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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 2013

List no:

069T

Head or Main Office:

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

Website address (if available)

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  
22<sup>nd</sup> 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	18,486	185	65	352	<b>19,088</b>
FEMALE	18,538	201	53	317	<b>19,109</b>
TOTAL	37,024	386	118	669	<b>A 38,197</b>

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

210
-----

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

38,197
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## 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
Vice President	David Cockayne	Natasha Gerson	19 March 2013

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



# Equity

Incorporating the Variety Artists' Federation

President: MALCOLM SINCLAIR

Vice Presidents: DAVID COCKAYNE (until Feb 2013, replaced by NATASHA GERSON) and JEAN ROGERS

Honorary Treasurer: BRYN EVANS

General Secretary: CHRISTINE PAYNE

## Council 2012-2014 (elected 2012)

### General

Laura Bailey  
Ian Barritt  
Jo Cameron Brown  
Anna Carteret  
Stephanie Cole  
Jonathan Coy  
Nick Fletcher  
Peggy-Ann Fraser  
Graham Hamilton  
Joseph Kloska  
Belinda Lang  
Pauline Moran  
Frederick Pyne  
Jean Rogers  
Brodie Ross  
John Webb  
Samuel West

### Audio Artists

Laurence Bouvard

### Choreographers

Paul Mead

### Chorus & Ensemble

Steve Fortune  
Tom Emlyn Williams

### Dance

Natasha Gerson

### Minority Ethnic Artists

Mark Holden

### Opera

Bryn Evans

### Singers

Simon Preece

### Stage Managers

Adam Burns

### Stunt Performers

Chris Webb

### Theatre Designers

David Cockayne

### Theatre Directors

Di Christian

### TIE & YPT

Andy Medhurst

### Variety, Light Entertainment & Circus

Annie Bright  
Dave Eager  
Mary Lane  
Brenda Marsh  
Tina May  
Rhubarb the Clown

### Walk-ons

Christine Bucci  
Paul Kirby

### London Area

Peter Barnes

### Midlands Area

Sally Treble

### Northern Area

Yvonne Joseph

### Northern Ireland

Louis Rolston

### Scotland

Isabella Jarrett

### South East Area

Michael Branwell

### South West Area

Nicky Diprose

### Wales

Julia Carson Sims

### Head Office:

Guild House, Upper St Martin's Lane, London WC2H 9EG. Tel: 020 7379 6000

### Regional Offices

**North West:** Express Networks, 1 George Leigh Street, Manchester M4 5DL. Tel: 0161 244 5995

**North East:** The Workstation, 15 Paternoster Row, Sheffield S1 2BX. Tel: 0114 275 9746

**Midlands:** Office 1, Steeple House, Coventry, CV1 3BY. Tel: 02476 553612

**Scotland & Northern Ireland:** 114 Union Street, Glasgow G1 3QQ. Tel: 0141 248 2472

**Wales & South West:** Transport House, 1 Cathedral Road, Cardiff CF1 9SD. Tel: 029 2039 7971

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members: Contributions and Subscriptions</b>		4,352,408
<b>From Members: Other income from members (specify)</b>		
Visiting artists	-	
<b>Total other income from members</b>		-
<b>Total of all income from members</b>		4,352,408
<b>Investment income (as at page 12)</b>		629,501
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)	1,577,464	
Income from any other sources (as at page 4)	-	
<b>Total of other income (as at page 4)</b>		1,577,464
	<b>TOTAL INCOME</b>	<b>6,559,373</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		873,613
<b>Administrative expenses (as at page 10)</b>		4,416,241
<b>Federation and other bodies (specify)</b>		
Trades Union Congress	98,064	
F.I.A	56,525	
Others	11,975	
<b>Total expenditure Federation and other bodies</b>		166,564
<b>Taxation</b>		(10,203)
	<b>TOTAL EXPENDITURE</b>	<b>5,446,215</b>
Surplus (deficit) for year		1,113,158
Amount of general fund at beginning of year		6,349,203
Amount of general fund at end of year		7,462,361

