end of year (as Balance Sheet)		
	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		

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

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

(see notes 32 and 33)

		£
Administrative Expenses		
Remuneration and expenses of staff		2,827,567
Salaries and Wages included in above	£2,095,277	
Auditors' fees		22,150
Legal and Professional fees		202,307
Occupancy costs		352,123
Stationery, printing, postage, telephone, etc.		332,796
Expenses of Executive Committee (Head Office)		29,458
Expenses of conferences		74,611
Other administrative expenses (specify)		
Grants		58,606
Elections and ballots		39,839
Annual report		43,249
Rule change referendum		16,365
Organising expenses		227,765
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		-
Mortgages		-
Other loans		-
Depreciation		136,994
Irrecoverable VAT		305,884
Actuarial loss from pension scheme		917,000
Other outgoings (specify)		-
	Total	5,586,714
Charged to:	General Fund (Page 3)	
	Fund (Account 2)	-
	Fund (Account 3)	-
	Fund (Account 4)	-
	Total	5,586,714

BALANCE SHEET as at 31 December 2012

(see notes 47 to 50)

Previous Year		£	£
2,552,451	Fixed Assets (at page 14)		2,510,616
	Investments (as per analysis on page 15)		
6,185,593	Quoted (Market value £7,231,568)	6,544,904	
-	Unquoted	-	
8,738,044	Total Investments		6,544,904
	Other Assets		
	Loans to other trade unions		
641,362	Sundry debtors		960,498
8,866,964	Cash at bank and in hand		6,073,602
-	Income tax to be recovered		-
-	Stocks of goods		-
-	Others (specify)		-
9,508,326	Total of other assets		7,034,100
18,246,370	TOTAL ASSETS		16,089,620
	Fund (Account 2)		-
	Fund (Account 3)		-
	Fund (Account 4)		-
	Superannuation Fund (Account)		-
	Political Fund (Account)		-
	Revaluation Reserve		-
	LIABILITIES		
-	Amount held on behalf of central trade union political fund		-
-	Loans: From other trade unions		-
-	Loans: Other		-
(763,671)	Subscriptions received in advance		(802,443)
(157,848)	Tax payable		(151,255)
(613,131)	Sundry creditors		(508,591)
(310,047)	Accrued expenses		(942,220)
(2,677,000)	Provisions		(3,564,000)
(5,868,432)	Amounts collected for distribution		(3,155,412)
(10,390,129)	TOTAL LIABILITIES		(9,123,921)
7,856,241	TOTAL		6,965,699

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Leasehold £	Freehold £				
Cost or Valuation						
At start of year		2,586,381	535,099	-	-	3,121,480
Additions		-	95,159	-	-	95,159
Disposals		-	(42,403)	-	-	(42,403)
At end of year		2,586,381	587,855	-	-	3,174,236
Accumulated Depreciation						
At start of year		419,649	149,380	-	-	569,029
Charges for year		43,402	93,592	-	-	136,994
Disposals		-	(42,403)	-	-	(42,403)
At end of year		463,051	200,569	-	-	663,620
Net book value at end of year						
		2,123,330	387,286	-	-	2,510,616
Net book value at end of previous year						
		2,166,732	385,719	-	-	2,552,451

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	4,663,365	-
Government Securities (Gilts)	1,881,539	-
Other quoted securities (to be specified)		-
TOTAL QUOTED (as Balance Sheet)	6,544,904	-
Market Value of Quoted Investment	7,231,568	-
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 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input type="checkbox"/>	NO <input 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 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	4,209,645	-	4,209,645
From Investments	582,737	-	582,737
Other Income (including increases by revaluation of assets)	1,326,016	-	1,326,016
Total Income	6,118,398	-	6,118,398
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	(7,008,940)	-	(7,008,940)
Funds at beginning of year (including reserves)	7,856,241	-	7,856,241
Funds at end of year (including reserves)	6,965,699	-	6,965,699
ASSETS			
	Fixed Assets		2,510,616
	Investment Assets		6,544,904
	Other Assets		7,034,100
		Total Assets	16,089,620
LIABILITIES		Total Liabilities	(9,123,921)
NET ASSETS (Total Assets less Total Liabilities)			6,965,699

