



**Accounts**

**For the year ended  
31 December 2017**

**(un-signed)**

# COMMUNICATION WORKERS UNION

## Accounts for the Year Ended 31 December 2017

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# COMMUNICATION WORKERS UNION

## Report of the Senior Deputy General Secretary

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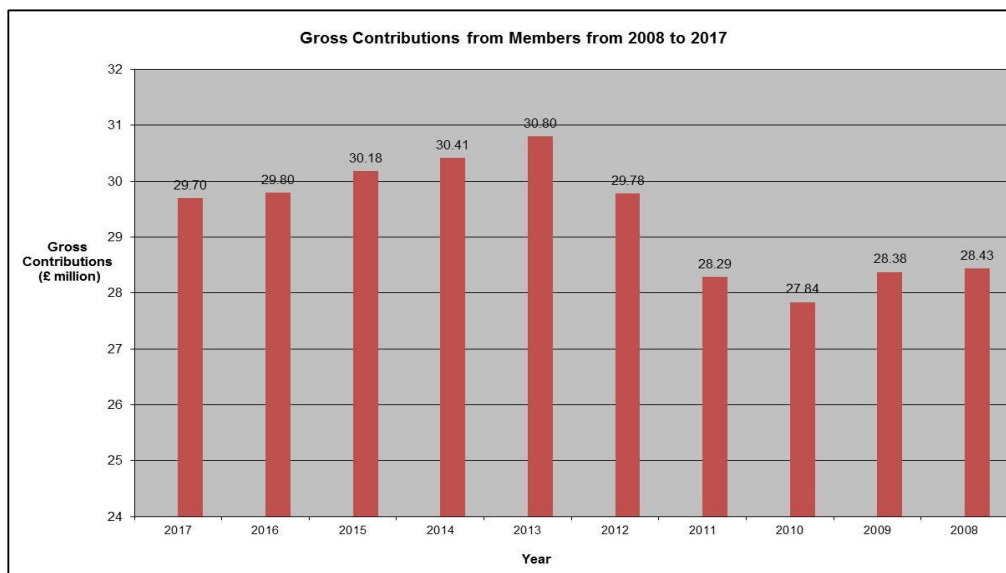
### Introduction

Here are the consolidated accounts for the Communication Workers Union 2017 that I am now in a position to present to branches.

As usual I will outline the headlines that I believe are important enough to highlight within this commentary.

- Membership Income Reduced - £101K
- CWU Operating Surplus - £4k
- Loss before Political Fund - £514k
- Total Loss for the Year - £634k
- Political Fund Loss - £119k

### Membership Income



Membership income reduced yet again in 2017, this time by £101K over the 2016 figure and is the second year in succession where income was below the £30 million mark. What is most concerning about this is that we ended the year with a marginal increase in membership, as I will now explain.

At the end of 2016 we had 190,628 members; of this 129,138 or 67.7% were Plan 1 members i.e. those paying the full rate of membership subscription. At the end of 2017 we had 191,421 members, an overall increase of 793. Despite our total membership ending the year slightly up, Plan 1 membership stood at 127,330 or 66.5%. This is a drop in those paying the top rate of subscription income of 1,808 or 2.2%. So any small increase in income from a higher overall total is offset by the loss in Plan 1 payers, resulting in income declining despite an increase in membership.

# COMMUNICATION WORKERS UNION

## Report of the Senior Deputy General Secretary

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### Membership Income (continued)

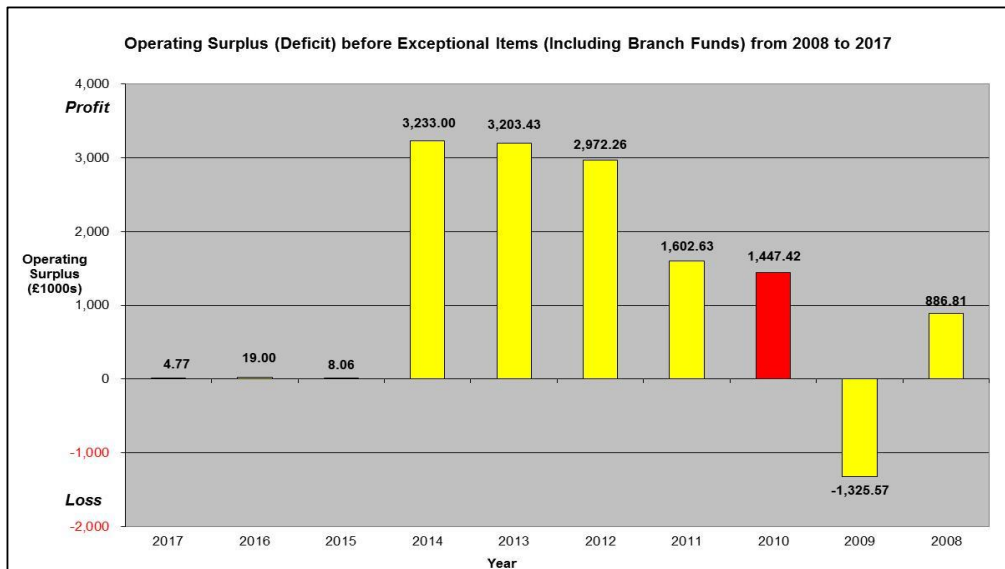
That however does not present the full picture. 2017 was an exceptional year in membership due to the strike ballot in Royal Mail, historically we see a “spike” in membership numbers when this happens. The last time this happened prior to 2017 was in 2013, our membership at the end of that year, 202,000 was the same as when we ended the previous year (2012) in other words we suffered no loss of membership. Outside of that spike the trend throughout the rest of that year and the ongoing trend was for membership to reduce and so it proved when in 2014 we lost 4,000 members compared with our 2013 year-end figure.

In 2017 we saw three separate spikes in membership, 791 in week 40, 821 in week 45 and 647 in week 49. The total of these spikes was 2,259, yet we only ended the year with an increase of 793. The difference between these two figures is 1,466. Hence, erring on the side of caution, we are running at a rate of loss of “around 1,400 members per annum”.

So although there was a small increase in membership over the 12 months we can attribute this to a specific event, the Four Pillars campaign, outside of this the evidence points to a consistent trend within the CWU that needs to be addressed, that of decline and specifically of an accelerated decline in the number of members paying the highest rate of subscription (Plan 1). As I reported last year this figure is consistent with the pattern seen over the last couple of years. I also stated then that should it continue, it will increase the pressures throughout the organisation to make changes to ensure our ongoing sustainability.

Clearly it has continued and underlines the need for the Re-design project we are undertaking. If the CWU is to have a sustainable future then we need to address both recruitment and our structures as these govern the majority of our spending patterns.

### Surplus



In spite of this ongoing decline in membership income we have again worked hard to ensure that the union remains a “going concern” and to that end it is pleasing to be able to report an operating surplus even if it is of an extremely small amount, £4K.

