

# EQUITY ACCOUNTS 2024

EQUITY



# Statement of Equity Council's responsibilities

The legislation relating to trade unions requires Equity to submit a return for each calendar year to the Certification Officer. The return contains accounts that must give a true and fair view of the state of affairs of Equity 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 Officer.

In relation to Equity the requirement to prepare accounts that give a true and fair view is the responsibility of Equity Council. Equity Council is responsible for preparing accounts in accordance with applicable law and United Kingdom Accounting Standards. In so doing Equity Council is required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d) prepare the accounts on the going concern basis unless it is inappropriate to do so.

Equity Council is responsible for keeping adequate 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. It is also responsible for safeguarding Equity's assets and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

# Independent auditor's report to the members of Equity

## Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 2024 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.

We have audited the financial statements of Equity (the 'Union') for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows 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).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Independence

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

other ethical responsibilities in accordance with these requirements.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Executive Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Union's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Executive Council with respect to going concern are described in the relevant sections of this report.

## 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.

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.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters to which the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept in accordance with the requirements; or
- the Union has not maintained a satisfactory system of controls over its transactions in accordance with the requirements; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of the Executive Council

As explained more fully in the Statement of Equity 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 Executive Council 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.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### *Non-compliance with laws and regulations*

We gained an understanding of the legal and regulatory framework applicable to the Union and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the Union that were contrary to these laws and regulations, including fraud. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Trade Union and Labour Relations (Consolidation) Act 1992, UK tax legislation and equivalent local laws and regulations.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;

- Review of financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Discussion with management, including consideration of known or suspected instances of non-compliance with laws and regulations.

### *Fraud*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud and how management monitor these processes.

Audit procedures performed by the engagement team included:

- Reading minutes of meeting of those charged with governance for any evidence of fraud or suspected fraud;
- In addressing the risk of fraud through management override of controls, we tested journal entries and other adjustments for inappropriate or unusual journals outside of our expectations, as well as for any significant transactions outside the normal course of business, taking into consideration the scope for management to manipulate financial result;
- Assessing the design and operating effectiveness of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud;
- Challenging the assumptions and judgements made by management for key estimates, in particular in relation to income recognition and calculation of provisions.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

## Use of our report

This report is made solely to the members of the Union of Shop, Distributive and Allied Workers, 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 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 as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, Statutory Auditor  
London, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Report of the Honorary Treasurer

I'm pleased to report that Equity continues to maintain a secure financial position following some very difficult years. You'll see that once again our income from subscriptions from members is up on the previous year which is good news. Membership subscriptions are our core income. Our density of membership is excellent compared with other trades unions but our aim is to attract even more new members as our reputation as a fighting and campaigning union continues to go from strength to strength. Financial stability is of paramount importance as we must retain our status as an independent union, the biggest in our industry in Europe and the third biggest in the world.

I'd like to start this report by looking at the operating surplus which is reported in the 2024 accounts as £186,003. This is a healthy surplus and close to budget. Our total income was £10,590,558 and our total expenditure was £10,404,555.

If we look a bit closer at our income, we can see that subscriptions from members is up to £7,417,214 from £6,937,207 in 2023, a steady if unspectacular rise. Our investment income is also up to £1,044,456 (note 2), which includes bank interest on the balances held in our current accounts of £328,014.

number of members	2024	2023	2023
		revised	original
female	26,418	26,009	25,173
male	22,526	22,400	22,012
other gender identity	667	500	432
	49,611	48,909	47,617
Prior to February 2024 Students were not treated as full members of the Union and so were not included in the figures presented. Since February 2024 they have been treated as full members with full access to all benefits and are therefore now included in the number of members			
The table shows the figures presented in the accounts in 2023 and the figures that would have been reported if students had been included			

The other significant amount here is income related to members and other performers (note 1) which is £1,996,126. Most of this is from the Educational Recording Agency (ERA), a figure of £1,559,920. This is a payment to the Union from educational establishments that use our members' work and is a significant amount. This is not yet distributable to the individual artists concerned but we hope that in the future it will be. Also included is income from distributions, which is reported in the accounts as £397,062. This leads us to the total income figure of £10,590,558.