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

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

See Attached

equity		2012	2011
notes to the accounts			
1 number of members			
male		18,733	18,412
female		18,696	18,373
		37,429	36,785
2 income related to members and other performers			
educational recording agency (era)		1,006,825	992,209
era monies payable to british equity collecting society ("becs") at 1.5%		-15,102	-14,883
services sound and vision corporation		97,186	72,623
itv / belgian cable		3,212	nil
channel 4 / irish		141,586	199,062
non-distributable cable re-transmission monies		144,798	199,062
donations to the benevolent fund		5,568	23,325
transfer to the benevolent fund (a)		30,000	21,293
		£1,269,275	£1,293,629
(a) bbc ex-gratia monies received from becs as undistributable have been placed in the benevolent fund.			
3 investment income			
bank interest		135,302	107,613
interest and dividends received from investments		331,269	314,664
other		458	nil
		£467,029	£422,277
4 rental income			
rental income		33,815	38,818
rebilled services		51,481	39,830
		£85,296	£78,648
5 other income			
administration charge to becs		15,267	16,032
advertising		13,593	16,557
advertising on the website		625	nil
credit card commission		20,879	32,264
facility payments (recorded media department)		10,500	7,500
film & tv distribution charge		13,847	nil
industry information service (x agents' information service)		9,767	9,453
legal recoveries (collective conditional fee agreement)		18,614	14,815
merchandise		310	229
reimbursement of audit fees for royalty project		nil	25,972
royalty distribution charges		nil	1,558
sale of contract forms		127	17
sponsorship		11,198	7,046
other		39,214	25,946
sub-total		£153,741	£157,389
frs 17 adjustment (refer note 27)		-97,000	85,000
		£56,741	£242,389

equity		2012	2011
notes to the accounts			
6	staff costs		
	salaries	2,095,277	2,080,491
	national insurance	235,673	233,691
	pension contributions	586,079	536,591
	frs 17 adjustment	-127,000	-123,000
	pension charge calculated in accordance with frs 17	459,079	413,591
	pension scheme regulatory levy	12,804	5,429
	recruitment	8,917	5,429
	training	10,433	11,062
	welfare	5,384	2,526
		£2,827,567	£2,752,219

7 **benefits to members**

	funeral benefits (a)	33,222	25,684
	grants from the benevolent fund	27,223	24,072
	benefits and grants	60,445	49,756
	diaries	31,862	29,413
	equity magazine	96,870	96,298
	insurance bookiet	5,311	nil
	networking events	nil	2,114
	new member guides	2,340	4,000
	newspaper cutting service	1,742	3,500
	website	58,357	29,105
	communications	196,482	164,430
	accident and backstage insurance (a)	207,795	206,453
	public liability insurance	99,353	97,982
	insurance	307,148	304,435
	legal aid / contractual disputes	134,178	91,334
	legal aid / defamation / pre-trial (a)	nil	-34,000
	legal aid / defamation / trial (a)	566,000	40,000
	legal aid / personal accident claims (a)	1,917	1,213
	legal aid	702,095	98,547
	theatre awards	6,248	6,187
	theatre council funding	1,308	5,004
	live performance department	7,556	11,191
	special royalty projects	3,527	30,522
	tv is changing campaign	nil	349
	recorded media department	3,527	30,871
	bursaries to students and young people	2,000	2,000
	campaigning	7,392	6,099
	equity tennis tournament	250	230
	job information service	283	790
	professional fees (related to members)	4,950	14,987
	organising for success	3,002	nil
	training	1,406	3,793
	other	19,283	27,899
		£1,296,536	£687,129

(a) deemed provident benefits

The salary costs of staff involved in the provision of benefits to members are included within staff costs (note 6).