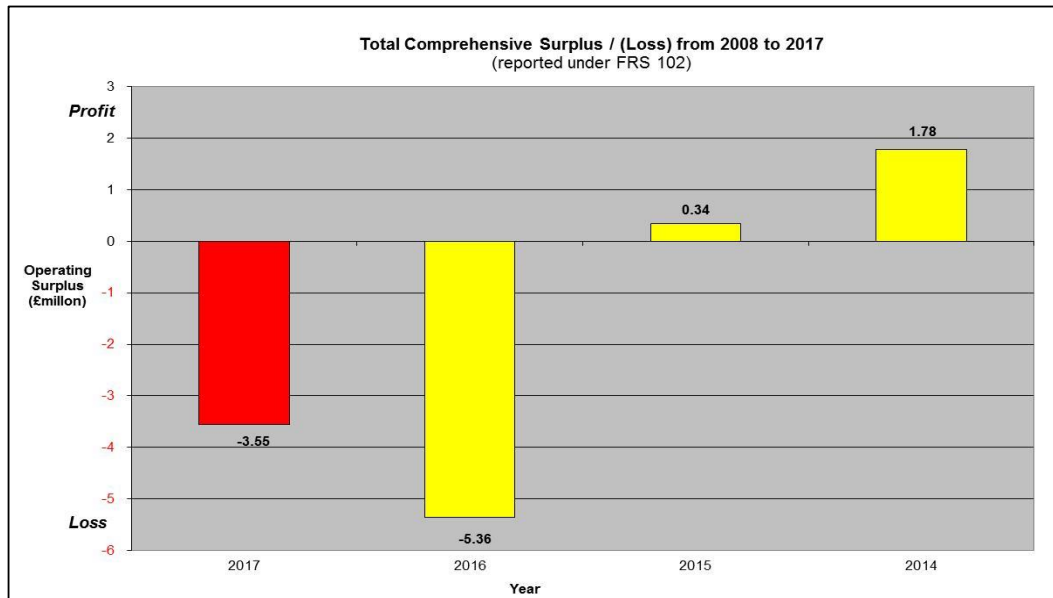
As ever the work required to achieve such a position, particularly when you consider the membership income figures, gets more difficult every year. What is significant this year is that we have been able to deliver a very marginal surplus whilst at the same time spending in the region of £1 million on our Four Pillars, BT Pensions and “Close The Gap” campaigns (notes to the accounts pages 24 and 28).

# COMMUNICATION WORKERS UNION

## Report of the Senior Deputy General Secretary

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### Total Comprehensive Loss



Unfortunately whilst there is a marginal operating surplus there is a loss for the year before the Political Fund of £514K, due to the way interest on pension scheme assets and Defined Benefit obligations and the way pension scheme expenses are calculated.

Like last year it is also worth explaining how the figure of £3.5 million that shows as the “Total Comprehensive Loss for the Year” is arrived at. As with 2016 this does not mean that we have lost £3.5 million pounds of our members money in 2017. This figure arises from the way accounting standards in relation to pension deficits now have to be accounted for, these are contained in note 14 of the accounts, pages 20 to 22. It is this accounting procedure that is responsible for the loss shown here.

### Subscriptions

It is again worth raising the issue of membership subscription rates. These are the second set of accounts in a row wherein the income figure is not affected by a subscriptions increase. It is now 3 full years since we last increased membership subscriptions in April 2015. You will recall that the NEC took this extremely bold decision knowing there would be an impact upon income but did so in recognition of a certain amount of feedback we had received, anecdotally, with regard to the question of subscription rates being a barrier to recruitment.

Continuing to keep subscription rates at their pre April 2015 level has consequences for our ability to maintain a sustainable organisation and to ensure we are able to manage our cash flow situation. In other words continuing with this position adds significantly to the pressures we face. These accounts, as well as emphasising the need for the Re-design project, also highlight the need for the NEC to revisit the issue of subscription rates during 2018.

# COMMUNICATION WORKERS UNION

## Report of the Senior Deputy General Secretary

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### Conclusion

With such a marginal operating surplus the main message to take from this set of accounts is the same as in previous years. As our spend is mostly determined by how we operate and how we operate is mostly determined by how we are structured the case for structural change (Re-design) is made by this set of accounts, particularly when you look at the further decline in income.

We have already begun a widespread consultation exercise on delivering change to the way the CWU operates and the way it is structured. We all need to embrace that project if we are to ensure that future year end accounts show a more healthy position for the CWU.

As always we will be required to make ever more difficult and unpopular decisions than we have previously.

I will continue to provide the strong leadership that is required in this area, this means facing up to the financial challenges that face us and to lay out a strategy that assists in the Re-design project in order that we ensure our survival.

The Re-design project offers us all the opportunity to accept the responsibility placed upon us by our members. It is they who fund the organisation but it is us who are tasked with ensuring we take the right decisions to provide them with a sustainable union that delivers for them in their workplace.

Our position as the most active and effective rank and file trade union in the movement is not a given. We have to work hard to maintain our organisation to ensure that our ability to deliver for our members is not diminished simply because we are too afraid to take the radical steps that will ensure we survive for the next generation of trade union members. The time to take those steps is now and our current members and future generations of workers in the communications sector will not thank us if we fail to make the necessary changes.

In solidarity

**Tony Kearns**

Senior Deputy General Secretary

## **COMMUNICATION WORKERS UNION**

### **Statement of Responsibilities of the Executive Council**

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The legislation relating to trade unions requires the Union to submit a return for each calendar year to the Certification Office for Trade Unions and Employers' Associations. This return contains accounts which must give a true and fair view of the state of affairs of the Union at the year end and of its transactions for the year then ended. The accounts set out on the following pages have been prepared on the same basis and are used to complete the return to the Certification Office for Trade Unions and Employers' Associations.

In relation to the Communication Workers Union these requirements are the responsibility of the Executive Council. The accounts of the Union have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). In preparing the accounts, the Executive Council are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed;
- Prepare the accounts on the going concern basis unless it is inappropriate to do so.

The Executive Council are responsible for keeping proper accounting records and establishing and maintaining a satisfactory system of control over its records and transactions in order to comply with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Union is also responsible for the maintenance and integrity of the corporate and financial information included on the Union's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in the other jurisdictions.

# **COMMUNICATION WORKERS UNION**

## **Independent Auditor's Report**

### **to the Members of the Communication Workers Union**

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#### **Opinion**

We have audited the financial statements of the Communication Workers Union (the 'Union') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Communication Workers Union, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the union's affairs as at 31 December 2017 and of its result 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.

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.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Conclusions relating to Going Concern**

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the Executive Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Executive Council has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the union's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other Information**

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



**COMMUNICATION WORKERS UNION**  
**Independent Auditor's Report**  
**to the Members of the Communication Workers Union**

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**Other Information (continued)**

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

We have nothing to report in this regard.

**Responsibilities of the Executive Council**

As explained more fully in the Statement of Communication Workers Union Council's Responsibilities, the Executive Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Executive Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Council is responsible for assessing the union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the union or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs(UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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Moore Stephens LLP

Chartered Accountants Statutory Auditor

150 Aldergate Street, London, EC1A 4AB

Date: \_\_\_\_\_

**COMMUNICATION WORKERS UNION**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2017**

	Notes	2017 £	2016 £
<b>Income</b>			
Gross Contributions from Members		29,696,170	29,797,836
Less: Political Fund Contributions		(1,653,045)	(1,655,035)
		28,043,125	28,142,801
Less: Employer Collection Charges		(150,206)	(573,781)
Other Collection Costs		(18,064)	(14,562)
<b>Net Contribution Income</b>		<b>27,874,855</b>	<b>27,554,458</b>
<b>Expenditure</b>			
Total Head Office Expenditure	2	(19,991,391)	(20,026,720)
Total Branch Expenditure		(8,219,344)	(7,957,885)
		(335,880)	(430,147)
Other Income	3	340,653	449,142
<b>Operating Surplus</b>		<b>4,773</b>	<b>18,995</b>
Surplus on Revaluation of Quoted Investments	6	334,600	653,598
Surplus on Disposal of Quoted Investments	6	5,704	9,857
(Loss) / Surplus on Disposal of Fixed Assets		(57)	105,193
Revaluation of Interest in Elstead Hotel (Bournemouth) Ltd	7	-	(78,826)
Release of Additional PAYE/NIC Liability		-	69,395
<b>Interest Payable and Similar Charges</b>			
Other Financial Expense - Pension Schemes	14	(860,000)	(630,000)
<b>(Loss) / Surplus for the Year before Political Fund</b>		<b>(514,980)</b>	<b>148,212</b>
<b>Political Fund</b>			
Contributions from Members		1,653,045	1,655,035
Political Fund Expenditure		(1,772,837)	(1,573,626)
<b>Political Fund (Loss) / Surplus</b>		<b>(119,792)</b>	<b>81,409</b>
<b>Total (Loss) / Surplus on Ordinary Activities for the Year</b>		<b>(634,772)</b>	<b>229,621</b>
<b>Other Comprehensive Expense</b>			
Actuarial losses on Post-Employment Benefit Obligations	14	(570,000)	(13,030,000)
Change in Assets not Recoverable in the Future	14	(2,350,000)	10,000
Movement on True and Fair Override	13	-	7,430,000
<b>Total Other Comprehensive Loss</b>		<b>(2,920,000)</b>	<b>(5,590,000)</b>
<b>Total Comprehensive Loss for the Year</b>		<b>(3,554,772)</b>	<b>(5,360,379)</b>

