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- PRINT ON ONE SIDE ONLY

FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

Year ended:

List no:

Head or Main Office:

Website address (if available)

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

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	(Click the appropriate box)
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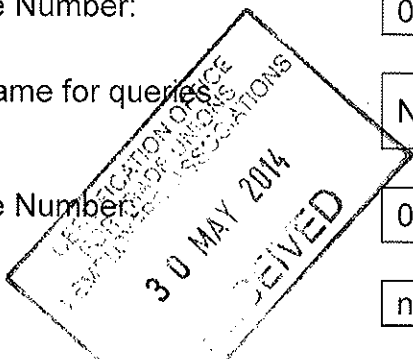
General Secretary:

Telephone Number:

Contact name for queries regarding

Telephone Number:

E-mail:



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 2JG

(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	35,680	1,644			37,324
FEMALE	2,578	81			2,659
TOTAL	38,258	1,725			A 39,983

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

0
39,983

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

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		

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

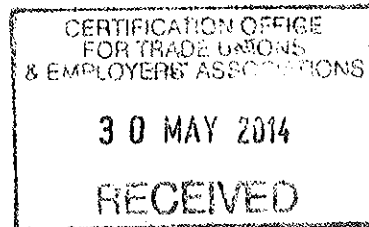
If yes, state the number of affiliated unions:

and names:

Fire Brigades Union

List of Officers in Post as at 31 December 2013

M. Wrack	General Secretary
A. Dark	Assistant General Secretary
P. Woolstenholmes	National Officer
J. McGhee	National Officer
S. Starbuck	National Officer
D. Green	National Officer



GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		9,422,314
From Members: Other income from members (specify)		
 Total other income from members		
Total of all income from members		9,422,314
Investment income (as at page 12)		38,469
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	20,408	
 Total of other income (as at page 4)		20,408
		TOTAL INCOME
		9,481,191
EXPENDITURE		
Benefits to members (as at page 5)		514,954
Administrative expenses (as at page 10)		8,549,754
Federation and other bodies (specify)		
TUC	108,127	
Other	43,096	
 Total expenditure Federation and other bodies		151,223
Taxation		
		TOTAL EXPENDITURE
		9,215,931
		265,260
Surplus (deficit) for year		265,260
		27,756
Amount of general fund at beginning of year		27,756
		293,016
Amount of general fund at end of year		293,016

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		
Publications & Merchandise	2,416	
Other	2,085	
Commission Received	7,232	
VAT Recoverable	8,675	
TOTAL OTHER INCOME		20,408
TOTAL OF ALL OTHER INCOME		20,408

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	
		Education and Training services Education	150,260
Representation – Non Employment Related Issues			
		Negotiated Discount Services	
Communications			
		Salary Costs	
Advisory Services			
		Other Benefits and Grants (specify)	
		Legal Fees	363,194
Dispute Benefits		Support	1,500
Other Cash Payments			
carried forward		Total (should agree with figure in General Fund)	514,954

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Accident & Injury Fund	£	£
Income			
	From members		1,518,794
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		1,518,794
Expenditure			
	Benefits to members		1,109,122
	Administrative expenses and other expenditure (as at page 10)		194,807
	Total Expenditure		1,303,929
	Surplus (Deficit) for the year		214,865
	Amount of fund at beginning of year		4,799,566
	Amount of fund at the end of year (as Balance Sheet)		5,014,431
	Number of members contributing at end of year		38,191

FUND 3		Fund Account	
Name:	Union Learning Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Grants Received	659,447	
	Total other income as specified		659,447
	Total Income		659,447
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		659,447
	Total Expenditure		659,447
	Surplus (Deficit) for the year		0
	Amount of fund at beginning of year		0
	Amount of fund at the end of year (as Balance Sheet)		0
	Number of members contributing at end of year		0

(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		265,941
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total income		265,941
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		378,740
	Total expenditure		
	Surplus (deficit) for year		(112,799)
	Amount of political fund at beginning of year		1,254,469
	Amount of political fund at the end of year (as Balance Sheet)		1,141,670
	Number of members at end of year contributing to the political fund		32,624
	Number of members at end of the year not contributing to the political fund		7,359
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		6,339