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		-
<b>Other income</b>		
Educational Recording Agency	1,020,276	
Services Sound and Vision Corporation	71,375	
Non- distributable cable re-transmission monies	140,675	
Administration charge to British Equity Collection Society	10,006	
Advertising	35,206	
Agents information service	7,567	
Credit card commission	6,931	
FRS17 adjustments	110,000	
Recorded media	15,500	
Film & TV distribution charge	4,829	
Miscellaneous	155,099	
<b>TOTAL OTHER INCOME</b>		1,577,464
<b>TOTAL OF ALL OTHER INCOME</b>		1,577,464

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
		<b>brought forward</b>	483,980
<u>Representation – Employment Related Issues</u>			
Professional Fees	5,786	<u>Education and Training services</u>	
Legal – contractual disputes	148,220	Training	1,299
Legal – Personal accident claims	18,930	Organising for success	-
		Conferences	64
<u>Representation – Non Employment Related Issues</u>			
Legal - defamation	65,000	<u>Negotiated Discount Services</u>	
		Public liability insurance	104,392
<u>Communications</u>			
Diaries	32,879		
Equity Magazine	115,578		
Job Information Service	-		
Insurance booklet	3,555	<u>Salary Costs</u>	
Networking events	3,165		
New member guides	4,150		
Newspaper cutting services	490		
Campaigning	15,212		
Website	36,249	<u>Other Benefits and Grants (specify)</u>	
		Funeral Benefits	53,218
<u>Dispute Benefits</u>		Accident and Backstage Insurance	219,978
		Theatre Awards	8,432
		Bursaries	2,000
		Tennis Tournaments	250
<u>Other Cash Payments</u>			
Special Royalty Projects	31,751		
Theatre Council Funding	2,169		
Other	846		
<b>carried forward</b>	483,980	<b>Total (should agree with figure in General Fund)</b>	873,613

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Benovelent Fund	£	£
<b>Income</b>			
	From members		-
	Investment income (as at page 12)		-
	Other income (specify)		
	Donations	21,889	
	<b>Total other income as specified</b>		21,889
	<b>Total Income</b>		21,889
<b>Expenditure</b>			
	Benefits to members	34,236	
	Administrative expenses and other expenditure (as at page 10)	-	
	<b>Total Expenditure</b>		34,236
	<b>Surplus (Deficit) for the year</b>		(12,347)
	<b>Amount of fund at beginning of year</b>		316,496
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		304,149
	<b>Number of members contributing at end of year</b>		n/a

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

(See notes 24 and 25)

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

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



(See notes 24 and 25)

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

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

(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Members contributions and levies			
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income		
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount 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	

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Contributions and levies collected from members on behalf of central political fund			
	Funds received back from central political fund			
	Other income (specify)			
		Total other income as specified		
		Total income		
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount held on behalf of trade union political fund at beginning of year	
			Amount remitted to central political 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)

	£
<b>Administrative Expenses</b>	
Remuneration and expenses of staff	2,977,219
Salaries and Wages included in above	£2,181,734
Auditors' fees	22,050
Legal and Professional fees	301,329
Occupancy costs	369,110
Stationery, printing, postage, telephone, etc.	396,131
Expenses of Executive Committee (Head Office)	29,615
Expenses of conferences	65,144
Other administrative expenses (specify)	
Grants	53,710
Elections and ballots	58,799
Annual report	35,670
Rule change referendum	-
Organising expenses	230,033
<b>Other Outgoings</b>	
Interest payable:	
Bank loans (including overdrafts)	-
Mortgages	-
Other loans	-
Depreciation	147,361
Irrecoverable VAT	214,070
Actuarial gain from pension scheme	(484,000)
Other outgoings (specify)	-
<b>Total</b>	4,416,241
Charged to:	
General Fund (Page 3)	
Fund (Account 2)	-
Fund (Account 3)	-
Fund (Account 4)	-
<b>Total</b>	4,416,241

## ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contributions £	Other Benefits		
				Description	Value £	
Elected Council Members	-	-	-		-	-
President	-	-	-		-	-
General Secretary	76,622	9,471	26,584	None	-	112,677

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £
Rent from land and buildings		86,340
Dividends (gross) from:		
Equities (e.g. shares)		344,588
Interest (gross) from:		
Government securities (Gilts)		
Mortgages		
Local Authority Bonds		
Bank and Building Societies		101,863
Other investment income (specify)		
Profit on sale of investments		96,710
Total investment income		629,501
Credited to:		
General Fund (Page 3)		629,501
Fund (Account 2)		-
Fund (Account 3)		-
Fund (Account 4)		-
Fund (Account )		-
Fund (Account )		-
Political Fund		-
Total Investment Income		629,501

# BALANCE SHEET as at 31 December 2013

(see notes 47 to 50)

Previous Year		£	£
2,510,616	<b>Fixed Assets</b> (at page 14)		2,473,053
	<b>Investments</b> (as per analysis on page 15)		
6,544,904	Quoted (Market value £10,105,136)	8,659,346	
-	Unquoted	-	
6,544,904	<b>Total Investments</b>		8,659,346
	<b>Other Assets</b>		
	Loans to other trade unions		
960,498	Sundry debtors		736,187
6,073,602	Cash at bank and in hand		9,046,721
-	Income tax to be recovered		-
-	Stocks of goods		-
-	Others (specify)		-
7,034,100	<b>Total of other assets</b>		9,782,908
16,089,620	<b>TOTAL ASSETS</b>		20,915,307
	Fund (Account 2)		-
	Fund (Account 3)		-
	Fund (Account 4)		-
	Superannuation Fund (Account )		-
	Political Fund (Account )		-
	Revaluation Reserve		-
	<b>LIABILITIES</b>		
-	Amount held on behalf of central trade union political fund		-
-	Loans: From other trade unions		-
-	Loans: Other		-
(802,443)	Subscriptions received in advance		(869,634)
(151,255)	Tax payable		(159,622)
(508,591)	Sundry creditors		(799,571)
(942,220)	Accrued expenses		(1,022,559)
(3,564,000)	Provisions		(2,847,000)
(3,155,412)	Amounts collected for distribution		(7,150,411)
(9,123,921)	<b>TOTAL LIABILITIES</b>		(12,848,797)
6,965,699	<b>TOTAL</b>		8,066,510

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Leasehold £	Freehold £				
<b>Cost or Valuation</b>						
At start of year		2,586,381	587,855	-	-	3,174,236
Additions		-	109,798	-	-	109,798
Disposals		-	(46,885)	-	-	(46,885)
At end of year		2,586,381	650,768	-	-	3,237,149
<b>Accumulated Depreciation</b>						
At start of year		463,051	200,569	-	-	663,620
Charges for year		43,402	103,959	-	-	147,361
Disposals		-	(46,885)	-	-	(46,885)
At end of year		506,453	257,643	-	-	764,096
<b>Net book value at end of year</b>						
Net book value at end of year		2,079,928	393,125	-	-	2,473,053
<b>Net book value at end of previous year</b>						
Net book value at end of previous year		2,123,330	387,286	-	-	2,510,616

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)	7,959,705	-
Government Securities (Gilts)	699,641	-
Other quoted securities (to be specified)		-
TOTAL QUOTED (as Balance Sheet)	8,659,346	-
Market Value of Quoted Investment	10,105,136	-
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)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		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)		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		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 £
<b>INCOME</b>			
From Members	4,352,408	-	4,352,408
From Investments	629,501	-	629,501
Other Income (including increases by revaluation of assets)	1,599,353	-	1,599,353
<b>Total Income</b>	6,581,262	-	6,581,262
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	(5,480,451)	-	(5,480,451)
<b>Funds at beginning of year</b> (including reserves)	6,965,699	-	6,965,699
<b>Funds at end of year</b> (including reserves)	8,066,510	-	8,066,510
<b>ASSETS</b>			
Fixed Assets			2,473,053
Investment Assets			8,659,346
Other Assets			9,782,908
		<b>Total Assets</b>	20,915,307
<b>LIABILITIES</b>		<b>Total Liabilities</b>	(12,848,797)
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			8,066,510