We also received investment income of £1,044,456 in 2024 compared to £661,891 in 2023 (note 2). This income is derived from bank interest received from cash held in our current accounts and income received from our investment portfolio. As interest rates were significantly higher in 2024 than in 2023 we saw a substantial increase in the bank interest received. On the whole our investment income performed as expected with the addition of an extraordinary receipt from the delisting and voluntary liquidation of one of our holdings.

Regarding our expenditure, you'll see that our staff costs (note 4) make up over half of this figure. In 2024 they added up to £5,706,516 out of a total expenditure of £10,404,555. Other reported costs include benefits to members at £1,314,614. Democratic costs amounted to £281,414 representing an increase in costs compared to the prior year mainly due to council elections. Organising expenses increased to £447,869.

I want to draw your attention to the expenditure in the benefits to members section. This shows an increase to £1,314,614 in 2024 compared with £1,283,021 in 2023. The most significant change in this section is due to the increase in insurance costs for members from £561,875 to £717,563. We have moved to a new insurance broker and provider and the insurance package has been substantially improved in many areas. One key improvement has been the doubling of the weekly payout following successful claims for temporary disablement following an accident. The new insurance package started on 1st October 2024 meaning that the higher cost was only incurred for one quarter of the year. 2025 will see the increased cost for the full year.

For further detail on expenditure, please see notes 4 to 14 to the accounts.

Our net assets are also looking good. Our tangible fixed assets (note 16) stand at £7,849,544. If we add our investments (note 17) which stand at £16,749,917 that gives us a total of £24,559,461. When we take into account net current liabilities and provision for liabilities (note 23) which is a figure of £2,097,562 that leaves us with net assets of £22,501,899 which is a very small decrease from last year's figure of £22,597,461.

Our accounts are prepared following the FRS102 accounting standard. One of the requirements of this standard is the inclusion of the liability to the Union arising from our staff pension fund. For the third year in a row the annual simplified valuation carried out for the purpose of these accounts has recorded a surplus. The 2024 accounting valuation provided a surplus of £6.98 million increased

from the valuation for 2023 of £3.412 million. As in previous years the Union has been instructed not to report the surplus as the Union will not be recovering the surplus from the scheme.

We are therefore showing a nil pension liability and our net assets including pension liability stand at £22,501,899. This is a strong position for us to be in.

Benevolent Fund expenditure in 2024 was £106,018 compared to £114,652 in 2023 showing that many of our members are still struggling to make ends meet whether employed or unemployed. We offer subs grants to members who are struggling to stay in the union and welfare grants to members being punished by the cost of living. I'd like to put on record my thanks to the membership team for their hard work administrating the fund through what has been a very busy year. While I'm very pleased to see the mortgage interest rates slowly coming down, the cost of living including rent is still very high and many of our members are finding things extremely difficult having not fully recovered from the loss of work, and in certain cases the loss of careers, post pandemic.

We've been campaigning for some time now for the abolition of the Minimum Income Floor (MIF) element of Universal Credit (UC) which is disastrous for many members. With the change of government in the last year our hopes have been raised as to the possibility of reform in this area which would be beneficial to our members. At the time of writing it doesn't look like our hopes will be fulfilled in the current projected changes to the benefits system. We understand that the country is still in a perilous financial state and that we may have to wait for the changes we want, as well as a return to serious investment in The Arts but we're working hard to make sure this government understand that if their priority is growth, then our industry can guarantee growth if it receives substantial public investment. Our ambition is for the government to increase public funding for the performing arts and entertainment industry to the European average of 0.5% of GDP over two parliamentary terms.