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		1,980,911
Salaries and Wages included in above	£1,311,964	
Auditors' fees		48,605
Legal and Professional fees		322,225
Occupancy costs		658,960
Stationery, printing, postage, telephone, etc.		930,823
Expenses of Executive Committee (Head Office)		985,966
Expenses of conferences		221,802
Other administrative expenses (specify)		
Firefighter		264,915
Commissions, Reports & Goods for Presentations		238,927
Organisation		2,240,639
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation, Impairment & P/L on Disposal of Assets & Investments		418,749
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
ULF/Actuarial Loss/Donations/Ballots/Bank Charges		1,091,486
Total		9,404,008
Charged to:	General Fund (Page 3)	8,549,754
	Fund (Account2)	194,807
	Fund (Account3)	659,447
	Fund (Account)	
	Fund (Account)	
Total		9,404,008

BALANCE SHEET as at 31 December 2013

(see notes 47 to 50)

Previous Year		£	£
2,820,971	Fixed Assets (at page 14)		2,836,424
	Investments (as per analysis on page 15)		
682,145	Quoted (Market value £ 904,779)	739,152	
240,530	Unquoted	240,530	
922,675	Total Investments		979,682
	Other Assets		
361,161	Long Term Loans		338,146
792,039	Debtors		746,928
3,332,264	Cash at bank and in hand		3,841,857
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
4,485,464	Total of other assets		4,926,931
8,229,110	TOTAL ASSETS		8,743,037
27,756	Fund (Account 1)		293,016
4,799,566	Fund (Account 2)		5,014,431
	Fund (Account)		
	Superannuation Fund (Account)		
1,254,469	Political Fund (Account 1)		1,141,670
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
318,525	Trade Creditors		415,729
26,598	Hire Purchase		121,680
300,626	Sundry creditors		300,168
1,033,570	Accrued expenses		990,664
	Non Current Liabilities		121,679
468,000	Pension Liabilities		344,000
2,147,319	TOTAL LIABILITIES		2,293,920
8,229,110	TOTAL ASSETS		8,743,037

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	2,702,748	748,045	941,604	192,089		4,584,486
Additions			430,895	19,992		450,887
Disposals			(358,898)	(27,376)		(386,274)
Revaluation/Transfers						
At end of year	2,702,748	748,045	1,013,601	184,705		4,649,099
Accumulated Depreciation						
At start of year	786,100	147,996	693,209	136,210		1,763,515
Charges for year	50,323	18,701	220,349	26,448		315,821
Disposals			(358,897)	(22,764)		(381,661)
Impairment of Property	115,000					115,000
At end of year	951,423	166,697	554,661	139,894		1,812,675
Net book value at end of year						
	1,751,325	581,348	458,940	44,811		2,836,424
Net book value at end of previous year						
	1,916,648	600,049	248,395	55,879		2,820,971

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Standard Life Wealth	739,152	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	739,152	
Market Value of Quoted Investment	904,779	
UNQUOTED		
Equities		
Unity Trust Bank	240,000	
Other	530	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	240,530	
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 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