# 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		2013	2012
notes to the accounts			
<b>1</b>	<b>number of members</b>		
	male	19,088	18,733
	female	19,109	18,696
		<b>38,197</b>	<b>37,429</b>
<b>2</b>	<b>income related to members and other performers</b>		
	educational recording agency (era)	1,035,813	1,006,825
	era monies payable to british equity collecting society ("becs") at 1.5%	-15,537	-15,102
	services sound and vision corporation	71,375	97,186
	itv / belgian cable	nil	3,212
	channel 4 / irish	140,675	141,586
	non-distributable cable re-transmission monies	140,675	144,798
	donations to the benevolent fund	21,889	5,568
	transfer to the benevolent fund (a)	0	30,000
		<b>£1,254,215</b>	<b>£1,269,275</b>
	(a) bbc ex-gratia monies received from becs as undistributable in 2012 were placed in the benevolent fund.		
<b>3</b>	<b>investment income</b>		
	bank interest	101,850	135,302
	interest and dividends received from investments	344,588	331,269
	other	13	458
		<b>£446,451</b>	<b>£467,029</b>
<b>4</b>	<b>rental income</b>		
	rental income	41,652	33,815
	rebilled services	44,688	51,481
		<b>£86,340</b>	<b>£85,296</b>
<b>5</b>	<b>other income</b>		
	administration charge to becs	10,006	15,267
	advertising	27,706	13,593
	advertising on the website	7,500	625
	contribution to costs / us film studios	70,612	nil
	credit card commission	6,931	20,679
	facility payments (recorded media department)	15,500	10,500
	film & tv distribution charge	4,829	13,847
	industry information service (x agents' information service)	7,567	9,767
	legal recoveries (collective conditional fee agreement)	22,305	18,614
	merchandise	87	310
	reimbursement of audit fees for royalty project	21,869	nil
	sale of contract forms	25	127
	sponsorship	9,915	11,198
	other	30,286	39,214
	<b>sub-total</b>	<b>£235,138</b>	<b>£153,741</b>
	frs 17 adjustment (refer note 27)	110,000	-97,000
		<b>£345,138</b>	<b>£56,741</b>

equity notes to the accounts	2013	2012
<b>6 staff costs</b>		
salaries	2,181,734	2,095,277
national insurance	244,325	235,673
pension contributions	638,297	586,079
frs 17 adjustment	-123,000	-127,000
pension charge calculated in accordance with frs 17	515,297	459,079
pension scheme regulatory levy	10,642	12,804
recruitment	11,477	8,917
temporary staff agency fees	3,515	nil
training	8,080	10,433
welfare	2,149	5,384
	<b>£2,977,219</b>	<b>£2,827,567</b>

<b>7 benefits to members</b>		
funeral benefits (a)	53,218	33,222
grants from the benevolent fund	24,236	27,223
benefits and grants	77,454	60,445
diaries	32,879	31,862
equity magazine	115,578	96,870
insurance booklet	3,555	5,311
networking events	3,165	nil
new member guides	4,150	2,340
newspaper cutting service	490	1,742
website	36,249	58,357
communications	196,066	196,482
accident and backstage insurance (a)	219,978	207,795
public liability insurance	104,392	99,353
insurance	324,370	307,148
legal aid / contractual disputes	148,220	134,178
legal aid / defamation / trial (a)	nil	566,000
legal aid / defamation / post-trial (a)	65,000	nil
legal aid / personal accident claims (a)	18,930	1,917
legal aid	232,150	702,095
theatre awards	8,432	6,248
theatre council funding	2,169	1,308
other	846	nil
live performance department	11,447	7,556
special royalty projects	31,751	3,527
tv is changing campaign	nil	nil
recorded media department	31,751	3,527
bursaries to students and young people	2,000	2,000
campaigning	15,212	7,392
conferences	64	nil
equity tennis tournament	250	250
job information service	nil	283
professional fees (related to members)	5,786	4,950
organising for success	nil	3,002
training	1,299	1,406
other	24,611	19,283
	<b>£897,849</b>	<b>£1,296,536</b>

