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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:	National Union of Mineworkers – South Wales Area	
Year ended:	31 <sup>st</sup> December 2013	
List no:	2247	
Head or Main Office:	Woodland Terrace Maesycoed Pontypridd Mid-Glamorgan CF37 1DZ	
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)
General Secretary:	Mr Wayne Thomas	
Telephone Number:	01443 402092	
Contact name for queries regarding	R.H. Jeffs & Rowe	
Telephone Number:	01443 402116	
E-mail:	dtucker@accountancywales.com	

**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 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	175				<b>175</b>
FEMALE					
TOTAL					A <b>175</b>

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

0
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Number of members at end of year contributing to the General Fund

175
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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

State whether the union is:

a. A branch of another trade union?

Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
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If yes, state the name of that other union:

National Union of Mineworkers
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b. A federation of trade unions?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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If yes, state the no. of affiliated unions

N/A
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and names:

N/A
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# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	
		Education and Training services	
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications		Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
<b>carried forward</b>		<b>Total (should agree with figure in General Fund)</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>Income</b>	Members contributions and levies		862
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total income		862
<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)		
	Fees to Divisional Labour Parties	450	
	Political Conferences and delegations	621	
	Non-political expenditure		
	Total expenditure		1071
	Surplus (deficit) for year		(209)
Amount of political fund at beginning of year		1355	
Amount of political fund at the end of year (as Balance Sheet)		1146	
	Number of members at end of year contributing to the political fund		175
	Number of members at end of the year not contributing to the political fund		0
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		0

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</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		
Salaries and Wages included in above	£101024	101024
Auditors' fees		
Legal and Professional fees		
Occupancy costs		
Stationery, printing, postage, telephone, etc.		
Expenses of Executive Committee (Head Office)		
Expenses of conferences		
Other administrative expenses (specify)		
Travel & Motor		8984
Welfare		127
Bank Charges & Interest		1950
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
<b>Total</b>		210725
Charged to:		
	General Fund (Page 3)	182664
	Benevolent Fund (Account?)	28061
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
<b>Total</b>		210725



# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £
Rent from land and buildings		47329
Dividends (gross) from:		
Equities (e.g. shares)		12937
Interest (gross) from:		
Government securities (Gilts)		562
Mortgages		
Local Authority Bonds		
Bank and Building Societies		12
Other investment income (specify)		
Property Management		17990
Total investment income		78830
Credited to:		
General Fund (Page 3)		67426
Benevolent Fund (Account 2)		11404
Fund (Account )		
Fund (Account )		
Fund (Account )		
Fund (Account )		
Political Fund		
Total Investment Income		78830

# BALANCE SHEET as at 31<sup>st</sup> December 2013

(see notes 47 to 50)

Previous Year		£	£
339346	<b>Fixed Assets</b> (at page 14)		330320
	<b>Investments</b> (as per analysis on page 15)		
383173	Quoted (Market value £294681)	294681	
	Unquoted		
	<b>Total Investments</b>		294681
	<b>Other Assets</b>		
	Loans to other trade unions		
57774	Sundry debtors	109184	
7979	Cash at bank and in hand	6648	
	Income tax to be recovered		
	Stocks of goods		
785	Others (specify) Short Term Investments	3328	
66538	<b>Total of other assets</b>		119160
789057	<b>TOTAL ASSETS</b>		744161
242264	General Fund (Account 1)		173106
391750	Benevolent Fund (Account 2)		385534
	Branch Fund (Account )		
	Superannuation Fund (Account )		
	Political Fund (Account )		
60108	Revaluation Reserve		60108
	<b>LIABILITIES</b>		
1355	Amount held on behalf of central trade union political fund		1146
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
93580	Sundry creditors		124267
	Accrued expenses		
	Provisions		
	Other liabilities		
789057	<b>TOTAL LIABILITIES</b>		744161
789057	<b>TOTAL ASSETS</b>		744161