equity		2012	2011
notes to the accounts			
8	democratic costs		
	annual representative conference	74,611	57,703
	annual report / review of the year	43,249	38,918
	council election (a)	36,567	nil
	council by election	3,272	17,066
	general secretary election	nil	nil
	national, area and specialist committee elections	nil	38,929
	elections	39,839	55,995
	rule change referendum	16,365	13,446
		£174,064	£166,062
	(a) includes the elections of the Council, President, Appeals and Standing Orders Committees.		
9	administrative expenses		
	advertising and marketing	26,321	27,273
	bank charges	35,737	33,908
	books and publications	5,494	9,612
	computer support	84,438	83,957
	general expenses	7,426	7,414
	printing, postage & stationery	146,559	131,007
	telecommunications	26,821	31,149
		£332,796	£324,320
10	affiliation fees		
	tuc	97,848	91,618
	scottish tuc	2,218	2,095
	irish congress of trade unions	2,896	2,762
	welsh tuc	151	nil
	fia	53,258	53,781
	federation of entertainment unions	2,500	2,500
	trade unions	158,871	152,756
	amnesty	120	120
	association of british theatre technicians	250	250
	british copyright council	1,225	1,190
	british screen advisory council	nil	5,200
	liberty	431	431
	radio academy	888	1,776
	trades councils and sundry	105	195
	unions 21	500	nil
	welsh association of performing arts	168	168
		£162,558	£162,086
11	grants		
	actors' centres	17,500	20,000
	actors benevolent fund	2,137	2,441
	british association for performing arts medicine	20,000	20,000
	council for dance education and training	2,968	2,968
	dance uk / healthier dance program	5,242	5,280
	drama uk (x national council for drama training)	9,500	9,500
	ipat	530	10,000
	other grants	729	100
		£58,606	£70,289

equity		2012	2011
notes to the accounts			
12	organising expenses		
	organising / staff	46,305	39,568
	international organising	32,864	23,615
	meetings / council	29,458	30,351
	meetings / members	60,288	68,899
	meetings / general branches	8,379	19,834
	meetings / variety branches	18,793	17,987
	meetings	116,918	137,071
	motor car expenses	52,875	53,242
	commission (5% for subscriptions collected)	4,427	3,738
	branch funding	3,834	nil
		£257,223	£257,234
13	professional costs		
	amounts paid to auditors / audit fees	22,150	23,020
	amounts paid to auditors / fees for other services	14,670	24,218
	legal & professional fees	136,674	148,471
	property management fees	9,500	10,254
	stockbroker management fees	41,463	42,051
		£224,457	£248,014
14	property and equipment costs		
	office occupancy (rent, rates, light, heat and cleaning)	254,297	247,094
	hire and maintenance of office equipment	64,039	68,497
	building maintenance and external repairs	274	266
	decoration and internal repairs	14,748	22,675
	insurance	18,765	18,632
		£352,123	£357,164
15	taxation		
	corporation tax / current year	nil	nil
	corporation tax / overprovision relating to prior year	-26,034	-11,000
	income tax repayable	-10,834	-12,295
		-£36,868	-£23,295
16	operating leases		
	at 31 December 2012 the union had the following annual obligations under non-cancellable operating leases:		
	office equipment and motor vehicles		
	expiring within one year	18,312	5,462
	expiring between one to two years	14,696	21,950
	expiring between two to five years	19,673	16,656
	land and buildings		
	expiring between two to five years	nil	nil
	expiring over five years	11,161	11,162
		£63,842	£55,230

The union is not liable to taxation on income from its members. Taxation is payable to the extent that investment income exceeds allowable provident benefits.