(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

## notes to the accounts

2013

2012

## 8 democratic costs

annual representative conference	65,144	74,611
annual report / review of the year	35,670	43,249

council election (a)	nil	36,567
council by election	12,305	3,272
general secretary election	nil	nil
national, area and specialist committee elections	46,494	nil
elections	58,799	39,839

rule change referendum	nil	16,365
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**£159,613      £174,064**

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(a) includes the elections of the Council, President, Appeals and Standing Orders Committees.

## 9 administrative expenses

advertising and marketing	34,763	26,321
bank charges	33,364	35,737
books and publications	5,184	5,494
computer support	80,441	84,438
costs of distribution	54,500	nil
general expenses	7,418	7,426
printing, postage & stationery	152,221	146,559
telecommunications	28,240	26,821

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**£396,131      £332,796**

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## 10 affiliation fees

tuc	98,064	97,848
scottish tuc	2,344	2,218
irish congress of trade unions	2,721	2,896
welsh tuc	151	151
fia	56,525	53,258
federation of entertainment unions	2,500	2,500
trade unions	162,305	158,871

amnesty	120	120
association of british theatre technicians	250	250
british copyright council	1,381	1,225
justice for columbia	300	nil
liberty	431	431
radio academy	888	888
trades councils and sundry	179	105
unions 21	500	500
welsh association of performing arts	210	168

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**£166,564      £162,558**

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equity notes to the accounts		2013	2012
<b>11 grants</b>			
actors' centres		15,000	17,500
actors benevolent fund		nil	2,137
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	5,242
drama uk		9,500	9,500
ipat / comic relief		10,000	530
other grants		1,000	729
		<b>£63,710</b>	<b>£58,606</b>
<b>12 organising expenses</b>			
organising / staff		57,385	46,305
international organising		26,124	32,864
meetings / council		29,615	29,458
meetings / members		54,952	60,288
meetings / general branches		16,138	8,379
meetings / variety branches		14,569	18,793
meetings		115,274	116,918
motor car expenses		55,561	52,875
commission (5% for subscriptions collected)		2,111	4,427
branch funding		3,193	3,834
		<b>£259,648</b>	<b>£257,223</b>
<b>13 professional costs</b>			
amounts paid to auditors / audit fees		22,050	22,150
amounts paid to auditors / fees for other services		12,413	14,670
legal & professional fees		232,016	136,674
property management fees		9,500	9,500
stockbroker management fees		47,400	41,463
		<b>£323,379</b>	<b>£224,457</b>
<b>14 property and equipment costs</b>			
office occupancy (rent, rates, light, heat and cleaning)		267,299	254,297
hire and maintenance of office equipment		68,872	64,039
building maintenance and external repairs		282	274
decoration and internal repairs		14,061	14,748
insurance		18,596	18,765
		<b>£369,110</b>	<b>£352,123</b>

equity notes to the accounts		2013	2012
15	<b>taxation</b>		
	corporation tax / current year	nil	nil
	corporation tax / overprovision relating to prior year	nil	-26,034
	income tax repayable	-10,203	-10,834
		<b>-£10,203</b>	<b>-£36,868</b>

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.

#### 16 operating leases

at 31 december 2013 the union had the following annual obligations under non-cancellable operating leases:

office equipment and motor vehicles		
expiring within one year	1,640	18,312
expiring between one to two years	17,996	14,696
expiring between two to five years	24,653	19,673
land and buildings		
expiring between two to five years	nil	nil
expiring over five years	11,161	11,161
	<b>£55,450</b>	<b>£63,842</b>