**COMMUNICATION WORKERS UNION**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2017**

	General Fund (excluding Pension Fund) £	Pension Fund (including Provision) £	Defence Fund £	Scholarship Fund £	National Welfare Fund £	Property Reserve - Head Office £	Property Reserve - Branch £	Branch Fund £	Political Fund - Head Office £	Political Fund - Branch £	Total Fund Balances £
<b>At 1 January 2016</b>	5,370,827	(14,620,000)	1,024,373	50,000	34,517	21,156,550	3,153,667	9,465,835	855,990	328,905	26,820,664
Total Surplus / (Deficit) on Ordinary Activities for the Year	157,488	(180,050)	82,043	559	3,771	-	-	84,401	48,346	33,063	229,621
<b>Other Comprehensive Expense:</b>											
Actuarial losses on post- employment benefit obligations	-	(13,030,000)	-	-	-	-	-	-	-	-	(13,030,000)
Change in assets not recoverable in the future	-	10,000	-	-	-	-	-	-	-	-	10,000
Movement on true and fair override	-	7,430,000	-	-	-	-	-	-	-	-	7,430,000
<b>Total Other Comprehensive Expense for the Year</b>	-	(5,590,000)	-	-	-	-	-	-	-	-	(5,590,000)
Transfers	(789,839)	970,050	-	(559)	(15,817)	(163,835)	10,202	(10,202)	-	-	-
<b>At 31 December 2016</b>	<b>4,738,476</b>	<b>(19,420,000)</b>	<b>1,106,416</b>	<b>50,000</b>	<b>22,471</b>	<b>20,992,715</b>	<b>3,163,869</b>	<b>9,540,034</b>	<b>904,336</b>	<b>361,968</b>	<b>21,460,285</b>
Total Surplus/(Deficit) on Ordinary Activities for the Year	822,881	(1,010,000)	(197,264)	(1,659)	35,617	-	-	(164,555)	(32,609)	(87,183)	(634,772)
<b>Other Comprehensive Expense:</b>											
Actuarial losses on post- employment benefit obligations	-	(570,000)	-	-	-	-	-	-	-	-	(570,000)
Change in assets not recoverable in the future	-	(2,350,000)	-	-	-	-	-	-	-	-	(2,350,000)
<b>Total Comprehensive Expense for the Year</b>	-	(2,920,000)	-	-	-	-	-	-	-	-	(2,920,000)
Transfers	(755,201)	750,000	-	1,659	3,542	-	107,336	(107,336)	-	-	-
<b>At 31 December 2017</b>	<b>4,806,156</b>	<b>(22,600,000)</b>	<b>909,152</b>	<b>50,000</b>	<b>61,630</b>	<b>20,992,715</b>	<b>3,271,205</b>	<b>9,268,143</b>	<b>871,727</b>	<b>274,785</b>	<b>17,905,513</b>

**COMMUNICATION WORKERS UNION**  
**Statement of Financial Position**  
**For the year ended 31 December 2017**

	Notes	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible Fixed Assets	5	23,104,654	23,367,092
Investments and Long Term Loans	6	6,803,188	6,605,449
		<b>29,907,842</b>	29,972,541
<b>Current Assets</b>			
Debtors	8	4,760,856	3,331,237
Cash at Bank		3,230,404	4,677,053
Cash in Hand		942	801
Cash at Branches		5,592,072	6,100,302
		<b>13,584,274</b>	14,109,393
<b>Creditors: amounts falling due within one year</b>	9	<b>(4,127,115)</b>	(4,456,500)
<b>Net Current Assets</b>		<b>9,457,159</b>	9,652,893
<b>Total Assets Less Current Liabilities</b>		<b>39,365,001</b>	39,625,434
Creditors: amounts falling due after more than one year	10	(6,000)	(11,453)
Pension Scheme Deficit	14	(22,600,000)	(19,420,000)
<b>Net Assets before Political Fund</b>		<b>16,759,001</b>	20,193,981
Political Fund Assets	12	1,146,512	1,266,304
<b>Total Net Assets</b>		<b>17,905,513</b>	21,460,285
<b>Represented by:</b>			
<b>Union Funds</b>			
General Fund		4,806,156	4,738,476
Pension Fund (including Provision)		(22,600,000)	(19,420,000)
Total General Fund		(17,793,844)	(14,681,524)
Defence Fund		909,152	1,106,416
Scholarship Fund		50,000	50,000
National Welfare Fund		61,630	22,471
Property Reserve Fund - Head Office		20,992,715	20,992,715
Property Reserve Fund - Branch		3,271,205	3,163,869
Branch Fund		9,268,143	9,540,034
<b>Funds before Political Fund</b>		<b>16,759,001</b>	20,193,981
Political Fund - Head Office		871,727	904,336
Political Fund - Branch		274,785	361,968
<b>Total Funds</b>		<b>17,905,513</b>	21,460,285

Movements in union funds are set out in the Statement of Changes in Equity on page 9.

Approved by the Senior Deputy General Secretary on:

\_\_\_\_\_ Date

\_\_\_\_\_ **A P Kearns**

**COMMUNICATION WORKERS UNION**  
**Statement of Cash Flows**  
**For the year ended 31 December 2017**

	2017 £	2016 £
<b>Cash Flows used in Operating Activities</b>		
Total (Loss) / Surplus on Ordinary Activities for the Year	(634,772)	229,621
Surplus on Revaluation of Quoted Investments	(334,600)	(653,598)
Loss on Revaluation of Interest in Elstead Hotel	-	78,826
Surplus on Disposal of Quoted Investments	(5,704)	(9,857)
Loss / (Surplus) on Disposal of Fixed Assets	57	(105,193)
Depreciation Charges	495,812	497,533
Notional Pension Charge	1,010,000	180,050
Pension Deficit Reduction Payments	(750,000)	(970,050)
Change in Debtors	(1,429,619)	(18,190)
Change in Creditors	(327,293)	516,147
Change in Political Fund Assets	119,792	(81,409)
<b>Net Cash used in Operating Activities</b>	<b>(1,856,327)</b>	<b>(336,120)</b>
<b>Cash Flows from Investing Activities</b>		
Payments to Acquire Fixed Assets	(233,374)	(96,360)
Proceeds from Sale of Assets	(57)	259,776
Proceeds from Sale of Investments	370,000	891,393
Investments Purchases	(370,000)	(901,999)
Repayment of Long Term Loans (note 6)	142,565	146,716
<b>Net Cash (Outflow) / Inflow from Investing Activities</b>	<b>(90,866)</b>	<b>299,526</b>
<b>Cash Flows used in Financing Activities</b>		
Repayment of Bank Loans by Branches	(7,545)	(20,686)
<b>Net Cash used in Financing Activities</b>	<b>(7,545)</b>	<b>(20,686)</b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(1,954,738)</b>	<b>(57,280)</b>
Cash and Cash Equivalents at the beginning of the year	10,778,156	10,835,436
<b>Cash and Cash Equivalents at the end of the year</b>	<b>8,823,418</b>	<b>10,778,156</b>

Analysis of Changes in Cash and Cash Equivalents	At 1 Jan 2017 £	Cash Flows £	At 31 Dec 2017 £
Cash at Bank	4,677,053	(1,446,649)	3,230,404
Cash in Hand and Imprests	801	141	942
Cash at Branches	6,100,302	(508,230)	5,592,072
<b>Net Cash Position</b>	<b>10,778,156</b>	<b>(1,954,738)</b>	<b>8,823,418</b>

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

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**1 Accounting Policies**

**a) Basis of Preparation of Financial Statements**

These accounts have been prepared under the historical cost convention, and are in accordance with Financial Reporting Standard 102 ("FRS 102") modified by the revaluation of certain freehold property and investments.