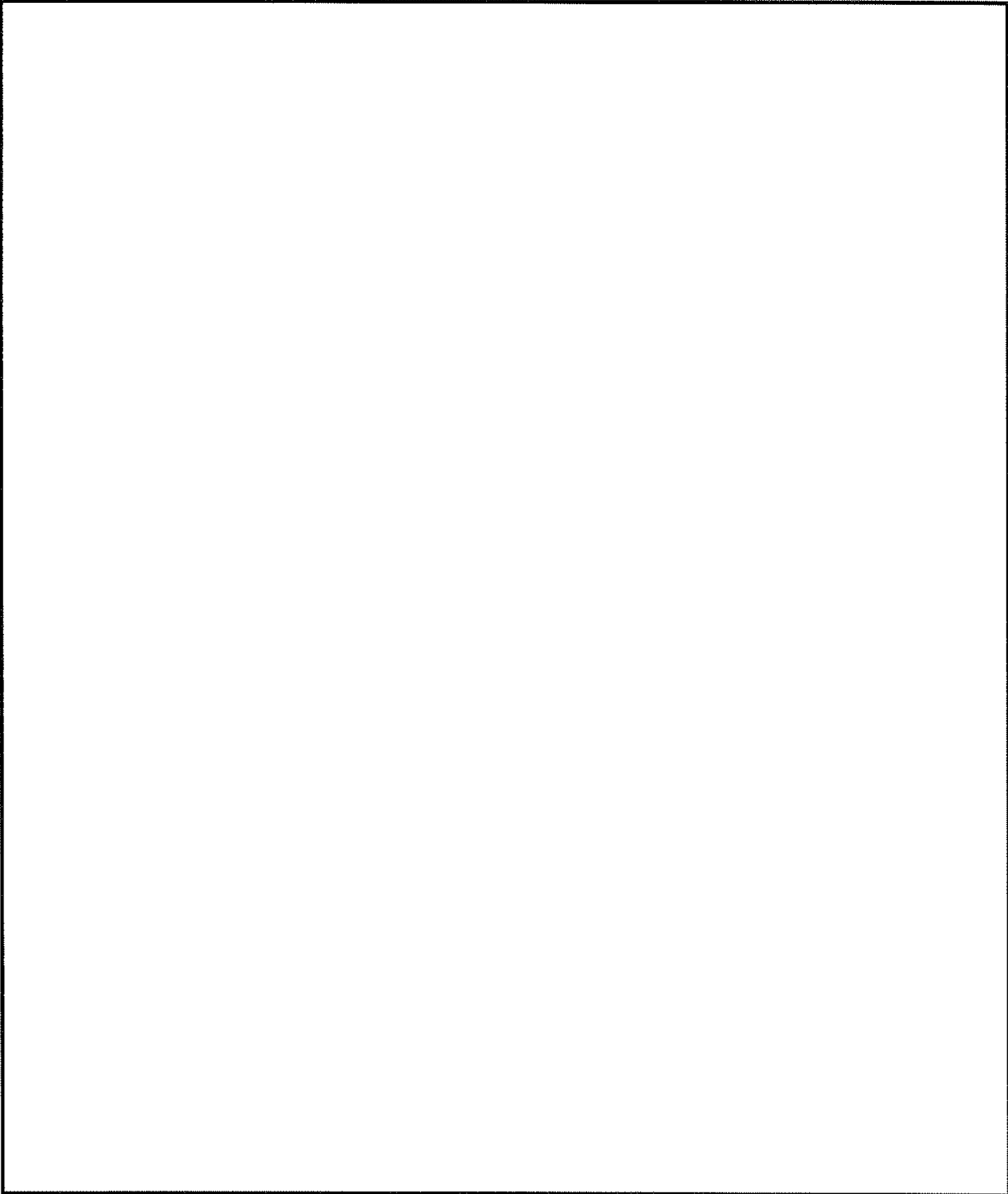
(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	10,941,108	265,941	11,207,049
From Investments	38,469		38,469
Other Income (including increases by revaluation of assets)	679,855		679,855
Total Income	11,659,432	265,941	11,925,373
EXPENDITURE (including decreases by revaluation of			
Total Expenditure	11,179,307	378,740	11,558,047
Funds at beginning of year (including reserves)	4,827,322	1,254,469	6,081,791
Funds at end of year (including reserves)	5,307,447	1,141,670	6,449,117
ASSETS			
Fixed Assets			2,836,424
Investment Assets			979,682
Other Assets			4,926,931
		Total Assets	8,743,037
LIABILITIES			
		Total Liabilities	2,293,920
NET ASSETS (Total Assets less Total Liabilities)			6,449,117

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.