I want to personally thank our finance department at Guild House. They are a fantastic team and they deserve our thanks and respect. Beccy Reese, Assistant General Secretary (Finance & Operations) Gareth Rawlings, Senior Finance Officer and Daniel Fryer, Finance & Operations Assistant. We are in very safe hands. In this report last year I spoke about the disastrous cuts in arts funding from local authorities due to the national government's austerity squeeze, as well as the disaster of fourteen years of under investment by the Conservative government. Many of us were mightily relieved to see them voted out of power in July giving us hope that The Arts would be treated better by the new Labour government. We've heard some encouraging words from ministers in the Department for Digital, Culture, Media and Sport and there is a change of emphasis around the importance of our industry for the nation, for growth and for us as workers and we welcome the Employment Rights Bill 2024. We want and will campaign for much more though. The Employment Rights Bill is a step in the right direction, but only a first step. Public investment in the arts is nowhere near where we would like it to be. We as an industry want to contribute to growth in the UK and we can make a huge difference to the nation's economy and well being if we are backed by the government. This is the change we want to see and make no mistake, we shall be fighting hard for it and pushing this government all the way.

I'm very happy to report that Equity is a going concern and in a stable financial position. I commend these accounts to you.

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**David John**  
**HONORARY TREASURER**



# Statement of comprehensive income for the year ended 31/12/2024

	note	2024/£	2023/£
<b>Income</b>			
Subscriptions from members		7,417,214	6,937,207
Income related to members and other performers	1	1,996,126	1,976,639
Investment income	2	1,044,456	661,891
Other income	3	132,762	168,010
Irrecoverable Vat		nil	16,501
<b>Total income</b>		<b>10,590,558</b>	<b>9,760,248</b>
<b>Expenditure</b>			
Staff costs	4	5,706,516	5,085,948
Benefits to members	5	1,314,614	1,283,021
Democratic costs	6	281,414	163,875
Administrative expenses	7	724,297	707,971
Affiliation fees	8	278,633	255,401
Grants	9	81,200	44,658
Organising expenses	10	447,869	388,262
Professional costs	11	444,480	270,823
Property and equipment costs	12	553,430	523,498
Depreciation	16	468,661	554,088
Vat irrecoverable		103,441	nil
<b>Total expenditure</b>		<b>10,404,555</b>	<b>9,277,545</b>
<b>OPERATING SURPLUS</b>		<b>186,003</b>	<b>482,703</b>
Before Pension and investment movement			
Interest income		3,000	4,000
Administration expenses		(146,000)	(86,000)
<b>Pension adjustments</b>	25	<b>(143,000)</b>	<b>(82,000)</b>
Profit on sale of investments	17	144,633	107,942
Unrealised (loss)/gain on investments	17	(124,983)	459,651
<b>Non operational items</b>		<b>19,650</b>	<b>567,593</b>
Tax repayable		4,609	6,208
Deferred tax		(19,824)	(36,781)
<b>Tax (charge)</b>	13	<b>(15,215)</b>	<b>(30,573)</b>
<b>SURPLUS FOR THE YEAR</b>		<b>47,438</b>	<b>937,723</b>
Actuarial loss on the pension scheme	2	(143,000)	(188,000)
<b>Other comprehensive expense</b>		<b>(143,000)</b>	<b>(188,000)</b>
<b>TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR</b>		<b>(95,562)</b>	<b>749,723</b>



# Statement of financial position at 31/12/2024

	note	2024/£	2023/£
Tangible fixed assets	16	7,849,544	8,147,287
Investments	17	16,749,917	16,083,276
<b>Fixed Assets</b>		<b>24,599,461</b>	<b>24,230,563</b>
Sundry debtors and prepayments	18	947,526	913,259
Cash at bank and in hand	19	12,099,226	14,557,309
<b>Current Assets</b>		<b>13,046,752</b>	<b>15,470,568</b>
Amounts collected for distribution	20	(10,575,789)	(12,031,086)
Subscriptions received in advance		(2,006,555)	(1,794,898)
Sundry creditors and accruals		(1,858,571)	(2,578,689)
<b>Current Liabilities</b>		<b>(14,440,915)</b>	<b>(16,404,673)</b>
<b>NET CURRENT LIABILITIES</b>		<b>(1,394,163)</b>	<b>(934,105)</b>
<b>PROVISION FOR LIABILITIES</b>	23	<b>(703,399)</b>	<b>(698,997)</b>
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<b>22,501,899</b>	<b>22,597,461</b>
<b>PENSION LIABILITY</b>	25	nil	nil
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>		<b>22,501,899</b>	<b>22,597,461</b>
<b>FINANCED BY</b>		<b>22,501,899</b>	<b>22,597,461</b>
<b>FUNDS EMPLOYED</b>		<b>22,501,899</b>	<b>22,597,461</b>