17 tangible fixed assets	freehold land and buildings	freehold improvements	lift	computer equipment	office equipment	total
<b>cost</b>						
at 1 january 2013	2,470,941	115,440	29,782	471,834	86,239	3,174,236
additions	nil	nil	60,235	42,299	7,264	109,798
disposals	nil	nil	nil	-33,527	-13,358	-46,885
at 31 december 2013	2,470,941	115,440	90,017	480,606	80,145	3,237,149
<b>depreciation</b>						
at 1 january 2013	405,331	57,720	nil	146,709	53,860	663,620
disposals	nil	nil	nil	-33,527	-13,358	-46,885
charge for the year	20,314	23,088	9,002	77,510	17,447	147,361
at 31 december 2013	425,645	80,808	9,002	190,692	57,949	764,096
<b>net book value</b>						
at 31 december 2013	2,045,296	34,632	81,015	289,914	22,196	<b>£2,473,053</b>
at 31 december 2012	2,065,610	57,720	29,782	325,125	32,379	£2,510,616



equity notes to the accounts	2013	2012
<b>18 investments</b>		
cost at 1 january	6,544,904	6,185,593
purchases	4,806,687	5,413,198
sales	-2,788,955	-5,084,299
profit / (loss) on sale	96,710	30,412
<b>cost at 31 december</b>	<b>£8,659,346</b>	<b>£6,544,904</b>
market value at 31 december	£10,105,136	£7,231,568
<p>the investment portfolios are held with Newton Investment Management Limited and Charles Stanley &amp; Co 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.</p>		
<b>19 sundry debtors and prepayments</b>		
income tax repayable	10,203	10,834
season ticket loans to equity staff	22,124	21,254
sundry debtors	93,428	347,730
prepayments and accrued income	610,432	580,680
	<b>£736,187</b>	<b>£960,498</b>
<b>20 cash at bank and in hand</b>		
bank deposit accounts	8,250,000	6,125,000
bank current accounts	425,579	-146,703
cash with stockbrokers	354,878	75,421
cash in hand	16,264	19,884
	<b>£9,046,721</b>	<b>£6,073,602</b>
<p>included within cash at bank and in hand is £5,816,522 (2012 - £1,821,523) held for distribution to members (refer note 21) and £336,048 (2012 - £126,025) in relation to amounts held under escrow (refer note 22).</p>		
<b>21 amounts collected for distribution</b>		
monies held for distribution at 1 january	3,155,412	5,868,432
monies received	5,145,076	1,236,202
monies distributed	-1,150,077	-3,949,222
<b>monies held for distribution at 31 december</b>	<b>£7,150,411</b>	<b>£3,155,412</b>
analysed as to		
monies received between 1995 and 1997 (a)	1,333,889	1,333,889
monies distributable	5,816,522	1,821,523
	<b>£7,150,411</b>	<b>£3,155,412</b>

(a) under both written agreements and ad hoc arrangements, the union acts as an intermediary for performers in the entertainment industry for the collection and distribution of payments due to members and some non-members. In 2008, the union appointed a forensic accountant to examine the available accounting records for 1995 to 1997. The results were inconclusive and the union is in the process of applying to the High Court so that Equity may use this money for its general purposes over time for the general benefit of members.

equity notes to the accounts	2013	2012
<b>22 sundry creditors and accruals</b>		
amounts held in escrow	336,048	126,025
trade creditors	109,763	53,586
sundry creditors	353,760	328,980
taxation and social security	159,622	151,255
accruals and deferred income	1,022,559	942,220
	<b>£1,981,752</b>	<b>£1,602,066</b>

**23 contingent liabilities**

The union is involved in a number of legal cases on behalf of members the outcome of which cannot be determined at this time.

**24 capital commitments**

At the end of the year there were capital commitments authorised and contracted for amounting to £nil (2012 - £70,000).

**25 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 2013 Equity recognised 1) rental income and service charges of £61,969 (2012 - £60,950) due from BECS for the occupancy of offices within Guild House and 2) administration charges of £10,006 (2012 - £15,267) to cover salary costs of staff providing support services. As at 31 December 2013 there was no balance outstanding (2012 - £nil).

- In the year ended 31 December 2013 Equity recognised income of £nil (2012 - £30,000) due from BECS relating to BBC ex-gratia monies that were undistributable. As at 31 December 2013 there was a balance outstanding from BECS of £9,960 (2012 - £30,000).