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Lease £				
<b>Cost or Valuation</b>						
At start of year	492222		55223			547445
Additions			1228			1228
Disposals						
Revaluation/Transfers						
At end of year	492222		56451			548673
<b>Accumulated Depreciation</b>						
At start of year	152876		55223			208099
Charges for year	9844		410			10254
Disposals						
Revaluation/Transfers						
At end of year	162720		55633			218353
<b>Net book value at end of year</b>						
Net book value at end of year	329505		818			330320
<b>Net book value at end of previous year</b>						
Net book value at end of previous year	339346		0			339346

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)	282930	
Government Securities (Gilts)	11751	
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	294681	
Market Value of Quoted Investment	294681	
<b>UNQUOTED</b>		
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	30668		30668
From Investments	78830		78830
Other Income (including increases by revaluation of assets)	47775	862	48637
<b>Total Income</b>	157273	862	158135
<b>EXPENDITURE</b> (including decreases by revaluation of Assets)	232647	1071	233718
<b>Total Expenditure</b>	232647	1071	233718
<b>Funds at beginning of year</b> (including reserves)	694122	1355	695477
<b>Funds at end of year</b> (including reserves)	618748	1146	619894
<b>ASSETS</b>			
Fixed Assets			330320
Investment Assets			294681
Other Assets			119160
		<b>Total Assets</b>	744161
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	124267
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			619894

# 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.

## Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:-

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

## Pensions

Employees are members of the National Union of Mineworkers Officials' and Permanent Employees' Superannuation Fund. The actuarial method used, the description of the main actuarial assumptions and the results of the most recent formal valuation of the Fund, including the level of funding, are included in the financial statements of the National Union of Mineworkers.

## TAXATION

The charge for corporation tax is calculated at the appropriate rate on interest and rent received during the year.

## INVESTMENTS

Investments have been included on the balance sheet at market value at 31st December 2013.

## EXECUTIVE COMMITTEE RESPONSIBILITIES

The executive committee is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union as at the end of the financial year and of the income and expenditure for that period. In preparing those financial statements, the executive committee is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Union will continue.

The executive committee is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Union and to enable it to ensure that the financial statements comply with statutory requirements. It is also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The executive committee confirm that, as far as they are aware, there is no relevant audit information of which the Union's auditors are unaware. They have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the Union's auditors are aware of that information.

## RELATED PARTY TRANSACTIONS

### (a) National Union of Mineworkers

These accounts are prepared for the members' of the South Wales Area of the National Union of Mineworkers (N.U.M.). The Area is constituent association of the N.U.M., a trade union.

### (b) Related Charities

The National Union of Mineworkers – South Wales Area is associated with a number of registered charities:

- i. South Wales Area Miners' Benevolent Fund (Charity No. 500118). Included in creditors is a figure of £152,305 which was the balance owed to the charity as at 31<sup>st</sup> December 2013. Plans are in place to transfer some of the Union's property to the charity in order to clear this debt.
- ii. South Wales Miners' Welfare Trust Fund Scheme (Charity No. 507439). Included in debtors is a figure of £300 which was the balance owed by the charity as at 31<sup>st</sup> December 2013.

### (c) Analysis of Officials Salaries and Benefits

	<u>Gross Salary</u>	<u>Employer's NI Contributions</u>	<u>Benefits</u>	<u>Total</u>
Area Secretary	52642	6209	8000	66851

### Employees' Superannuation Costs

"Pension benefits are provided in accordance with the Rules of the NUM officials' and Permanent Employees' Superannuation Fund and provide a pension based on final salary on retirement at age 60 based on an accrual rate of 1/80th plus a lump sum payment based on three times the annual pension awarded. In the event of death, widows/dependants benefits, if applicable, are payable".

(d) No other related party transactions took place during the year.

## GOING CONCERN

At the Balance Sheet date, the net current liabilities of the union stood at £167,423 and it has incurred a net deficit of £69,158 for the year. The South Wales Area's continuance is therefore reliant on the support of both head office and the benevolent fund.