1 Accounting Policies

- a) These accounts have been prepared under the historical cost convention and in accordance with UK GAAP. Income and expenditure is dealt with in the various fund accounts of the union.
- (b) Fixed assets are initially recorded at cost. Depreciation is provided on all tangible fixed assets, except for freehold land, on a straight line basis, at rates estimated to write off the cost or valuation of each asset over its expected useful life.

The rates used are:

Buildings	2.50%
Computer equipment	25%
Fixtures or fittings	10% or 20%
Motor Vehicles	25%

No depreciation is provided on freehold land. Where no information is available as to the allocation of the original cost or valuation of property between land and buildings, best estimates of that allocation are used.

- (c) Rental payments in respect of operating leases are charged to the General Fund Income and Expenditure Account in the period in which they are incurred. Assets held under finance leases and hire purchase contracts are capitalised and depreciated over the shorter period of the lease and the useful economic lives of the assets. The finance charges are allocated over the period of the lease and are charged to the income and expenditure account.
- (d) Investments are stated in the balance sheet on the following basis:
- Quoted Investment - at original cost.
- Unquoted Investments - at original cost or estimated current value as determined by either an independent 3rd party or board of the bank (Unity Trust Bank).
- Provision is made against investments where there is a permanent impairment in value. Income from the investments is recognised when the monies are received.
- (e) Members' legal expenses are charged in these accounts net of reimbursements obtained in respect of certain cases, on an invoiced basis. No provision is made for outstanding legal costs not invoiced, or for reimbursements not received at the balance sheet date. All other income and expenditure is accounted for on an accruals basis.
- (f) Provisions for future expenditure are included in the accounts, only where the union has a present obligation to meet such expenditure.
- (g) Provision is only made for material corporation tax on investment income and capital gains arising in the year after relief given for provident benefits paid. No provision is made for any potential corporation tax liabilities arising as a result of revaluations of the union's properties or investments.
- (h) Value added tax (VAT) is only partially recoverable. The non-recoverable element is shown separately in the income statement. All expenditure is shown exclusive of VAT where applicable.
- (i) Contributions include those amounts receivable from members in respect of the year under review.
- (j) The union's pension schemes are defined benefit schemes.

The amounts charged to the Income and Expenditure Account are the current service costs. Actuarial gains and losses are recognised immediately in the Consolidated Income and Expenditure Account.

The assets of the schemes are held separately from those of the union in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and a discounted rate equivalent to the current rate of return on high quality corporate bonds of equivalent currency and term to the scheme liabilities.

- (k) Accident and injury fund contributions are recognised on an accrual basis in accordance with union rules. Provisions for expenditure are included in the accounts when there is certainty that a future payment will be made as at the balance sheet date.
- (l) All union learning fund grant income is recognised as and when the union is entitled to the monies and matched against relevant expenditure.

The Fire Brigades Union
Notes To the Accounts
For The Year Ended 31 December 2013

	2013 £	2012 £
2 Benefits		
Legal Fees	363,194	365,954
Education	150,260	202,563
Accident and Injury Claims	1,109,122	1,208,337
Payments for Support	1,500	-
	<u>1,624,076</u>	<u>1,776,854</u>
3 Administration		
Salaries & National Insurance Contributions	1,724,339	1,812,315
Pension Contributions	614,881	639,372
FRS 17 Pension Scheme Adjustment (Note 10)	(260,000)	(164,000)
Travel	355,819	283,206
Mileage	544,408	554,117
Hotels	269,998	227,860
Subsistence and Evening Meals	466,000	481,995
Officials' Allowance	625,659	640,346
Motor Expenses	22,326	21,667
PAYE Agreement	5,669	9,294
Other Organising Expenses	51,047	70,465
Trade Union Leave	895,211	995,390
Reports, Journals and Subscriptions	76,900	76,329
Ballot Expenses	172,538	24,747
Donations	69,934	89,709
Goods for Resale, Presentations & Campaigning	44,713	75,953
Repairs and Renewals	81,199	67,201
Office Expenses	539,374	504,095
Communications	499,077	631,123
Printing and Stationery	593,624	369,503
Advertising	75,644	14,700
Insurance	38,387	36,861
Bank Charges and Interest Payable	20,528	21,666
Audit, Pension Audit and Accountancy	48,605	47,700
Professional Fees	355,949	391,736
	<u>7,931,829</u>	<u>7,923,350</u>