Approved by Equity Council on 08 April 2025

**Paul W Fleming**  
General Secretary

**David John**  
Honorary Treasurer

# Statement of changes in equity for the year ended 31/12/2024

	General fund/£	Revaluation reserve (a)/£	Benevolent fund (b)/£	Designated reserve / legal costs (c)/£	Designated reserve / industrial disputes (d)/£	Total/£
at 1 January 2023	17,284,457	4,171,215	92,066	200,000	100,000	21,847,738
Income	9,753,155		7,093			9,760,248
Expenditure	(9,162,893)		(114,652)			(9,277,545)
Pension adjustments	(82,000)					(82,000)
Non operational items	567,593					567,593
Tax	(30,573)					(30,573)
Transfer	(900,000)				900,000	nil
Other comprehensive income (expense)	(188,000)					(188,000)
at 31 December 2023	17,241,739	4,171,215	(15,493)	200,000	1,000,000	<b>22,597,461</b>
Income	10,567,414		23,144			<b>10,590,558</b>
Expenditure	(10,298,537)		(106,018)			<b>(10,404,555)</b>
Pension adjustments	(143,000)					<b>(143,000)</b>
Non operational items	19,650					<b>19,650</b>
Tax	(15,215)					<b>(15,215)</b>
Transfer	(250,000)		250,000			<b>nil</b>
Other comprehensive expense	(143,000)					<b>(143,000)</b>
<b>at 31 December 2024</b>	<b>16,979,051</b>	<b>4,171,215</b>	<b>151,633</b>	<b>200,000</b>	<b>1,000,000</b>	<b>22,501,899</b>

## Designated reserves

### (a) Revaluation reserve

Freehold land and buildings are stated at deemed cost at 1 January 2014. The surplus compared to book value is recognised in the revaluation reserve to emphasise that such gains are not realised.

### (b) Benevolent Fund

To provide assistance to members who are in need of financial support.

### (c) Legal Defence costs

Designated reserve set aside to enable exceptional legal costs to be incurred.

### (d) Industrial Disputes

Designated reserve to allow for sustentation to members or cover other costs incurred by taking industrial action.

In 2023 Equity council increased the reserve to £1 million to ensure the fund could cover sustentation for disputes in relation to single collective agreements

# Statement of cash flows for the year ended 31/12/2024

2024/£

2023/£

## CASH FLOWS FROM OPERATING ACTIVITIES

Operating surplus for the year	186,003	482,703
Adjustments for depreciation	468,661	554,088
Frs 102 pension adjustment included in staff costs	(286,000)	(270,000)
Dividend income received in investment cash	(716,442)	(561,323)
Investment income	(328,014)	(100,568)
Investment manager fees paid from investment cash	69,451	65,137
(Increase) in debtors	(34,267)	(134,475)
(Decrease) in creditors	(1,963,758)	(440,772)
(Decrease) in provision for liabilities	(15,422)	(55,010)

<b>Net cash (outflow)/ inflow from operating activities</b>	<b>(2,619,788)</b>	<b>(460,220)</b>
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## CASH FLOWS FROM INVESTING ACTIVITIES

Interest	328,014	100,568
Purchase of fixed assets	(170,918)	(109,208)
Tax	4,609	6,208

<b>Net cash inflow from investing activities</b>	<b>161,705</b>	<b>(2,432)</b>
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(Decrease) in cash and cash equivalents	(2,458,083)	(462,652)
Cash and cash equivalents at 1 January	14,557,309	15,019,961

<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>12,099,226</b>	<b>14,557,309</b>
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Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant credit risk. For cash flow purposes, cash held with stockbrokers, which is intended to be invested in the stock market, is excluded from the figure of cash and cash equivalents.