The trustees are in talks with potential tenants to fill several vacant units which would result in much improved projections in the coming years.

# ACCOUNTING POLICIES

(see notes 74 and 75)

**ACCOUNTING POLICIES**

**Basis of Accounting**  
The financial statements have been prepared under the historical cost convention as modified to incorporate the revaluation of certain tangible fixed assets.

**Income**  
Income includes all contributions, interest receivable and income from rents.

**Expenditure**  
Expenditure includes all payments made and provisions for all known liabilities for the year.

**Tangible Fixed Assets**  
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold Property	2% on cost or revalued amount
Equipment	25% on written down value and 33.33% on cost
Fixtures and Fittings	15% on cost

Depreciation is charged from the date the asset is first brought into use.

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>W. Thomas</u> Name: <u>WAYNE THOMAS</u> Date: <u>29.5.14</u>	Chairman's Signature: <u>K Williams</u> (or other official whose position should be stated) Name: <u>KEVIN WILLIAMS</u> Date: <u>29.5.14</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)	ENCLOSE D	<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
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
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
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)

## AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL UNION OF MINEWORKERS - SOUTH WALES AREA

We have audited the financial statements of The National Union of Mineworkers – South Wales Area for the year ended 31 December 2013 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the Union's members, as a body, in accordance with section 36 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 COMMITTEE AND AUDITORS

As described in the Statement of Executive Committee Responsibilities set out in note 5, the executive committee is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

## AUDITOR'S REPORT (continued)

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). These standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: the reasonableness of significant accounting estimates made by the committee; the overall presentation of the financial statements, and whether the accounting policies are appropriate to the branch's circumstances, consistently applied and adequately disclosed.

### OPINION ON FINANCIAL STATEMENTS

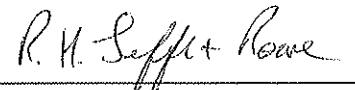
In our opinion the financial statements:

1. give a true and fair view of the state of affairs of the Union as at 31st December 2012 and of its income and expenditure for the year ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
3. have been properly prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

### **R.H. JEFFS & ROWE**

Statutory Auditor and  
Chartered Accountants  
27/28 Gelliwastad Road  
Pontypridd  
CF37 2BW

16<sup>th</sup> May 2014

Signature(s) of auditor or auditors:		
Name(s):	R.H. Jeffs & Rowe	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	27/28 Gelliwastad Road Pontypridd CF37 2BW	
Date:	16 <sup>th</sup> May 2014	
Contact name and telephone number:	R.Thomas 01443 402116	

**R.H. Jeffs & Rowe**  
Chartered Accountants  
& Registered Auditors  
27/28 Gelliwastad Road  
Pontypridd CF37 2BW  
Tel: 01443 402116

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

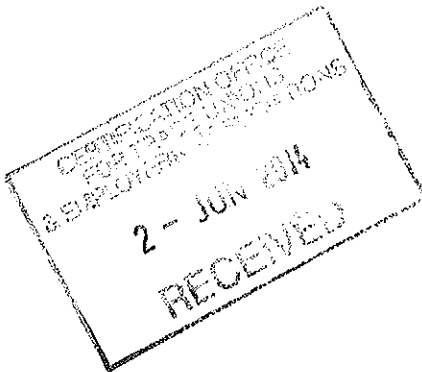
**NATIONAL UNION OF MINeworkERS**

**SOUTH WALES AREA**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31<sup>st</sup> DECEMBER 2013**



**R H Jeffs & Rowe  
Statutory Auditor and  
Chartered Accountants  
Pontypridd**

**NATIONAL UNION OF MINEWORKERS**

**SOUTH WALES AREA**

Chairman	K.T.WILLIAMS
Area Secretary	W.THOMAS
Executive Committee:	M.PARSONS K.T.WILLIAMS
Trustees:	G.REES D.LEWIS G.ROBERTS
Auditors:	R.H.Jeffs & Rowe Statutory Auditor and Chartered Accountants 27/28 Gelliwastad Road Pontypridd CF37 2BW