4 Fixed Assets

	Land & Buildings	Fixtures Fittings & Equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
1 January 2013	3,450,793	941,604	192,089	4,584,486
Additions	-	430,895	19,992	450,887
Disposals	-	(358,898)	(27,376)	(386,274)
31 December 2013	<u>3,450,793</u>	<u>1,013,601</u>	<u>184,705</u>	<u>4,649,099</u>
Depreciation				
1 January 2013	934,096	693,209	136,210	1,763,515
Charge for the year	69,024	220,349	26,448	315,821
Impairment of Property	115,000	-	-	115,000
Disposals	-	(358,897)	(22,764)	(381,661)
31 December 2013	<u>1,118,120</u>	<u>554,661</u>	<u>139,894</u>	<u>1,812,675</u>
Net Book Value				
31 December 2013	<u>2,332,673</u>	<u>458,940</u>	<u>44,811</u>	<u>2,836,424</u>
Net Book Value				
31 December 2012	<u>2,516,697</u>	<u>248,395</u>	<u>55,879</u>	<u>2,820,971</u>

5 Investments

	2013	2012
	£	£
Quoted Equities and Unit Trusts		
Standard Life Wealth Ltd Market Value - £541,241 (2013), £458,860 (2012)	443,806	409,914
Standard Life Wealth Ltd Market Value - £363,538 (2013), £308,110 (2012)	295,346	272,231
Unquoted Equities		
240,000 Unity Trust Bank plc "A" and "C" Ordinary Shares	240,000	240,000
Labour Education, Rec. And Holiday Homes Ltd.	530	530
	<u>979,682</u>	<u>922,675</u>

No provision for permanent impairment in value of investments is considered necessary.

6 Long Term Loans

	2013	2012
	£	£
Mortgages repayable	315,111	338,126
Loans - Co-op Societies		
CRS London Ltd.	35	35
Peoples Press Printing Society Ltd.	20,000	20,000
Loans		
Scottish TUC	3,000	3,000
	<u>338,146</u>	<u>361,161</u>

The mortgage loans to officials are secured by a charge on the property.

The Fire Brigades Union
Notes To the Accounts
For The Year Ended 31 December 2013

	2013 £	2012 £
7 Debtors		
Trade Debtors	414,314	501,144
Other Debtors	106,606	122,391
Prepayments	226,008	168,504
	<u>746,928</u>	<u>792,039</u>
8 Current Liabilities		
Trade Creditors	415,729	318,525
Hire Purchase Creditors	121,680	26,598
Other Creditors	300,168	300,626
Accruals	990,664	1,033,570
	<u>1,828,241</u>	<u>1,679,319</u>
9 Non Current Liabilities		
Hire Purchase Creditors	121,679	-
	<u>121,679</u>	<u>-</u>
10 FRS17 Pension Scheme Liability		
	£'000	£'000
Staff Scheme		
Opening Balance	(1,574)	(2,285)
Current service cost	(181)	(238)
Contributions by the union	353	385
FRS 17 Pension Scheme Adjustment	172	147
Interest cost	(292)	(336)
Expected return on scheme assets	244	240
FRS 17 Finance Cost	(48)	(96)
Actuarial gain	11	660
Closing Balance	<u>(1,439)</u>	<u>(1,574)</u>
Officials Scheme		
Opening Balance	1,106	518
Current service cost	(166)	(210)
Contributions by the union	254	227
FRS 17 Pension Scheme Adjustment	88	17
Interest cost	(266)	(292)
Expected return on scheme assets	343	364
FRS 17 Finance Cost	77	72
Actuarial (loss)/gain	(176)	499
Closing Balance	<u>1,095</u>	<u>1,106</u>
Both Schemes		
Opening Balance	(468)	(1,767)
Current service cost	(347)	(448)
Contributions by the union	607	612
FRS 17 Pension Scheme Adjustment (note 3)	260	164
Interest cost	(558)	(628)
Expected return on scheme assets	587	604
FRS 17 Finance Cost	29	(24)
Actuarial (loss)/gain	(165)	1,159
Closing Balance	<u>(344)</u>	<u>(468)</u>