- During the year ended 31 December 2013 Equity recognised costs payable to BECS of £15,537 (2012 - £15,102) which represents BECS' share (1.5%) of era monies received by Equity. As at 31 December 2013 there was a balance due to BECS of £15,537 (2012 - £15,102).

- In accordance with the terms of the distribution contract which commenced on 1 September 2011, Equity paid royalty monies to BECS amounting to £1,211,751 (inc vat) (2012 - £4,078,819) which are to be distributed to members. As at 31 December 2013 there was no balance outstanding (2012 - £nil).

**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 2013 Equity received licence revenues (x-vat) of £1,035,813 (2012 - £1,006,825). As at 31 December 2013 there was no balance outstanding (2012 - £309,683 inc vat).

**Grants to related parties**

During the year Equity made grants to the British Association for performing arts medicine (2013 - £20,000, 2012 - £20,000), the Council for dance education and training (2013 - £2,968, 2012 - £2,968), the International Performers' Aid Trust (2013 - £10,000, 2012 - £nil) and Drama UK (2013 - £9,500, 2012 - £9,500), where a member of Council or a member of staff serves on the governing body of the organisation. As at 31 December 2013 there were no balances outstanding with any of these organisations (2012 - £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 2013 Equity received invoices for legal services amounting to £215,387 inc vat (2012 - £176,285 inc vat). As at 31 December 2013 there were no invoices outstanding (2012 - £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	6,349,203	6,462,663	-5,930,215	580,710	nil	7,462,361
benevolent fund	316,496	21,889	-34,236	0	nil	304,149
<b>members' funds</b>	<b>6,665,699</b>	<b>6,484,552</b>	<b>-5,964,451</b>	<b>580,710</b>	<b>0</b>	<b>7,766,510</b>
legal defence costs	200,000				nil	200,000
industrial disputes	100,000				nil	100,000
<b>designated reserves</b>	<b>300,000</b>				<b>0</b>	<b>300,000</b>
<b>funds employed 2013</b>	<b>6,965,699</b>	<b>6,484,552</b>	<b>-5,964,451</b>	<b>580,710</b>	<b>0</b>	<b>£8,066,510</b>
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
<b>members' funds</b>	<b>7,556,241</b>	<b>6,087,986</b>	<b>-6,091,940</b>	<b>-886,588</b>	<b>0</b>	<b>6,665,699</b>
legal defence costs	200,000				nil	200,000
industrial disputes	100,000				nil	100,000
<b>designated reserves</b>	<b>300,000</b>				<b>0</b>	<b>300,000</b>
<b>funds employed 2012</b>	<b>7,856,241</b>	<b>6,087,986</b>	<b>-6,091,940</b>	<b>-886,588</b>	<b>0</b>	<b>£6,965,699</b>

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 2013 by a qualified independent actuary. The assumptions used were as follows:

financial assumptions	2013	2012
discount rate	4.60%	4.40%
retail price inflation	3.50%	3.00%
consumer price inflation	2.50%	2.50%
salary increases	n/a	n/a
rate of increases of pensions in payment	3.40%	2.90%
rate of increase for deferred pensioners	2.50%	2.50%
expected return on assets	6.46%	5.93%

The overall expected return on assets assumption of 6.46% as at 31 December 2013 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	2013	2012
mortality (pre retirement)	90% amc00 / 100% afc00	90% amc00 / 100% afc00
mortality (post retirement)	S1PA_L CMI_2011_M/F [1.00%] (yob)	S1PA_L CMI_2011_M/F [1.00%] (yob)

life expectancies	2013	2013	2012	2012
	male	female	male	female
life expectancy for an individual aged 65 in 2013	23.8 years	25.0 years 26.5 years	23.7 years	24.9 years
life expectancy at age 65 for an individual aged 45 in 2012	25.1 years	25.0 years	25.0 years	26.4 years