**AUDITORS' REPORT TO THE MEMBERS OF THE  
NATIONAL UNION OF MINeworkERS - SOUTH WALES AREA**

We have audited the financial statements of The National Union of Mineworkers – South Wales Area for the year ended 31 December 2013 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the Union's members, as a body, in accordance with section 36 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 COMMITTEE AND AUDITORS**

As described in the Statement of Executive Committee Responsibilities set out in note 5, the executive committee is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). These standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: the reasonableness of significant accounting estimates made by the committee; the overall presentation of the financial statements, and whether the accounting policies are appropriate to the branch's circumstances, consistently applied and adequately disclosed.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

1. give a true and fair view of the state of affairs of the Union as at 31st December 2013 and of its income and expenditure for the year ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
3. have been properly prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

**R.H.JEFFS & ROWE**  
Statutory Auditor and  
Chartered Accountants  
27/28 Gelliwastad Road  
Pontypridd  
CF37 2BW

16<sup>th</sup> May 2014

**NATIONAL UNION OF MINeworkERS  
SOUTH WALES AREA**

**Income and Expenditure Account  
for the Year Ended 31<sup>st</sup> December 2013**

		<b>2012</b>			<b>2013</b>
£	£		£	£	
<b>CONTRIBUTIONS</b>					
	38849	Contributions from members			30668
	21416	Deduct Amounts Payable to Headquarters			16352
	17433				14316
<b>OTHER INCOME</b>					
40110		Rent		45529	
1155		Room Hire		1800	
2178		Income from Quoted Investments		2103	
4		Bank Interest		4	
21900		Vice Presidency		26280	
-		Donations and Levies		-	
15430		Property Management		17990	
172		Contribution for Volunteer Workers		127	
	80949				93833
	98382				108149
<b>EXPENDITURE</b>					
<b>Salaries and Wages</b>					
68442		Clerical Staff and Officials	67024		
8661		National Insurance	7139		
	77103		74163		
<b>Travelling</b>					
729		Clerical Staff and Officials	984		
-		Car Purchase Scheme	8000		
	729		8984		
77832	98382	Carried forward	83147	108149	

**NATIONAL UNION OF MINEWORKERS  
SOUTH WALES AREA  
Income and Expenditure Account Continued.....**

2012			2013	
£	£		£	£
77832	98382	Brought forward	83147	108149
		<b>Administration</b>		
5902		Rates	2299	
609		Stationery and printing	1135	
2519		Postage and telephones	2271	
323		General Legal Fees	357	
3540		Audit and accountancy	3540	
804		Bank interest and charges	750	
60358		Property administration	76881	
2077		Other expenses	1670	
<u>76132</u>			<u>88903</u>	
		<b>Conferences, Committees &amp; Arbitrations</b>		
95		Conferences, committees & meetings	234	
<u>95</u>			<u>234</u>	
		<b>Welfare, Education &amp; Sundry</b>		
172		Collection of contributions	127	
<u>172</u>			<u>127</u>	
		<b>Depreciation</b>		
9844		Buildings and fixtures	9844	
-		Plant and equipment	409	
<u>9844</u>			<u>10253</u>	
		<b>Total Expenditure For the Year</b>		<u>182664</u>
164075		Net Deficit before Taxation		<u>(74515)</u>
(65693)		Taxation		-
-				
795		Realised gain on sale of investments		2760
4657		Unrealised gains on investments		2597
<u>795</u>				<u>2760</u>
<u>4657</u>				<u>2597</u>
(60241)		Net (deficit) after taxation		<u><u>(69158)</u></u>