equity
notes to the accounts

17 **tangible fixed assets** freehold land and buildings freehold improvements lift computer equipment office equipment total

cost

at 1 january 2012	2,470,941	115,440	nil	451,940	83,159	3,121,480
additions	nil	nil	29,782	56,160	9,217	95,159
disposals	nil	nil	nil	-36,266	-6,137	-42,403
at 31 december 2012	2,470,941	115,440	29,782	471,834	86,239	3,174,236

depreciation

at 1 january 2012	385,017	34,632	nil	107,543	41,837	569,029
disposals	nil	nil	nil	-36,266	-6,137	-42,403
charge for the year	20,314	23,088	nil	75,432	18,160	136,994
at 31 december 2012	405,331	57,720	nil	146,709	53,860	663,620

net book value

at 31 december 2012	2,065,610	57,720	29,782	325,125	32,379	£2,510,616
at 31 december 2011	2,085,924	80,808	nil	344,397	41,322	£2,552,451

equity
notes to the accounts

2012

2011

18	investments		
	cost at 1 january	6,185,593	5,848,647
	purchases	5,413,198	3,388,507
	sales	-5,084,299	-3,337,587
	profit / (loss) on disposals	30,412	161,026
	movement in provision for impairment	nil	125,000
	cost at 31 december	£6,544,904	£6,185,593
	market value at 31 december	£7,231,568	£6,581,598

the investment portfolio is held with Newton Investment Management Limited. There are no investments held in companies involved in the production, sale or distribution of armaments and no direct investment in companies that produce tobacco products.

19	sundry debtors and prepayments		
	income tax repayable	10,834	12,295
	season ticket loans to equity staff	21,254	19,599
	sundry debtors	347,730	45,548
	prepayments and accrued income	580,680	563,920
		£960,498	£641,362

20	cash at bank and in hand		
	bank deposit accounts	6,125,000	8,485,000
	bank current accounts	-146,703	163,240
	cash with stockbrokers	75,421	196,514
	cash in hand	19,884	22,210
		£6,073,602	£8,866,964

included within cash at bank and in hand is £1,821,523 (2011 - £4,534,543) held for distribution to members (refer note 22) and £126,025 (2011 - £206,502) in relation to amounts held under escrow.

25 equity
related party transactions

transactions with british equity collecting society ("becs")

during the year the Union undertook transactions with "becs" a company in which various members of council served as directors.

in the year ended 31 december 2012 equity issued 1) rental invoices of £66,860 (2011 - £59,091) for occupancy of offices within guild house, 2) administration charges of £15,267 (2011 - £16,032) to cover salary costs of staff providing support services and received from becs £30,000 (2011 - £21,293) of bbc ex-gratia monies that were undistributable. as at 31 december 2012 there was a balance outstanding from becs of £30,000 (2011 - £21,293).

during the year becs levied administration charges of £nil (2011 - £20,000) in relation to support services provided to equity and received from equity £15,102 (2011 - £14,883) which represents becs' share (1.5%) of era monies received by equity. as at 31 december 2012 there was a balance due to becs of £nil (2011 - £nil).

in accordance with the distribution contract which commenced on 1 september 2011, equity paid royalty monies to becs amounting to £3,949,222 (2011 - £997,893) which are to be distributed to members. as at 31 december 2012 there was no balance outstanding (2011 - £897,350).

transactions with educational recording agency ("era")

during the year the Union undertook transactions with era in which an officer of the union served as a director. in the year ended 31 december 2012 equity received licence revenues of £1,006,825 (2011 - £992,209). as at 31 december 2012 there was a balance outstanding of £309,683 (2011 - £nil).

grants to related parties

during the year equity made grants to the british association for performing arts medicine (2012 - £20,000, 2011 - £20,000), the council for dance education and training (2012 - £2,968, 2011 - £2,968), the international performers' aid trust (2012 - £nil, 2011 - £10,000) and drama uk (x national council for drama training) (2012 - £9,500, 2011 - £9,500), where a member of council or a member of staff serves on the governing body of the organisation. as at 31 december 2012 there were no balances outstanding with any of these organisations (2011 - £nil).

pattinson & brewer solicitors

during the year equity undertook transactions with pattinson & brewer, a firm of solicitors where a relative of an officer of the union is an employee. in the year ended 31 december 2012 equity purchased legal services amounting to £149,991 (2011 - £30,152). As at 31 december 2012 there was no balance outstanding (2011 - £nil).