asset class	2013	2013	2012	2012	2011	2011
	market value (£'000)	% of total scheme assets	market value (£'000)	% of total scheme assets	market value (£'000)	% of total scheme assets
equities	8,467	45%	7,849	46%	7,059	45%
bonds	5,998	32%	5,933	34%	5,261	34%
gilts	473	2%	522	3%	560	4%
property	1,797	10%	659	4%	643	4%
cash	801	4%	802	5%	678	4%
other assets	1,338	7%	1,428	8%	1,337	9%
total	£18,874		£17,193		£15,538	
the actual return on assets over the period was	£1,599		£1,686			

reconciliation to the balance sheet	2013 £'000	2012 £'000
market value of assets	18,874	17,193
present value of liabilities	21,721	20,757
<b>pension liability recognised in the balance sheet</b>	<b>-£2,847</b>	<b>-£3,564</b>
analysis of changes in the value of the scheme liabilities over the year	2013 £'000	2012 £'000
value of liabilities at start of year	20,757	18,215
service cost	421	358
interest cost	912	889
benefits paid	-462	-516
actuarial (gains) / losses	93	1,811
<b>value of liabilities at end of year</b>	<b>£21,721</b>	<b>£20,757</b>
analysis of changes in the value of the scheme assets over the year	2013 £'000	2012 £'000
market value of assets at start of year	17,193	15,538
expected return on scheme assets	1,022	792
actuarial gains / (losses)	577	894
employer contributions	544	485
benefits paid	-462	-516
<b>market value of assets at end of year</b>	<b>£18,874</b>	<b>£17,193</b>
analysis of amounts charged to operating profit	2013 £'000	2012 £'000
current service cost	421	358
<b>net gain / (loss) charged to the income and expenditure account</b>	<b>£421</b>	<b>£358</b>
analysis of amounts charged to other finance income	2013 £'000	2012 £'000
interest on liabilities	-912	-889
expected return on scheme assets	1,022	792
<b>net (charge) / credit to other finance income</b>	<b>£110</b>	<b>-£97</b>
<b>total income and expenditure account</b>	<b>£311</b>	<b>£455</b>
amounts recognised in other recognised gains and losses	2013 £'000	2011 £'000
actuarial gains / (losses)	484	-917
<b>total amount recognised in other recognised gains and losses</b>	<b>£484</b>	<b>-£917</b>

equity  
notes to the accounts

29	officials' salaries and other benefits	remuneration	employers' national insurance contributions	employers' pension contributions	2013	2012
	Executive	nil	nil	nil	nil	nil
	President / Malcolm Sinclair	nil	nil	nil	nil	nil
	General Secretary / Christine Payne	76,622	9,471	26,584	112,677	108,580
		76,622	9,471	26,584	£112,677	£108,580

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.

equity  
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)

## **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 2013 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
lift	10%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 2013 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 2013 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.


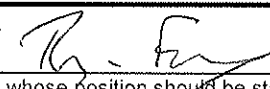
## **contribution to costs**

as part of Equity's enforcement of performers' contractual payments arising from the Cinema Films Agreement, the element of monies payable by studios based in the USA which contribute to Equity's costs incurred and to be incurred are recognised over four years or the life of the project if longer.

# 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> <u>GENERAL SECRETARY</u> Date: <u>26-5-2014</u> <u>28</u> <u>cfse</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) <u>(HONORARY TREASURER)</u> Name: <u>ROMY FEJANS</u> Date: <u>28/5/14</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"/>



# 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 Ltd

Name(s):

Philip Clark  
CHANTREY VELLACOTT DFK Ltd

Profession(s) or Calling(s):

Chartered Accountants

Address(es):

Chantrey Vellacott DFK  
Russell Square House  
10-12 Russell Square  
London WC1B 5LF

Date:

29 May 2014

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.

We have audited the financial statements of Equity for the year ended 31 December 2013 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 and of its surplus 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:

Under the ISAs (UK and Ireland) we are required to report to you if, in our opinion, information in the Report of the Honorary Treasurer is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the company acquired in the course of performing an audit; or
- otherwise misleading.

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**