10 FRS17 Pension Scheme Liability (continued)

The union operates two defined benefit schemes in the United Kingdom, the first in respect of national officials' and the second for clerical staff. A full actuarial valuation was carried out at 1 November 2011 and 30 June 2011 respectively on each scheme and updated to 31 December 2013 by qualified independent actuaries.

The major assumptions used by the actuary for the National Officials' Scheme.

	At 31.12.2013	At 31.12.2012
Rate of increase in salaries	1.5%	1.5%
Rate of increase of pensions in payment	3.4%	2.7%
Discount Rate	4.5%	4.4%
Inflation Rate (RPI)	3.4%	2.7%
Inflation Rate (CPI)	2.5%	2.0%

The assets in the scheme and the expected rate of return for the National Officials' Scheme.

	Long-term expected rate of return	Value at 31.12.2013	Long-term expected rate of return	Value at 31.12.2012	Long-term expected rate of return	Value at 31.12.2011
		£'000		£'000		£'000
With Profits Fund	5.3%	3,365	6.6%	2,922	6.6%	2,450
Secured annuities	4.4%	4,353	4.7%	4,224	5.4%	4,248
Total market value of assets		<u>7,718</u>		<u>7,146</u>		<u>6,698</u>

The major assumptions used by the actuary for the Clerical Staff Scheme.

	At 31.12.2013	At 31.12.2012
Rate of increase in salaries	1.5%	1.5%
Rate of increase of pensions in payment	3.4%	2.8%
Discount Rate	4.5%	4.1%
Inflation Rate (RPI)	3.6%	2.8%
Inflation Rate (CPI)	2.9%	2.1%

The mortality assumptions are in accordance with the PNA00 medium cohort projections with a 1% underpin.

The assets in the scheme and the expected rate of return for the Clerical Staff Scheme.

	Long-term expected rate of return	Value at 31.12.2013	Long-term expected rate of return	Value at 31.12.2012	Long-term expected rate of return	Value at 31.12.2011
		£'000		£'000		£'000
Cash accumulation policy	5.5%	2,382	4.6%	2,591	5.0%	2,785
Secured annuities	4.5%	3,590	4.1%	2,943	4.7%	1,998
Total market value of assets		<u>5,972</u>		<u>5,534</u>		<u>4,783</u>

The union is only subject to corporation tax in line with note 11 and does not therefore account for deferred tax. As a consequence, there cannot be a deferred tax asset related to the above pension liability.

10 FRS17 Pension Scheme Liability (continued)

	2013	2013	2013	2012	2012	2012
	National	Clerical	Total	National	Clerical	Total
	Officials'	Staff		Officials'	Staff	
	Scheme	Scheme		Scheme	Scheme	
	£'000	£'000	£'000	£'000	£'000	£'000
The amounts recognised in the balance sheet are as follows:						
Present value of scheme liabilities	(6,623)	(7,411)	(14,034)	(6,040)	(7,108)	(13,148)
Fair value of scheme assets	7,718	5,972	13,690	7,146	5,534	12,680
Net asset / (liability) recognised	<u>1,095</u>	<u>(1,439)</u>	<u>(344)</u>	<u>1,106</u>	<u>(1,574)</u>	<u>(468)</u>

The amounts recognised in the income and expenditure account are as follows:

Service costs	166	181	347	210	238	448
Interest on obligation	266	292	558	292	336	628
Expected return on scheme assets	(343)	(244)	(587)	(364)	(240)	(604)
Total	<u>89</u>	<u>229</u>	<u>318</u>	<u>138</u>	<u>334</u>	<u>472</u>