**NATIONAL UNION OF MINEWORKERS  
SOUTH WALES AREA**

**Balance Sheet as at 31st December 2013**

	<b>2012</b>				<b>2013</b>	
£	£				£	£
	339346	<b>FIXED ASSETS</b>	<b>3</b>			330320
	64694	<b>INVESTMENTS AND LOANS</b>				
	<u>64694</u>	Fixed interest investments	4			<u>70317</u>
	403995					<u>400637</u>
		<b>CURRENT ASSETS</b>				
57774		Debtors and prepayments		108940		
5018		Bank accounts		<u>940</u>		
						<u>109880</u>
<u>62792</u>						
		<b>CURRENT LIABILITIES</b>				
79890		Creditors and accrued charges		123852		
83215		South Wales Area Benevolent Fund	6	152305		
-		Assisted Car Purchase Scheme		-		
1355		Political Fund		<u>1146</u>		
						<u>277303</u>
<u>164460</u>						
	(101668)	<b>NET CURRENT (LIABILITIES)</b>				(167423)
	<u>302372</u>	<b>NET ASSETS</b>				<u>233214</u>
						<u>233214</u>
		<b>ACCUMULATED FUND</b>				
302505		Balance at 1st January 2013		242264		
(60241)		(Deficit) this period		<u>(69158)</u>		
	<u>242264</u>					173106
	60108	<b>REVALUATION RESERVE</b>				60108
	<u>60108</u>					<u>60108</u>
	<u>302372</u>					<u>233214</u>

Approved by the Executive Council on 16<sup>th</sup> May 2014 and signed on their behalf by

**W Thomas**

**Area Secretary**

**NATIONAL UNION OF MINeworkERS  
SOUTH WALES AREA**

**POLITICAL FUND**

**Income and Expenditure Account  
for the Year Ended 31st December 2013**

£	2012	£		£	2013	£
			<b>INCOME</b>			
	1042		Contributions			862
			<b>EXPENDITURE</b>			
-			Political conferences & delegations	621		
400			Fees to divisional labour parties	450		
-			Sundries	-		
-----				-----		
	400					1071
	-----					-----
	642		<b>Surplus/(Deficit) before taxation</b>			(209)
	-		Corporation Tax			-
	-----					-----
	642		<b>Surplus/(Deficit) for the Year after Taxation</b>			(209)
	=====					=====

**BALANCE SHEET AS AT 31ST DECEMBER 2013**

			<b>CURRENT LIABILITY</b>		
	1355		Amount invested in general fund		1146
	-----				-----
			<b>RESERVES</b>		
			Accumulated fund		
713			Balance as at 1st January 2013	1355	
642			Surplus/(Deficit) for the year	(209)	
-----				-----	
	1355		Accumulated fund carried forward		1146
	-----				-----

Approved by the Executive Council on 16<sup>th</sup> May 2014

**NATIONAL UNION OF MINeworkERS - SOUTH WALES AREA**

**Notes to the Accounts**

**for the Year Ended 31st December 2013**

**1 ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements have been prepared under the historical cost convention as modified to incorporate the revaluation of certain tangible fixed assets.

**Income**

Income includes all contributions, interest receivable and income from rents.

**Expenditure**

Expenditure includes all payments made and provisions for all known liabilities for the year.

**Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold Property	Over 50 years straight line excluding the value of the land. No depreciation is provided on freehold land.
Equipment	25% on written down value and 33.33% on cost
Fixtures and Fittings	15% on cost

Depreciation is charged from the date the asset is first brought into use.

**Deferred Taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:-

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

**Pensions**

Employees are members of the National Union of Mineworkers Officials' and Permanent Employees' Superannuation Fund. The actuarial method used, the description of the main actuarial assumptions and the results of the most recent formal valuation of the Fund, including the level of funding, are included in the financial statements of the National Union of Mineworkers.

**2 TAXATION**

The charge for corporation tax is calculated at the appropriate rate on interest and rent received during the year.