equity
notes to the accounts

26	funds employed	balance at 1 january	income	expenditure	other recognised gains and losses	transfers to (from) designated reserves	balance at 31 december
	general fund	7,248,090	6,052,418	-6,064,717	-886,588	nil	6,349,203
	benevolent fund	308,151	35,568	-27,223	0	nil	316,496
	members' funds	7,556,241	6,087,986	-6,091,940	-886,588	0	6,665,699
	legal defence costs	200,000				nil	200,000
	industrial disputes	100,000				nil	100,000
	designated reserves	300,000				0	300,000
	funds employed 2012	7,856,241	6,087,986	-6,091,940	-886,588	0	£6,965,699
	general fund	7,828,106	5,920,939	-5,253,981	-1,346,974	100,000	7,248,090
	benevolent fund	297,605	44,618	-34,072	nil	nil	308,151
	members' funds	8,125,711	5,965,557	-5,288,053	-1,346,974	100,000	7,556,241
	legal defence costs	300,000				-100,000	200,000
	industrial disputes	100,000					100,000
	designated reserves	400,000				-100,000	300,000
	funds employed 2011	8,525,711	5,965,557	-5,288,053	-1,346,974	0	£7,856,241

The Union operates a career average revalued earnings defined benefit pension scheme. Pension benefits are built up each year, linked to the members' salaries in that year. The benefits are then increased each year in line with inflation. The most recent formal actuarial valuation was carried out as at 6 April 2012. The results have been updated to 31 December 2012 by a qualified independent actuary. The assumptions used were as follows:

financial assumptions	2012	2011
discount rate	4.40%	4.90%
retail price inflation	3.00%	3.10%
consumer price inflation	2.50%	n/a
salary increases	n/a	n/a
rate of increases of pensions in payment	2.90%	3.00%
rate of increase for deferred pensioners	2.50%	3.10%
expected return on assets	5.93%	5.10%

The overall expected return on assets assumption of 5.93% as at 31 December 2012 has been derived by calculating the weighted average of the expected rate of return for each asset class. The following approach has been used to determine the expected rate of return for each asset class:

- fixed interest securities, current market yields
- corporate bonds, current market yields
- equities, net dividend yield compounded with rpi, an allowance for future dividend growth of 1.5%pa and a deduction of 0.2%pa for passive management expenses
- property, in line with the equity return assumption
- secured annuities, in line with the assumed discount rate
- cash, current bank of England bank base rate

demographic assumptions	2012		2011			
mortality (pre retirement)	90% amc00 / 100% afc00		nil			
mortality (post retirement)	S1PA_L CMI_2011_M/F [1.00%] (yob)		S1PAmc (yob)			
life expectancies	2012	2012	2011	2011		
	male	female	male	female		
life expectancy for an individual aged 65 in 2012	23.7 years	24.9 years	20.7 years	23.2 years		
life expectancy at age 65 for an individual aged 45 in 2012	25.0 years	26.4 years	21.9 years	24.2 years		
asset class	2012	2012	2011	2011	2010	2010
	market value (£'000)	% of total scheme assets	market value (£'000)	% of total scheme assets	market value (£'000)	% of total scheme assets
equities	7,849	46%	7,059	45%	7,740	49%
bonds	5,933	34%	5,261	34%	5,123	32%
gilt	522	3%	560	4%	377	2%
property	659	4%	643	4%	590	4%
cash	802	5%	678	4%	619	4%
other assets	1,428	8%	1,337	9%	1,375	9%
total	£17,193		£15,538		£15,824	
the actual return on assets over the period was	£1,686		-£212			

equity
notes to the accounts

29	officials' salaries and other benefits	remuneration	employers' national insurance contributions	employers' pension contributions	2012	2011
	Executive	nil	nil	nil	nil	nil
	President / Malcolm Sinclair	nil	nil	nil	nil	nil
	General Secretary / Christine Payne	75,038	9,336	24,206	108,580	105,832
		75,038	9,336	24,206	£108,580	£105,832

The General Secretary and members of Equity Council are reimbursed for expenses incurred by them in the performance of their duties on behalf of the Union.

irregularity statement

Under section 32A (6A) of the Trade Unions & Labour Relations (Consolidation) Act 1992, we are obliged to publish the following statement: A member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct. The member may raise any such concern with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police. Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of the rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice.