**b) Income and Expenditure Recognition**

The Financial Statements are prepared on an accruals basis. Contributions include those amounts receivable from members in respect of the year under review.

Members' legal expenses are charged in these accounts net of reimbursements obtained in respect of certain cases, on an invoiced basis. Conditional fee agreements are recognised in the accounts where the amount to be received is known with certainty.

Income and expenditure is shown in these accounts including Value Added Tax (VAT) where applicable.

**c) Designated Funds**

The balance of the Property Reserve Fund is equated to the total costs or valuation of Land and Buildings less bank loans secured thereon by transfer to or from the General Fund and Branch Fund.

Subscribing members, who have not opted out, contribute 87p of the full subscription fee to the Political Fund. Expenditure in connection with political activities must be charged against this fund.

**d) Defined Benefit Pension Schemes**

The Union's pension schemes are defined benefit schemes. 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 the actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each date of the statement of financial position.

The surplus or deficit arising from the Union's defined benefit Pension Scheme is disclosed in the Statement of Financial Position. Movements on the Pension Scheme, asset or liability, are reflected through the Statement of Comprehensive Income to the extent that they relate to employer's current service costs or movements arising from expected returns on Pension Scheme assets net of interest on Pension Scheme liabilities which is disclosed as a component of Other Comprehensive Expense. Movements arising from changes in actuarial assumptions, including differences between the actual returns on scheme assets and the expected returns and experience gains / (losses) arising on the scheme's liabilities are reflected through the Statement of Total Recognised Gains and Losses.

**e) Union Mortgages**

On the basis that it would be misleading to users of the financial statements the Union has made the decision to reflect the actual cash position of the mortgages in the Statement of Financial Position (note 6).

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

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**1 Accounting Policies (continued)**

**f) Corporation Taxation**

As an unincorporated association, the Communication Workers Union is liable to Corporation Tax on its investment income and realised gains on investments sold. As a trade union, relief is available in respect of provident benefits expenditure, as statutorily defined. No provision is made for any potential corporation tax liabilities arising as a result of revaluations of the Unions properties or investments.

**g) Deferred Tax**

Deferred tax is recognised in respect of all timing differences which are differences between the taxable profits and total comprehensive income that arises from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

**h) Operating Leases**

Expenditure on leases other than finance leases ("operating leases") are charged to the Statement of Comprehensive Income on a straight line basis over the life of the lease.

**i) Critical Accounting Assumptions and Judgements**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the union. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

In preparing these Financial Statements, the Union has made the following judgements:

- Tangible Fixed Assets (see note 5)

Fixed assets are recognised at deemed cost. Deemed costs includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner required. Depreciation is calculated to write down the deemed cost of fixed assets to estimated realisable values on a straight line basis over the expected useful life of the assets concerned.

The principal annual rates used are:

Buildings	2%
Freehold / Leasehold Improvements	10%
Furniture and Equipment	25%
Motor Vehicles	25%
Computers	33⅓%

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.

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

**1 Accounting Policies (continued)**

Under FRS 102 property held for investment purposes should be classified separately as investment properties and held at fair value at each year end. The Union sublets a portion of its Head Office and this should therefore be classified as investment property. However, no adjustment has been made to the financial statements on the basis that calculating the fair value of this portion of the property at each year end would result in undue cost and, under FRS 102, it is therefore allowed to continue to show this as a tangible fixed asset.

- Investments (see note 6)  
Quoted investments are disclosed at mid market values at the Statement of Financial Position date. Unquoted investments are disclosed at their original cost or, where available, at their estimated current value as estimated by an independent third party.
- Provisions for Liabilities  
Provisions for liabilities included at the year end have been calculated using the best available knowledge at the time of preparing the financial statements, adjusted for information subsequently received. An element of estimation is therefore required when calculating the provisions.

<b>2 Total Head Office Expenditure</b>		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
General Fund Total Expenditure	(schedule A, page 24)	<b>19,642,616</b>	19,964,870
Defence Fund Expenditure	(schedule B, page 25)	<b>278,630</b>	-
Scholarship Fund Expenditure	(schedule C, page 25)	<b>44,132</b>	43,150
National Welfare Fund Expenditure	(schedule D, page 25)	<b>26,013</b>	18,700
<b>Total Head Office Expenditure</b>		<b>19,991,391</b>	20,026,720

<b>3 Other Income</b>		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
Long-term Loan Interest		<b>23,483</b>	23,462
Bank Interest		-	69,540
Dividends		<b>25,449</b>	-
Commissions		<b>45,445</b>	47,960
Rent		<b>130,858</b>	130,850
Donations		<b>58,658</b>	18,220
Elstead Hotel Management Charge		-	96,000
Political Fund Administration Charge		<b>45,000</b>	45,000
Miscellaneous		<b>11,760</b>	18,110
<b>Other Income</b>		<b>340,653</b>	449,142

<b>4 Staff Costs</b>		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
Salaries, Payroll and Substitution Costs		<b>7,250,244</b>	8,195,577
Alvescot Staff Salaries		<b>266,647</b>	352,613
National Insurance Costs		<b>824,083</b>	769,370
Total Salaries and Payroll Costs		<b>8,340,974</b>	9,317,560
Less Salary Costs Allocated to Union Learning Fund		<b>(245,773)</b>	(262,753)
<b>Staff Costs (Notes J and T)</b>		<b>8,095,201</b>	9,054,807



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**5 Tangible Fixed Assets**

	Land and Buildings £	Land and Buildings at Branches £	Furniture, Equipment and Computers £	Motor Vehicles £	Total £
<b>Cost:</b>					
At 31 December 2016	20,992,715	3,175,000	1,707,567	12,203	25,887,485
Additions	-	99,791	133,583	-	233,374
Funded Assets	-	-	48,885	-	48,885
Disposals	-	-	(1,267)	-	(1,267)
<b>At 31 December 2017</b>	<b>20,992,715</b>	<b>3,274,791</b>	<b>1,888,768</b>	<b>12,203</b>	<b>26,168,477</b>
<b>Depreciation:</b>					
At 31 December 2016	1,084,498	190,500	1,233,192	12,203	2,520,393
Charge for the Year	174,810	80,733	240,269	-	495,812
Funded Assets	-	-	48,885	-	48,885
Disposals	-	-	(1,267)	-	(1,267)
<b>At 31 December 2017</b>	<b>1,259,308</b>	<b>271,233</b>	<b>1,521,079</b>	<b>12,203</b>	<b>3,063,823</b>
<b>Net Book Value:</b>					
At 31 December 2017	<b>19,733,407</b>	<b>3,003,558</b>	<b>367,689</b>	<b>-</b>	<b>23,104,654</b>
At 31 December 2016	19,908,217	2,984,500	474,375	-	23,367,092