## ACCOUNTING POLICIES

### Basis of accounts

These accounts have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 ("FRS 102"). The accounts have been prepared under historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the financial statements.

Trade Unions are governed by the Trade Union and Labour Relations (Consolidation Act) 1992 Amended. Under that Act the accounts of Trade Unions are required to give a true and fair view. Therefore, the accounts of Trade Unions are prepared under FRS 102. However, as a Trade Union is not a company the Regulations that form the basis of disclosures under FRS 102 have been adapted as considered necessary to ensure the accounts give a true and fair view to the members of the Trade Union. The Union is a public benefit entity.

The financial statements have been prepared in sterling, which is the functional currency of the Union. The monetary amounts of these financial statements are rounded to the nearest pound. Income and expenditure is dealt with in the various fund accounts of the union.

### Subscriptions

Subscriptions are shown in the accounts on a receivable basis. Income received in advance is deferred into the following year.

### Amounts collected for distribution:

Equity acts as an intermediary between performers or their beneficiaries and the entertainment industry for the collection and distribution of funds due to performers. Neither the income received from engagers or distribution payments to performers is included in the statement of comprehensive income, however the amounts collected for distribution are included as a creditor in the statement of financial position as the Union has control over them.

### Income from distributions

Equity recognises income arising from distributions in the form of commission and administration fees in the statement of comprehensive income at the invoice date.

### Other income

Receipts which are non-contractual and not received on predetermined dates are accounted for when received.

### Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land, on a straight line basis, at rates estimated to write off the cost, less estimated residual value, of each asset as follows:

freehold land	nil
freehold buildings	1%
freehold improvements	10%
computer equipment & mobile phones	33%
bespoke systems development	10%
office equipment	20%
website	20%

Assets which were fully depreciated at 1 January 2024 have been eliminated from these accounts.

### Operating leases

Rental payments in respect of operating leases are charged to the statement of comprehensive income on a straight line basis.

### Expenditure

Expenditure is accounted for on an accruals basis and shown exclusive of value added tax (where applicable).

### Value added tax

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

### Contribution to costs

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

### Fixed assets

Freehold land and buildings are stated at deemed cost at 1 January 2014. This equates to the fair value as determined by an independent valuation specialist. All other fixed assets are stated at cost. Assets are reviewed for impairment at each reporting date or whenever events and changes in circumstances indicate that the carrying amount may not be recoverable.

### Investments

Investments are stated at fair value, which is determined by reference to the quoted market price at the reporting date. Movements in the fair value of investments are included in the statement of

comprehensive income. Investments includes cash held with stockbrokers, which is held as part of the Union's investment portfolio and which is held solely for investment purposes.

### Foreign currency translation

The union has determined that GBP is its functional currency, as this is the currency of the economic environment in which the Union predominantly operates. Foreign currency transactions are translated into the Union's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

### Financial instruments

The Union only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors and creditors. Debt instruments that are payable or receivable within one year, typically other creditors or debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised within the operating surplus or loss. The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term investments with original maturities of three months or less, and bank overdrafts. This excludes cash held as part of the union's investment portfolios which is included within fixed asset investments.

### Provision for holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and is carried forward to future periods.

### Provision for funeral benefits payable to life members

Provisions for funeral benefits payable to life members are measured at the estimated expenditure required to settle the obligation, based on the most reliable evidence available at the reporting date. Provisions are discounted to their present values, where the time value of money is material.

### Current and deferred tax

Corporation tax is payable on the excess of interest income, rental income and chargeable gains arising on the disposal of properties and investments over expenditure on the provident benefits and reinvested chargeable gains for the year. Provident benefits comprise of payments as set out in the rules of the Union, which relate to death benefit and legal assistance, and a proportion of the costs of administering the Union in relation to those benefits. Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

### Designated reserves

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

### Branches

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

### Pension contributions

The Union operates a career average revalued earnings defined benefit pension scheme. Under FRS 102 the operating costs of providing benefits, the service costs, and the interest cost and expected

return on assets are included in comprehensive income in the period in which they arise. A full actuarial valuation was carried out at 5 april 2024 and the results updated to 31 december 2024 by a qualified independent actuary. The actuarial gains and losses from the pension scheme are recognised in other comprehensive income. The key financial assumptions which underpin the liability, notably the discount rate, are shown in note 25.