**NATIONAL UNION OF MINeworkERS - SOUTH WALES AREA****Notes to the Accounts**  
**for the Year Ended 31st December 2013**3 **TANGIBLE FIXED ASSETS**

	<b>Plant &amp; Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Freehold Property</b>	<b>Total</b>
	£	£	£	£
<b>COST OR VALUATION</b>				
At 1st January 2013	36516	18707	492222	547445
Additions	<u>1228</u>	<u>-</u>	<u>-</u>	<u>1228</u>
At 31st December 2013	<u>37744</u>	<u>18707</u>	<u>492222</u>	<u>548673</u>
<b>DEPRECIATION</b>				
At 1st January 2013	36516	18707	152876	208099
Charge for the Year	<u>410</u>	<u>-</u>	<u>9844</u>	<u>10254</u>
At 31st December 2013	<u>36926</u>	<u>18707</u>	<u>162720</u>	<u>218353</u>
<b>NET BOOK VALUE</b>				
At 31st December 2013	<u>818</u>	<u>-</u>	<u>329502</u>	<u>330320</u>
At 31st December 2012	<u>-</u>	<u>-</u>	<u>339346</u>	<u>339346</u>

A valuation of the Union's freehold buildings was carried out on 23rd April 1996 by King Sturge & Co. Chartered Surveyors.

4 **INVESTMENTS**

Investments have been included on the balance sheet at market value at 31st December 2013.

5 **EXECUTIVE COMMITTEE RESPONSIBILITIES**

The executive committee is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union as at the end of the financial year and of the income and expenditure for that period. In preparing those financial statements, the executive committee is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Union will continue.

The executive committee is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Union and to enable it to ensure that the financial statements comply with statutory requirements. It is also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The executive committee confirm that, as far as they are aware, there is no relevant audit information of which the Union's auditors are unaware. They have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the Union's auditors are aware of that information.

**NATIONAL UNION OF MINeworkERS - SOUTH WALES AREA**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31st DECEMBER 2013**

**6 RELATED PARTY TRANSACTIONS**

**(a) National Union of Mineworkers**

These accounts are prepared for the members' of the South Wales Area of the National Union of Mineworkers (N.U.M.). The Area is constituent association of the N.U.M., a trade union.

**(b) Related Charities**

The National Union of Mineworkers – South Wales Area is associated with a number of registered charities:

- i. South Wales Area Miners' Benevolent Fund (Charity No. 500118). Included in creditors is a figure of £152,305 which was the balance owed to the charity as at 31<sup>st</sup> December 2013. Plans are in place to transfer some of the Union's property to the charity in order to clear this debt.
- ii. South Wales Miners' Welfare Trust Fund Scheme (Charity No. 507439). Included in debtors is a figure of £300 which was the balance owed by the charity as at 31<sup>st</sup> December 2013.

**(c) Analysis of Officials Salaries and Benefits**

	<u>Gross</u> <u>Salary</u>	Employer's NI <u>Contributions</u>	<u>Benefits</u>	<u>Total</u>
Area Secretary	52642	6209	8000	66851

**Employees' Superannuation Costs**

"Pension benefits are provided in accordance with the Rules of the NUM officials' and Permanent Employees' Superannuation Fund and provide a pension based on final salary on retirement at age 60 based on an accrual rate of 1/80th plus a lump sum payment based on three times the annual pension awarded. In the event of death, widows/dependants benefits, if applicable, are payable".

**(d) No other related party transactions took place during the year.**

**7 GOING CONCERN**

At the Balance Sheet date, the net current liabilities of the union stood at £167,423 and it has incurred a net deficit of £69,158 for the year. The South Wales Area's continuance is therefore reliant on the support of both head office and the benevolent fund.

The trustees are in talks with potential tenants to fill several vacant units which would result in much improved projections in the coming years.



## IRREGULARITY STATEMENT TO MEMBERS

Required by Section 32A(6)[a] of the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 1999.

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 rules of the Union and contemplates bringing civil proceedings against the Union or responsible officials or trustees, he should consider obtaining independent legal advice.