**Land and Buildings owned at 31 December 2017 comprised:**

Description of Freehold Property	Cost or valuation details	Deemed Cost at 31 Dec 2017	Net book value at 31 Dec 2017
150 The Broadway, Wimbledon London SW19	Revaluation on transition to FRS 102 at 1 January 2014	<b>18,150,000</b>	17,569,200
Alvescot Lodge, Alvescot, Oxfordshire, OX18	Revaluation 2010	<b>1,980,502</b>	1,858,570
Elstead Hotel, Bournemouth Dorset, BH1	Revaluation 2010	<b>662,213</b>	121,637
75 Garstang Road, Preston, Lancashire, PR3	Revaluation on transition to FRS 102 at 1 January 2014	<b>200,000</b>	184,000
<b>Subtotal Land and Buildings at Head Office</b>		<b>20,992,715</b>	19,733,407
Seventeen properties owned by Union Branches	Revaluation on transition to FRS 102 at 1 January 2014	<b>3,274,791</b>	3,003,558
<b>Cost of Land and Buildings</b>		<b>24,267,506</b>	22,736,965

**COMMUNICATION WORKERS UNION**  
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**5 Tangible Fixed Assets** (continued)

The deemed cost of fixed assets includes the original cost of assets purchased by the National Communications Union and the Union of Communication Workers or, in the case of certain land and buildings, subsequent revaluation by these former Unions. Depreciation includes the amount previously written-off cost or valuation in the accounts of the National Communications Union and the Union of Communication Workers.

The Elstead Hotel is subject to a leasehold interest granted to Elstead Hotel (Bournemouth) Limited, a company wholly owned by Trustees on behalf of the Union.

150 The Broadway, Wimbledon was purchased during 1997.

The UCW Pensions 2001 Scheme has a first legal charge over the property at 150 The Broadway, Wimbledon to the value of £5,800,000 as security over the deficit in that particular pension fund (note 14).

<b>6 Investments and Long Term Loans</b>		<b>2017</b>	<b>2016</b>
	Note	£	£
Mortgages and Other Long Term Loans - Secured	6a	<b>276,333</b>	418,898
Quoted Investments at Market Value	6b	<b>3,906,121</b>	3,565,817
Unquoted Shares at Market Value or Cost	6c	<b>2,140,734</b>	2,140,734
Debenture - Elstead Hotel (Bournemouth) Ltd	7	<b>480,000</b>	480,000
<b>Investments and Long Term Loans</b>		<b>6,803,188</b>	6,605,449

<b>6a Mortgages and Other Long Term Loans - Secured</b>		<b>2017</b>	<b>2016</b>
		£	£
Union Officers:			
A Furey		<b>88,801</b>	98,173
A Kerr		<b>75,086</b>	86,825
K Slocombe		-	117,430
D Bowman		<b>112,446</b>	116,470
<b>Mortgages and Other Long Term Loans - Secured</b>		<b>276,333</b>	418,898

<u>Movement During the Year</u>	<b>2017</b>	<b>2016</b>
	£	£
At 31 December 2016	<b>418,898</b>	565,614
Long term loans repaid	<b>(142,565)</b>	(146,716)
At 31 December 2017	<b>276,333</b>	418,898

<b>6b Quoted Investments at Market Value</b>		<b>2017</b>	<b>2016</b>
		£	£
Value at 31 December 2016		<b>3,565,817</b>	3,241,755
Disposal of Investments		<b>(370,000)</b>	(891,393)
Surplus on Disposal of Investments		<b>5,704</b>	9,857
Additional Shares Purchased in Year		<b>370,000</b>	552,000
Revaluation Surplus in Year		<b>334,600</b>	653,598
<b>Quoted Investments at Market Value</b>		<b>3,906,121</b>	3,565,817

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

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**6b Quoted Investments at Market Value (continued)**

The total original cost of quoted investments was £1,418,203 (2016: £1,418,203). Any surplus or deficit arising on sale or revaluation to market value during the year has been debited or credited to the fund holding the investments.

<b>6c Unquoted Investments at Market Value or Cost</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Movement during the year		
Value at 31 December 2016	<b>2,140,734</b>	1,790,735
Additional Shares Purchased in Year	-	349,999
<b>Unquoted Investments at Market Value or Cost</b>	<b>2,140,734</b>	<b>2,140,734</b>

The total unquoted shares held by the Union as at the 31 December 2017 is broken down by:

- 1,060,367 shares in Unity Trust Bank revalued on 31 December 2016 at market value of £2 per share.
- 20,000 shares in Peoples Press Printing Society Ltd at cost of £1 per share.

**Union Network International**

A full provision of £201,606 (2016: £201,606) has been made against the cost of shares in the headquarters building of Union Network International, as recovery of the amount invested is not envisaged.

**Unionline**

At 31 December 2017 the Union was a 50% equity partner in GMB/CWU Legal LLP, which is the sole beneficial corporate partner of Trade Union Legal LLP, trading as Unionline. Further details of Unionline transactions have been given in note 17.

**7 Elstead Hotel (Bournemouth) Limited**

The Union holds 100% share capital in the Elstead Hotel, a hotel and conference centre in Bournemouth. This has been fully provided for in these accounts (note 5 & 6). The company is a subsidiary undertaking of the Union but consolidated accounts have not been prepared as the inclusion of Elstead Hotel (Bournemouth) Ltd would have not a material impact on the accounts of the Union.

The draft accounts of the Elstead Hotel as at 31 December 2017 show a loss of £173,783 and shareholders' funds at that date of a negative equity of £172,257. Included within Other Debtors (note 8) is £241,600 due from the Elstead Hotel. This is made up of £173,600 (2016: £118,613) relating to rent / management fees and £68,000 (2016: 0) for a loan. There was not a balance due to the Elstead Hotel (2016: £16,272) within Trade Creditors (note 9) for accommodation charges.

The original cost of the Union's interest in this company is £2,025,000 advanced by the Union of Communication Workers prior to the date of merger in 1995. This was represented by a debenture and issue of shares. During the year ended 31 December 2011 the Elstead Hotel cancelled 1,495,002 ordinary shares of nominal value £1 each as part of a share capital restructure. The Union's interest is now represented by a debenture of £480,000 secured by a floating charge over the assets of the company and £50,000 ordinary shares of £1 each fully paid. Given the continued losses incurred by the Elstead Hotel, a provision has been included against the £50,000 ordinary shares.

In line with FRS 102, the accounting policy of the Union is to value unquoted investments at fair value where this can be obtained without undue cost. In accordance with this policy the Union has revalued the shares of the company to an amount equal to the shareholders' funds as shown in the accounts of the company as at 31 December 2017. In December 2003, an impairment review was carried out and the Union reduced the carrying value of the shares by the shortfall in the valuation compared to the carrying value of the fixed assets held by the company.

**COMMUNICATION WORKERS UNION**  
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**For the year ended 31 December 2017**

**7 Elstead Hotel (Bournemouth) Limited (continued)**

	<b>Shares</b>	<b>Debenture</b>
	<b>£</b>	<b>£</b>
As at 31 December 2016	-	480,000
Revaluation in year (based on draft accounts)	-	-
As at 31 December 2017	<b>-</b>	<b>480,000</b>

<b>8 Debtors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Contributions from Members	<b>2,119,633</b>	2,064,252
Other Debtors	<b>2,146,015</b>	863,645
Prepayments	<b>495,208</b>	403,340
<b>Debtors</b>	<b>4,760,856</b>	3,331,237

<b>9 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade Creditors	<b>2,287,006</b>	1,703,074
Salary Creditors	<b>148,748</b>	179,939
Accruals and Prepaid Income	<b>1,493,619</b>	2,404,416
Other Creditors	<b>194,156</b>	161,393
Branch Bank Loans - Properties	<b>3,586</b>	7,678
<b>Creditors: amounts falling due within one year</b>	<b>4,127,115</b>	4,456,500

<b>10a Creditors: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Other Creditors	<b>6,000</b>	8,000
Branch Bank Loans - Properties	-	3,453
<b>Creditors: amounts falling due after more than one year</b>	<b>6,000</b>	11,453

<b>10b Analysis of Branch Bank Loans - Properties</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Due within One Year	<b>3,586</b>	7,678
Due in One to Two Years	-	3,453
<b>Branch Bank Loans - Properties</b>	<b>3,586</b>	11,131

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

**11 Operating Leases**

At 31 December 2017 the Union had future minimum lease payments under non-cancellable operating leases as set out below.