Actual return on scheme assets	472	260	732	367	443	810
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Actuarial gains and (losses) recognised:

Difference between expected and actual return on scheme assets	129	16	145	3	203	206
Experience gains and losses arising on scheme liabilities and effects of changes in the demographic and financial assumptions underlying the present value of scheme liabilities	(305)	(5)	(310)	496	457	953
Total recognised	<u>(176)</u>	<u>11</u>	<u>(165)</u>	<u>499</u>	<u>660</u>	<u>1,159</u>

Cumulative amounts recognised	505	(2,115)	(1,610)	681	(2,126)	(1,445)
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Reconciliation of opening and closing balances of the present value of scheme liabilities:

Scheme liabilities at 1 January 2013	6,040	7,108	13,148	6,180	7,068	13,248
Current service cost	166	181	347	210	238	448
Interest cost	266	292	558	292	336	628
Contributions by scheme participants	42	34	76	43	38	81
Actuarial loss/(gain)	305	5	310	(496)	(457)	(953)
Benefits paid	(196)	(209)	(405)	(189)	(115)	(304)
Scheme liabilities at 31 December 2013	<u>6,623</u>	<u>7,411</u>	<u>14,034</u>	<u>6,040</u>	<u>7,108</u>	<u>13,148</u>

Reconciliation of opening and closing balances of the fair value of scheme assets

Fair value of scheme assets at 1 January 2013	7,146	5,534	12,680	6,698	4,783	11,481
Expected return on scheme assets	343	244	587	364	240	604
Actuarial gain	129	16	145	3	203	206
Contributions by employer	254	353	607	227	385	612
Contributions by scheme participants	42	34	76	43	38	81
Benefits paid	(196)	(209)	(405)	(189)	(115)	(304)
Fair value of scheme assets at 31 December 2013	<u>7,718</u>	<u>5,972</u>	<u>13,690</u>	<u>7,146</u>	<u>5,534</u>	<u>12,680</u>

Amounts for the current and previous five years

	2013	2012	2011	2010	2009	2008
	£'000	£'000	£'000	£'000	£'000	£'000
Present value of scheme liabilities	(14,034)	(13,148)	(13,248)	(11,136)	(10,211)	(7,491)
Fair value of scheme assets	13,690	12,680	11,481	10,448	9,295	7,786
(Deficit) / surplus in scheme	(344)	(468)	(1,767)	(688)	(916)	295
Experience adjustments on scheme assets	145	206	92	174	534	(964)
Experience adjustments on scheme liabilities	310	(953)	(1,098)	78	(1,169)	1,114

The best estimate of contributions to be paid by the employer to the schemes for the year ending 31 December 2014 is £602,000

10 FRS17 Pension Scheme Liability (continued)

Under FRS17 the operating costs of providing benefits, the service costs, and the interest cost and expected return on assets are included in the income and expenditure account in the period in which they arise. Market fluctuations are set out as recognised gains and losses. The cash flow required to meet any deficit relates to future pension contributions and in the long term this is expected to rise. However the amount of any deficit is subject to considerable variation as it depends on a number of both demographic and financial assumptions.

11 Taxation

The union is not liable to tax on income from its members. Taxation is payable to the extent that investment income and capital gains exceed allowable provident benefits.

12 Operating Leases

As at 31 December 2013 the union has annual commitments under non-cancellable operation leases as follows;

	2013	2012
	£	£
Within one year	100,776	100,776
Between one and two years	201,552	201,552
Between three and five years	75,582	176,358

1 Accounting Policies

- a) These accounts have been prepared under the historical cost convention and in accordance with UK GAAP. Income and expenditure is dealt with in the various fund accounts of the union.
- (b) Fixed assets are initially recorded at cost. Depreciation is provided on all tangible fixed assets, except for freehold land, on a straight line basis, at rates estimated to write off the cost or valuation of each asset over its expected useful life.