ACCOUNTING POLICIES


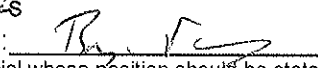
(see notes 74 and 75)

See attached

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>CHRISTINE PAYNE</u> Date: <u>19 - 02 - 13</u>	HON. TREASURER'S Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>BRYN EVANS</u> Date: <u>19 FEB. 2013</u>
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CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

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

equity accounting policies

basis of accounts

The accounts are prepared under the historical cost basis of accounting and in accordance with uk gaap.

subscriptions

Subscriptions are shown in the accounts on the basis of cash received during the membership year ended 31 December 2012 and which relates to that calendar year.

other income

Receipts which are non-contractual and not received on predetermined dates are accounted for on an arising basis.

fixed assets and depreciation

Fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, except freehold land, at rates estimated to write off the cost, less estimated residual value, of each asset as follows:

freehold land	nil
freehold buildings	1%pa
freehold improvements	20%pa
computer equipment	33%pa
membership system software	10%pa
mobile telephones	33%pa
fixed telephones	20%pa
office equipment	20%pa

Assets which were fully depreciated at 1 January 2012 have been eliminated from these accounts.

pension contributions

The Union operates a career average revalued earnings defined benefit pension scheme. Under FRS 17 the operating costs of providing benefits, the service costs, and the interest cost and expected return on assets are included in income and expenditure in the period in which they arise. A full actuarial valuation was carried out at 6 April 2012 and the results updated to 31 December 2012 by a qualified independent actuary. The actuarial gains and losses from the pension scheme are recognised in other recognised gains and losses.

operating leases

Rental payments in respect of operating leases are charged to the income and expenditure account on a straight line basis.

expenditure

All expenditure is shown exclusive of value added tax where applicable.

value added tax

Value added tax is only partially recoverable. The non-recoverable element is shown separately in the income statement.

investments

Investments are stated at cost. Provision is made against investments where there is a permanent impairment in value.

designated reserves

Designated reserves represent amounts set aside from members' funds for specific purposes. This gives a more accurate picture of members' funds available as a reserve against fluctuating income, or to spend on new activities.

branches

The Union operates a number of branches throughout the country which hold money for their local operating purpose. expenses incurred by the branches are reimbursed by the Union and included in the accounts. the funds of the branches are part of the Union's funds; however due to the immaterial amounts involved they are not included within the balance sheet.

AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES NO

If "No" please explain below.

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

YES NO

If "No" please explain below.

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

YES NO

If "No" please explain below.

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

AUDITOR'S REPORT (continued)

See attached

Signature(s) of auditor or auditors:	Chantrey Vellacott DFK LLP	
Name(s):	Philip Clark	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	Chantrey Vellacott DFK Russell Square House 10-12 Russell Square London WC1B 5LF	
Date:	28 February 2013	
Contact name and telephone number:	Philip Clark 0207 509 9305	

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

equity

Independent auditor's report to the members of Equity

We have audited the financial statements of Equity for the year ended 31 December 2012 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (UK GAAP).

This report is made solely to the union's members, as a body, in accordance with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the union and the union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Equity Council and auditor

As explained more fully in the Statement of Equity Council's Responsibilities, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statement

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Honorary Treasurer to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the union's affairs as at 31 December 2012 and of its deficit for the year then ended;
- 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 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 a satisfactory system of control over its transactions in accordance with the requirements of that section; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures within the form ar21 of officers' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Chantrey Vellacott DFK LLP
Chartered Accountants and Statutory Auditor
London