### Judgements in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements management are required to make estimates and assumptions which affect income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. The following have been identified as key areas where a significant amount of judgement is required as the results are potentially material to the financial statements:

Defined benefit pension scheme - the cost of the defined benefit pension scheme is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates.

Investments - quoted investments are disclosed at market values at the balance sheet date.

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.

In preparing these financial statements, the following critical judgements have been made: The market value of the pension scheme assets exceeds the value of the liability at the balance sheet date. However, the surplus on the scheme has not been recognised in the financial statements as the Union does not have an unconditional right to the surplus and has not benefitted from the surplus.

### Going concern

The obligation to prepare these financial statements on a going concern basis has been considered by reference to budgets, forecasts and projected cash flows, covering a period of at least the 12 months from the date of signing these accounts (anticipated to be the period ended 31st July 2026), as well as potential opportunities in relation to the controlled realisation of assets owned by the Union if required. In preparing these budgets, consideration has been given to anticipated movements in membership numbers and the consequent impact on future income levels. Consideration has also been given to the current rate of inflation and the impact on budgeted expenditure.

Equity Council believes the union has sufficient working capital to enable it to continue as a going concern for the foreseeable future, which is considered to be a period of at least 12 months from the date of signing these accounts.

# Notes to the accounts for the year ended 31/12/2024

	2024 2024/£	2023 2023/£
<b>1 INCOME RELATED TO MEMBERS AND OTHER PERFORMERS</b>		
Educational recording agency (era)	1,559,920	1,531,245
Services sound and vision corporation	16,000	16,000
Income from distributions	397,062	422,301
Donations to the benevolent fund	23,144	7,093
	<b>1,996,126</b>	<b>1,976,639</b>
<b>2 INVESTMENT INCOME</b>		
Bank interest	328,014	100,568
Interest and dividends received from investments	716,442	561,323
	<b>1,044,456</b>	<b>661,891</b>
<b>3 OTHER INCOME</b>		
Facility payments (recorded media department)	120,000	88,000
Industry information service	10,120	11,320
Sponsorship	833	4,167
Other	1,809	64,523
	<b>132,762</b>	<b>168,010</b>
<b>4 STAFF COSTS</b>		
Salaries	4,285,736	3,773,949
Movement in provisions for holiday pay & absence	(3,274)	(40,007)
National insurance	466,011	415,510
Apprenticeship levy	5,497	4,030
Pension contributions	1,168,730	1,112,445
Frs 102 adjustment (refer to note 25)	(286,000)	(270,000)
Pension scheme regulatory levy	11,511	13,197
Recruitment	5,649	53,369
Training	36,712	13,257
Welfare	15,944	10,198
	<b>5,706,516</b>	<b>5,085,948</b>

# Notes to the accounts for the year ended 31/12/2024

2024/£

2023/£

## 5 BENEFITS TO MEMBERS

Funeral benefits payable to non life members (a)	17,990	24,343
Grants from the benevolent fund	106,018	114,652
Benefits and grants	124,008	138,995
Publications	60,699	52,722
Campaign materials	42,332	42,758
Equity magazine	98,336	156,168
Networking events	7,146	4,655
Newspaper cutting service	nil	697
Website	38,165	45,921
Communications	246,678	302,921
Accident and backstage insurance (a)	379,215	398,511
Public liability insurance	338,438	163,364
Insurance	717,653	561,875
Legal aid / contractual disputes	110,137	205,330
Legal aid / personal accident claims (a)	nil	nil
Legal aid	110,137	205,330
Bursaries to students and young people	2,472	2,055
Campaigning	61,811	35,061
Professional fees (related to members)	15,345	nil
Special royalty projects	36,010	36,284
Theatre awards	500	500
Other benefits	116,138	73,900
	<b>1,314,614</b>	<b>1,283,021</b>

(a) Deemed provident benefits

The salary costs of staff involved in the provision of benefits to members are included in note 4 (staff costs).