	2017 £	2016 £
Operating leases which expire:		
Within One Year	138,997	456,425
Within Two to Five Years	505,588	2,696,378
Greater than Five Years	3,716,820	177,390
<b>Operating Leases</b>	<b>4,361,405</b>	<b>3,330,193</b>

**12 Political Fund Assets**

	2017 £	2016 £
Tangible Fixed Assets	2,049	4,098
Prepayments	159	157
Cash at Bank	1,172,911	1,337,260
Creditors	(28,607)	(75,211)
<b>Political Fund Net Assets</b>	<b>1,146,512</b>	<b>1,266,304</b>
<b>Split Between</b>		
Political Fund - Head Office	871,727	904,336
Political Fund - Branches	274,785	361,968

**13 Provision for Liabilities and Charges - Pensions**

The Union's accounts need to show the value of the pension schemes that it sponsors using the accounting treatment prescribed by Section 28 of FRS 102. The assumptions used in calculating the Section 28 pension scheme valuations, as disclosed in note 14, are agreed between the employer and the scheme's actuaries each year and are generally less prudent than the triennial pension scheme valuation where the assumptions used are agreed by the schemes' trustees and the actuaries.

Using a Section 28 valuation the Union's pension schemes at 31 December 2017 showed a total deficit of £22.6m.

	Date of Triennial Valuation	Triennial Valuation £m	Section 28 Valuation £m
UCW Pensions 2001	31/12/2014	(13.24)	(16.88)
NCU SSS	31/12/2014	2.66	0.96
CWU 2000	31/12/2014	(2.87)	(6.68)
		<u>(13.45)</u>	<u>(22.60)</u>

The most recent triennial valuations for all schemes are dated 31 December 2014. At this date, the total liability amounted to £13.45m. In prior years, the Union has recognised a true and fair override to show the triennial valuation liability rather than the Section 28 valuation as required under FRS 102. At 31 December 2016, the Section 28 valuation was significantly higher than the triennial valuation and, as a result, there was no longer the need to include a true and fair override to recognise a higher triennial valuation.

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

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**13 Provision for Liabilities and Charges - Pensions (continued)**

By releasing the true and fair override provision in the accounts, the Union believes that they showed a prudent view of the pension schemes' deficits and that its members would be more able to understand the pension schemes funding obligations that the Union faces.

**14 Staff Superannuation Schemes**

At 31 December 2017 the Union operated three superannuation schemes providing benefits for Union employees based on final pensionable pay "defined benefit (DB) schemes". The CWU 2000 Pension Scheme is open to new employees of the Union and the UCW Pensions 2001 and NCU SSS are closed. All schemes are funded.

Contributions to the schemes are charged to the Statement of Comprehensive Income to spread the cost of pensions over employees' working lives with the Union. The contributions are paid in accordance with recommendations by independent qualified actuaries at rates of between 29.10% and 41.90% of pensionable salaries. The actuaries use the projected unit method of valuation. Under this method the current service cost for closed schemes will increase as the members of the schemes approach retirement.

Amounts payable to the schemes by the Union in accordance with actuarial advice were:

	2017	2016
	£	£
<b>Staff Superannuation Schemes</b>		
Normal Contributions	2,190,000	2,079,950
Special Contributions	750,000	970,050
	<u>2,940,000</u>	<u>3,050,000</u>

The above amounts represent the amounts which would have been charged to the Statement of Comprehensive Income in 2017 and 2016, had Section 28 of FRS 102 not been adopted in respect of accounting for retired benefits. The amounts actually charged to the Statement of Comprehensive Income and Other Comprehensive Income are shown on page 22.

The Union is considering the deficits in the various schemes in consultation with respective scheme actuaries and taking advice on the amount of future Union contributions.

The assets of the schemes are held in separate trustee administered funds. A summary of the assets and liabilities in accordance with Section 28, together with the assumptions used to determine the results, is set out below.

Qualified independent actuaries have updated figures from the last formal valuations of the schemes to 31 December 2017. The deficit has been incorporated within the Union's balance sheet in accordance with Section 28.

The major assumptions used by the actuaries were:

	31 December 2017	31 December 2016
Discount Rate	2.5 - 2.6%	2.6 - 3.0%
RPI Inflation Assumption	3.5 - 3.6%	3.5 - 3.6%
Rate of Salary Increases	2.5 - 3.6%	2.5 - 3.6%
Allowance for Future Deferred Revaluation	2.5 - 3.6%	2.5 - 3.6%
Allowance for Future Pension Increases	2.5 - 3.6%	2.5 - 3.6%

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

**14 Staff Superannuation Schemes (continued)**

Mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member currently aged 60 will live for a further 27 years if they are male and for a further 28 years if they are female. For a member currently aged 40 who retires at age 60 the assumptions are that they will live on average for a further 28 years after retirement if they are male and a further 30 years after retirement if they are female.

<b>The Assets in the Schemes were:</b>	<b>31 December 2017 £m</b>	<b>31 December 2016 £m</b>
Hedge Funds	38.74	50.15
Diversified Growth Funds	32.49	18.70
Government Bonds	40.12	39.10
Corporate Bonds	2.68	2.06
Cash	0.82	0.63
	<b>114.85</b>	<b>110.64</b>
Irrecoverable Surplus on Plan Assets	<b>-5.99</b>	<b>-3.64</b>
<b>Total Assets</b>	<b>108.86</b>	<b>107.00</b>

<b>Analysis of Amounts in the Balance Sheet:</b>	<b>31 December 2017 £m</b>	<b>31 December 2016 £m</b>
<u>Changes in Present Value of Plan Liabilities</u>		
Opening DB Obligation	126.40	108.25
Current Service Cost	2.34	1.63
Interest Expense on DB Obligation	3.40	4.14
Remeasurement - Experience Adjustment Gains	0.00	-6.72
Remeasurement - Changes in Assumptions Losses	3.10	24.08
Contributions by Participants	0.32	0.32
Benefits Paid	-4.04	-5.30
<b>Closing DB Obligation</b>	<b>131.52</b>	<b>126.40</b>

<u>Changes in Fair Value of Plan Assets</u>		
Opening Fair Value of Plan Assets	110.61	104.80
Interest Income on Plan Assets	2.97	4.00
Pension Scheme Expenses	-0.44	-0.50
Actuarial Gains	2.47	4.30
Employer Contributions	2.95	3.00
Employee Contributions	0.32	0.30
Benefits Paid	-4.04	-5.30
	<b>114.84</b>	<b>110.60</b>
Irrecoverable Surplus on Plan Assets	<b>-5.99</b>	<b>-3.64</b>
<b>Closing Fair Value of Plan Assets</b>	<b>108.85</b>	<b>106.96</b>
 Present Value of DB Obligation	 <b>-131.52</b>	 <b>-126.40</b>
Fair value of Plan Assets	<b>108.85</b>	<b>106.96</b>
Net Liability	<b>-22.67</b>	<b>-19.44</b>
 As per page 19	 <b>-22.60</b>	 <b>-19.40</b>

**COMMUNICATION WORKERS UNION**  
**Notes to the Accounts**  
**For the year ended 31 December 2017**

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**14 Staff Superannuation Schemes (continued)**