The rates used are:

Buildings	2.50%
Computer equipment	25%
Fixtures or fittings	10% or 20%
Motor Vehicles	25%

No depreciation is provided on freehold land. Where no information is available as to the allocation of the original cost or valuation of property between land and buildings, best estimates of that allocation are used.

- (c) Rental payments in respect of operating leases are charged to the General Fund Income and Expenditure Account in the period in which they are incurred. Assets held under finance leases and hire purchase contracts are capitalised and depreciated over the shorter period of the lease and the useful economic lives of the assets. The finance charges are allocated over the period of the lease and are charged to the income and expenditure account.
- (d) Investments are stated in the balance sheet on the following basis:
- Quoted Investment - at original cost.
- Unquoted Investments - at original cost or estimated current value as determined by either an independent 3rd party or board of the bank (Unity Trust Bank).
- Provision is made against investments where there is a permanent impairment in value. Income from the investments is recognised when the monies are received.
- (e) Members' legal expenses are charged in these accounts net of reimbursements obtained in respect of certain cases, on an invoiced basis. No provision is made for outstanding legal costs not invoiced, or for reimbursements not received at the balance sheet date. All other income and expenditure is accounted for on an accruals basis.
- (f) Provisions for future expenditure are included in the accounts, only where the union has a present obligation to meet such expenditure.
- (g) Provision is only made for material corporation tax on investment income and capital gains arising in the year after relief given for provident benefits paid. No provision is made for any potential corporation tax liabilities arising as a result of revaluations of the union's properties or investments.
- (h) Value added tax (VAT) is only partially recoverable. The non-recoverable element is shown separately in the income statement. All expenditure is shown exclusive of VAT where applicable.
- (i) Contributions include those amounts receivable from members in respect of the year under review.
- (j) The union's pension schemes are defined benefit schemes.

The amounts charged to the Income and Expenditure Account are the current service costs. Actuarial gains and losses are recognised immediately in the Consolidated Income and Expenditure Account.

The assets of the schemes are held separately from those of the union in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and a discounted rate equivalent to the current rate of return on high quality corporate bonds of equivalent currency and term to the scheme liabilities.

- (k) Accident and injury fund contributions are recognised on an accrual basis in accordance with union rules. Provisions for expenditure are included in the accounts when there is certainty that a future payment will be made as at the balance sheet date.
- (l) All union learning fund grant income is recognised as and when the union is entitled to the monies and matched against relevant expenditure.

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)

Signature(s) of auditor or auditors:		
Name(s):	CHANTREY VELLACOTT OBE LLP	
Profession(s) or Calling(s):	CHARTERED ACCOUNTANTS	
Address(es):	RUSSELL SQUARE HOUSE 10-12 RUSSELL SQUARE LONDON WC1B 5LP	
Date:	12 May 2014	
Contact name and telephone number:	GARETH JONES 020 7509 9000	

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

**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF THE FIRE BRIGADES UNION**

We have audited the financial statements of The Fire Brigades Union for the year ended 31 December 2013 which comprise the Income and Expenditure Account, Balance Sheet, 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 (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of the Executive Council and auditor

As explained more fully in the Statement of the Executive Council's Responsibilities, the Executive Council is responsible for the preparation of the accounts, which have been prepared in accordance with applicable law and accounting standards.

We have been appointed as auditors and 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 (APB's) Ethical Standards for Auditor.

Scope of the audit of the account

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 Executive Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the National Treasurer's and General Secretary's Foreword 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

In our opinion the accounts:

- 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; and
- 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 (Amended).

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 (Amended) requires us to report to you by, if in our opinion:

- The Union has not kept proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- A satisfactory system of control over transactions has not been maintained;
- The accounts are not in agreement with accounting records;
- We have not received all the information and explanations we require for our audit.

Gareth Jones

Gareth Jones (Senior Statutory Auditor)

Chantrey Vellacott DFK LLP

Chartered Accountants

Registered auditor

Russell Square House

10-12 Russell Square

London WC1B 5LF

Date *12 May 2014*