## 6 DEMOCRATIC COSTS

Annual conference	208,499	144,965
Council election (a)	72,915	nil
National, area and specialist committee elections	nil	18,910
	<b>281,414</b>	<b>163,875</b>

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

# Notes to the accounts for the year ended 31/12/2024

2024/£

2023/£

## 7 ADMINISTRATIVE EXPENSES

Bank charges	37,436	33,126
Credit card processing fees	77,191	75,976
Books and publications	7,736	4,460
Computer support	336,431	363,050
General expenses	30,475	13,798
Printing, postage & stationery	152,578	158,812
Telecommunications	82,450	58,748

**724,297**

**707,971**

## 8 AFFILIATION FEES

TUC	152,021	140,279
FIA	87,377	90,041
Irish Congress of Trade Unions	3,713	nil
Scottish TUC	10,591	4,590
Welsh TUC	421	419

Trade Union Federations	254,123	235,329
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Trades councils and sundry	24,510	20,072
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**278,633**

**255,401**

## 9 GRANTS

British Association for Performing Arts Medicine	55,000	30,000
Council for Dance, Drama and Musical Theatre	3,553	3,366
Dance UK / Healthier Dance Program	nil	292
Other grants	22,647	11,000

**81,200**

**44,658**

## 10 ORGANISING EXPENSES

Council	41,672	25,582
Members	57,625	70,738
General branches	54,968	44,854
Staff	184,094	172,684
Car expenses	109,510	74,013
Commission (5% for subscriptions collected)	nil	391

**447,869**

**388,262**

## 11 PROFESSIONAL COSTS

Amounts paid to auditors / audit	84,988	66,500
Amounts paid to auditors / other services	14,596	13,826
Legal & professional	267,523	126,983
Property management	10,675	14,289
Stockbroker management	66,698	49,225

**444,480**

**270,823**



# Notes to the accounts for the year ended 31/12/2024

2024/£

2023/£

## 12 PROPERTY AND EQUIPMENT COSTS

Office occupancy (rent, rates, light, heat and cleaning)	408,578	374,088
Hire and maintenance of office equipment	107,874	82,974
Decoration and internal repairs	21,737	54,310
Insurance	15,241	12,126
	<b>553,430</b>	<b>523,498</b>

## 13 TAX

Tax repayable	(4,609)	(6,208)
Deferred tax	19,824	36,781
	<b>15,215</b>	<b>30,573</b>

The union is not liable to tax on income from its members.

Corporation tax is payable on investment income and chargeable gains but only to the extent that these exceed allowable provident benefits.

## 14 OPERATING LEASES

At the end of the year the union had minimum lease payments under non-cancellable operating leases as follows:

Within one year	100,851	131,019
Within two to five years	135,248	183,995
Over 5 years	nil	nil
	<b>263,099</b>	<b>315,014</b>

## 15 KEY MANAGEMENT

Key management compensation of £291,328 was paid in the year (2023 = £278,513).

## 16 TANGIBLE FIXED ASSETS

	Freehold land and buildings	Freehold improvements	Computer systems and equipment	Office equipment	total
<b>Cost or deemed cost</b>					
At 1 January 2024	6,377,754	1,325,935	1,826,083	320,246	9,850,018
Additions	nil	6,400	99,762	64,756	170,918
Disposals	nil	nil	(74,527)	(16,815)	(91,342)
At 31 December 2024	6,377,754	1,332,335	1,851,318	368,187	9,929,594
<b>Depreciation</b>					
At 1 January 2024	265,820	400,488	920,533	115,890	1,702,731
Disposals		nil	(74,527)	(16,815)	(91,342)
Charge for the year	27,778	133,234	230,431	77,218	468,661
At 31 December 2024	293,598	533,722	1,076,437	176,293	2,080,050
<b>Net book value</b>					
At 31 December 2024	<b>6,084,156</b>	<b>798,613</b>	<b>774,881</b>	<b>191,894</b>	<b>7,849,544</b>
At 31 December 2023	6,111,934	925,447	905,550	204,356	8,147,287