<b>Analysis of the Amount Charged to the Operating Deficit:</b>	<b>31 December</b>	31 December
	<b>2017</b>	2016
	<b>£m</b>	£m
Total Operating Charge - Current Service Cost	<b>2.34</b>	1.63
<b>Analysis of the Amount Credited to Other Financial Income:</b>	<b>31 December</b>	31 December
	<b>2017</b>	2016
	<b>£m</b>	£m
Interest Income on Plan Assets	2.97	4.03
Interest Cost on DB Obligation	-3.40	-4.14
Pension Scheme Expenses	-0.44	-0.51
Net Return	<b>-0.87</b>	-0.62
<b>Analysis of Amount Recognised in Other Comprehensive Income (OCI):</b>	<b>31 December</b>	31 December
	<b>2017</b>	2016
	<b>£m</b>	£m
Total Actuarial Gains	2.53	4.33
Remeasurement - Experience Adjustment Gains	0.00	6.72
Remeasurement - Changes in Assumptions Losses	-3.10	-24.08
Total Actuarial Losses	-0.57	-13.03
Change in Assets not Recoverable in the Future	-2.35	0.01
Total Losses in OCI	<b>-2.92</b>	-13.02

**15 Contingent Liabilities**

The Union has guaranteed bank loans for certain Branches. At 31 December 2017 the amount guaranteed was £3,586 (2016: £11,131).

**16 Key Management Personnel**

Key management compensation of £260,256 (2016: £253,477) was paid in the year. Key management personnel is defined as the roles of General Secretary and Senior Deputy General Secretary.

**17 Related Party Transactions**

**Unionline**

At 31 December 2017, the Union had made an unsecured loan (Other Debtors, note 8) of £273,250 (2016: £273,250) to Unionline. In addition to the loan is accumulated interest of £61,140 (2016: £42,212) charged at a commercial rate.

During the year, the Union recharged for staff and administration costs incurred relating to the activities of Unionline.

**Elstead Hotel (Bournemouth) Ltd**

The Union holds 100% share capital in the Elstead Hotel, a hotel and conference centre in Bournemouth. This has been fully provided for in these accounts (note 5, 6 & 7).



**The following schedules do not form part of the statutory accounts  
they are presented for analysis purposes only**

<b>Contents</b>	<b>Schedules</b>
<b>Detailed Income and Expenditure Accounts</b>	
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National Welfare Fund	D
Property Reserve Fund	E
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<b>Schedules to the General Fund Income and Expenditure Account</b>	
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**COMMUNICATION WORKERS UNION**  
**Detailed Income and Expenditure Accounts**  
**For the year ended 31 December 2017**

A	Total General Fund	Schedule	2017	2016
			£	£
	<b>Income</b>			
	Gross Contributions from Members		29,696,170	29,797,836
	Less: Political Fund Contributions	G	(1,653,045)	(1,655,035)
			28,043,125	28,142,801
	Less: Employer Collection Charges		(150,206)	(573,781)
	Other Collection Costs		(18,064)	(14,562)
	Rebates to Branches	F	(8,136,155)	(8,124,329)
	Net Contribution Income		19,738,700	19,430,129
	Other Income		236,550	382,962
	<b>General Fund Net Income</b>		19,975,250	19,813,091
	<b>Expenditure</b>			
	Central Services to Members	H	(644,787)	840,684
	Publications and Publicity	I	893,557	761,004
	Education	J	488,154	570,576
	Branch Organisation and Recruitment	K	86,424	100,615
	Regional and Divisional Representation	L	980,916	972,673
	National Executive Council and National Organisation	M	2,623,149	1,284,686
	Elections and Ballots	N	238,700	204,081
	Union Conferences	O	339,577	336,368
	Affiliations, Delegations and Donations	P	699,463	695,661
	Professional and Financial Charges	Q	1,053,235	1,043,459
	Headquarters Expenses	R	1,833,137	1,952,236
	Headquarters Depreciation to Fixed Assets	S	415,079	434,043
	Salaries, Payroll and Substitution Costs	T	7,828,554	8,702,194
	Staff Superannuation Schemes	U	2,402,679	1,628,172
	International Activities	V	404,779	438,418
	<b>General Fund Total Expenditure</b>		19,642,616	19,964,870
	<b>Operating Profit / (Loss)</b>		332,634	(151,779)
	<b>Allocations, Interest and Amounts Written off Investments</b>			
	Surplus on Revaluation of Quoted Investments		334,600	653,598
	Surplus on Disposal of Quoted Investments		5,704	9,857
	(Loss) / Surplus on Disposal of Fixed Assets		(57)	105,193
	Revaluation of Interest in Elstead Hotel (Bournemouth) Ltd		-	(78,826)
	Release of Additional PAYE/NIC Liability		-	69,395
	Other Financial Expense - Pension Schemes		(860,000)	(630,000)
	<b>General Fund Loss before Transfers</b>		(187,119)	(22,562)
	<b>Split Between</b>			
	General Fund (excluding Pension Fund)		822,881	157,488
	Pension Fund		(1,010,000)	(180,050)
			(187,119)	(22,562)

**COMMUNICATION WORKERS UNION**  
**Detailed Income and Expenditure Accounts**  
**For the year ended 31 December 2017**

<b>B</b>	<b>Defence Fund</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<b>Income</b>		
	Rebates from Branches (F)	<b>81,366</b>	82,043
	<b>Expenditure</b>		
	Industrial Actions Costs	<b>278,630</b>	-
	<b>Defence Fund (Loss) / Profit before Transfers</b>	<b>(197,264)</b>	82,043
<b>C</b>	<b>Scholarship Fund</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<b>Income</b>		
	Commissions	<b>42,473</b>	43,709
	<b>Expenditure</b>		
	Bursary Awards	<b>44,132</b>	43,150
	<b>Scholarship Fund (Loss) / Surplus before Transfers</b>	<b>(1,659)</b>	559
<b>D</b>	<b>National Welfare Fund</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<b>Income</b>		
	Donations	<b>58,658</b>	18,220
	Commissions	<b>2,972</b>	4,251
	National Welfare Fund income	<b>61,630</b>	22,471
	<b>Expenditure</b>		
	Disbursements to Members	<b>26,013</b>	18,700
	<b>National Welfare Fund Surplus before Transfers</b>	<b>35,617</b>	3,771
<b>E</b>	<b>Property Reserve Fund (note 1c)</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Allocation from General Fund (A)	-	(163,835)
	Allocation from Branch Fund (F)	<b>107,336</b>	10,202
	<b>Property Reserve Fund (Loss) / Surplus after Transfers</b>	<b>107,336</b>	(153,633)
	<u>Analysis of Property Reserve Allocation</u>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Land & Buildings Cost at 31 December 2016 (note 5)	<b>24,167,715</b>	24,331,550
	Additions in year (note 5)	<b>99,791</b>	11,165
	Disposals in year (note 5)	-	(175,000)
	Outstanding Branch Loans - Properties (note 10b)	<b>(3,586)</b>	(11,131)
	Property Reserve Fund Carried Forward (page 10)	<b>24,263,920</b>	24,156,584

**COMMUNICATION WORKERS UNION**  
**Detailed Income and Expenditure Accounts**  
**For the year ended 31 December 2017**

<b>F</b>	<b>Branch Fund</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<b>Income</b>		
	Contributions from Members (A)	<b>8,136,155</b>	8,124,329
	<b>Expenditure</b>		
	Rebates to Defence Fund (B)	<b>81,366</b>	82,043
	Total Expenditure at Branches, net of Sundry Income	<b>8,138,611</b>	7,894,395
	Depreciation to Land and Buildings at Branches	<b>80,733</b>	63,490
	Branch Fund Expenditure	<b>8,300,710</b>	8,039,928
	<b>Branch Fund (Loss) / Surplus before Transfers</b>	<b>(164,555)</b>	84,401
	Transfer to Property Reserve Fund (E)	<b>(107,336)</b>	(10,202)
	<b>Branch Fund (Loss) / Surplus after Transfers</b>	<b>(271,891)</b>	74,199
<b>G</b>	<b>Political Fund</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<b>Income</b>		
	Contributions from Members (A)	<b>1,653,045</b>	1,655,035
	<b>Expenditure</b>		
	Labour party Affiliation Fees	<b>449,250</b>	501,500
	Regional Affiliation Fees	<b>13,339</b>	14,543
	Campaigns	<b>162,517</b>	302,640
	General Election	<b>8,736</b>	106
	Delegations to National Conferences	<b>108,574</b>	114,866
	Delegations to Regional Conferences	<b>3,077</b>	7,505
	Net Expenditure at Branches	<b>312,030</b>	191,759
	Branch and Regional Expenses	<b>1,072</b>	12,495
	Parliamentary Panel	<b>39,765</b>	51,334
	Printing and Publicity	<b>15,536</b>	43,153
	Postage	<b>1,049</b>	95,915
	Travel and Meeting Expenses	<b>6,476</b>	1,014
	Donations	<b>597,227</b>	179,087
	Depreciation and General Expenses	<b>6,709</b>	9,206
	Administration Charge	<b>45,000</b>	45,000
	Depreciation to Furniture, Equipment, Computers and Motor Vehicles	<b>2,049</b>	2,049
	Bank Charges	<b>431</b>	1,454
	Political Fund Expenditure	<b>1,772,837</b>	1,573,626
	<b>Political Fund (Loss) / Surplus after Transfers</b>	<b>(119,792)</b>	81,409
	<b>Split Between</b>		
	Political Fund - Head Office	<b>(32,609)</b>	48,346
	Political Fund - Branches	<b>(87,183)</b>	33,063
		<b>(119,792)</b>	81,409

**COMMUNICATION WORKERS UNION**  
**Schedules to the General Fund Income and Expenditure Account**  
**For the year ended 31 December 2017**

<b>H</b>	<b>Central Services to Members</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Death Benefits:		
	Retired Members	318,227	357,433
	Current Members	119,683	148,750
		437,910	506,183
	Legal and Medical Services	(16,923)	55,215
	Unionline	(1,371,437)	-
	Employment Tribunals	257,243	222,624
	Insurance Scheme	48,420	56,662
	Central Services to Members	(644,787)	840,684
<b>I</b>	<b>Publications and Publicity</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Voice Costs	631,185	571,230
	Less: Advertising Revenue	(55,206)	(69,539)
		575,979	501,691
	Other Publicity Costs	317,578	259,313
	Publications and Publicity	893,557	761,004
<b>J</b>	<b>Education</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Schools - Alvescot Lodge:		
	Staff Salaries	266,647	352,613
	Other Expenses (Net of Sundry Income)	204,392	197,837
		471,039	550,450
	Regional Courses	17,115	18,466
	Higher Education (BALTUS)	-	1,660
	Education	488,154	570,576
<b>K</b>	<b>Branch Organisation and Recruitment</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Branch Organisation	929	3,648
	Recruitment	85,495	96,967
	Branch Organisation and Recruitment	86,424	100,615

**COMMUNICATION WORKERS UNION**  
**Schedules to the General Fund Income and Expenditure Account**  
**For the year ended 31 December 2017**

<b>L</b>	<b>Regional and Divisional Representation</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Regional Officers	594,533	534,619
	Divisional Representatives	298,817	339,296
	Parcelforce Representatives	69,761	71,120
	Counters and Capita Representatives	14,705	22,531
	Regional Health and Safety Forums	3,100	5,107
	<b>Regional and Divisional Representation</b>	<b>980,916</b>	<b>972,673</b>
<b>M</b>	<b>National Executive Council and National Organisation</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	National and Industrial Executive Council Expenses	1,394,256	570,347
	Meetings/Activities Convened by National Officers	985,189	438,523
	National Negotiating Teams	132,945	156,183
	Equal Opportunities, Youth and Retired Members	110,759	119,633
	<b>National Executive Council and National Organisation</b>	<b>2,623,149</b>	<b>1,284,686</b>
<b>N</b>	<b>Elections and Ballots</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	National Executive Council	124,766	40,268
	Other Elections	93,501	20,565
	Pay and Conditions Ballots	20,433	143,248
	<b>Elections and Ballots</b>	<b>238,700</b>	<b>204,081</b>
<b>O</b>	<b>Union Conferences</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Annual Conference:		
	Head Office Expenses	115,795	116,723
	Printing and Stationery	12,644	15,080
	Facilities	136,732	138,642
	Miscellaneous	13,243	8,343
	Standing Orders Committee:		
	General	12,834	15,399
	Postal	35,786	31,625
	Telecoms and Financial Services	12,543	10,556
	<b>Union Conferences</b>	<b>339,577</b>	<b>336,368</b>

**COMMUNICATION WORKERS UNION**  
**Schedules to the General Fund Income and Expenditure Account**  
**For the year ended 31 December 2017**

<b>P</b>	<b>Affiliations, Delegations and Donations</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Affiliations:		
	Trade Union Congress	529,570	527,472
	Scottish Trades Union Congress	23,376	21,623
	Irish Congress of Trade Unions	16,301	15,325
	Miscellaneous	12,014	24,943
		581,261	589,363
	Delegations	106,803	85,527
	Donations	11,399	20,771
	Affiliations, Delegations and Donations	699,463	695,661
<b>Q</b>	<b>Professional and Financial Charges</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Superannuation Schemes Administration Costs	748,921	682,838
	Headquarters Legal Costs	127,184	156,596
	Audit, Accountancy and Taxation	91,539	88,332
	Property, Technical and Advisory Services	12,352	12,675
	Insurance	42,585	42,874
	Bank Charges and Interest	30,654	60,144
	Professional and Financial Charges	1,053,235	1,043,459
<b>R</b>	<b>Headquarters Expenses</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Computer Systems - Maintenance and Support	216,211	227,764
	Light, Fuel and Cleaning	147,281	156,556
	Maintenance of Premises	51,133	81,566
	Security	109,380	107,530
	Rates and Room Hire	463,169	433,232
	Postage	66,522	87,722
	Telecommunications	93,749	103,898
	Printing, Stationery and Photocopying	691,059	788,206
	Catering	182	1,949
	Maintenance of Equipment	55,012	30,106
	Research Library	29,982	38,324
	Staff Training, Recruitment and Miscellaneous Costs	37,157	32,990
	VAT Refund	(127,700)	(137,607)
	Headquarters Expenses	1,833,137	1,952,236

**COMMUNICATION WORKERS UNION**  
**Schedules to the General Fund Income and Expenditure Account**  
**For the year ended 31 December 2017**

<b>S</b>	<b>Head Office Depreciation to Fixed Assets</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Depreciation to Furniture, Equipment, Computers and Motor Vehicles	<b>240,269</b>	256,316
	Depreciation to Buildings	<b>174,810</b>	177,727
	Head Office Depreciation to Fixed Assets	<b>415,079</b>	434,043
<b>T</b>	<b>Salaries, Payroll and Substitution Costs</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Salaries, Payroll and Substitution Costs	<b>7,828,554</b>	8,702,194
<b>U</b>	<b>Staff Superannuation Schemes</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Staff Superannuation Schemes	<b>2,402,679</b>	1,628,172
<b>V</b>	<b>International Activities</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Union Network International Affiliation	<b>378,389</b>	376,792
	Union Network International Congress and Seminars	<b>14,238</b>	32,138
	Delegations	<b>10,743</b>	14,449
	Uni World Postal Presidents Costs	-	9,136
	Miscellaneous	<b>1,409</b>	5,903
	International Activities	<b>404,779</b>	438,418