The freehold land and buildings were revalued on an open market basis on 1 January 2014 by Keningtons, an independent firm of chartered surveyors. The open market valuation in 2014 was £6,642,156. Guild House, London was revalued on 31 December 2022 at £7,315,00 on an open market basis. Equity's office on Cambridge Street, Glasgow is valued at the purchase price of £225,000 as at 11/06/2018. On an historical cost basis the freehold properties would have been valued at original cost of £2,470,941. This value has been used as the deemed cost and the property has not been revalued for financial purposes since and is held at cost basis.

# Notes to the accounts for the year ended 31/12/2024

2024/£

2023/£

## 17 INVESTMENTS

Market value at 1 January	16,083,276	15,019,497
Realised gains/ (losses)	144,633	107,942
Movement in unrealised gains	(124,983)	459,651
Dividends received	716,442	561,323
Management fees charged	(69,451)	(65,137)

### Market value at 31 December

16,749,917

16,083,276

All investments relate to quoted investments on readily accessible markets, primarily the London Stock Exchange. Investments are carried at their fair value. The basis of fair value for quoted investments is equivalent to the market value. Asset sales and purchases are recognised at their transaction value. The main investment risk lies in the combination of uncertain investment markets and volatility in yield. The union manages these risks by retaining expert advisors (Charles Stanley & Co Limited and Adam & Company) and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The union does not make use of derivatives and similar complex financial instruments.

There are no investments held in companies involved in the production, sale or distribution of armaments and no direct investment in companies that produce tobacco products or fossil fuels. Investments in companies with a strong ESG rating in areas relating to labour rights are prioritised

## 18 SUNDRY DEBTORS AND PREPAYMENTS

Income tax repayable	24,622	20,013
Loans to staff	17,481	8,874
Sundry debtors	586,623	527,738
Prepayments and accrued income	318,800	356,634

947,526

913,259

## 19 CASH AT BANK AND IN HAND

Bank deposit accounts	10	10
Bank current accounts	1,822,592	2,250,604
Cash held for distribution	10,264,742	12,292,389
Cash in hand	11,882	14,306

12,099,226

14,557,309

Included within cash at bank and in hand is £1,396,826 (2023 - £1,100,989) in relation to amounts held under escrow (refer note 20).

## 20 SUNDRY CREDITORS AND ACCRUALS

Amounts held in escrow	1,396,826	1,100,989
Trade creditors	61,037	1,154,285
Sundry creditors	1,853	3,663
Taxation and social security	163,536	152,162
Accruals and deferred income	235,318	167,590

1,858,570

2,578,689

## 21 CONTINGENT LIABILITIES

The union is involved in a number of legal cases on behalf of members, the outcome of which cannot be determined at this time. These cases do not meet the definition of a contingent liability.

The Union is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee case and subsequent court of appeal ruling published in July 2024.

These Ruled that certain amendments made to the NTL Pension Plan were invalid because they were not accompanied by the correct actuarial confirmation.

There remains significant uncertainty as to whether the judgements will result in additional liabilities for UK pension schemes and it is possible that the Department for Work and Pensions will introduce legislation to allow changes to be certified retrospectively. A detailed review of historic documentation will be needed to determine whether any changes made by the Scheme were valid (assuming retrospective certification does not become an option) and such a review will take some time to complete.

As a result, the Union cannot be certain of the potential implications (if any) in relation to the Scheme and therefore sufficiently reliable estimate of any effect on the obligation cannot be made at this time.

## 22 CAPITAL COMMITMENTS

At the end of the year there were no authorised or contracted capital commitments (2023 - nil)

# Notes to the accounts for the year ended 31/12/2024

## 23 PROVISION FOR LIABILITIES

	Balance at 1 January 2024/£	Movement during the year/£	Balance at 31 December 2024/£
<b>Provision for deferred Tax</b>			
Fixed asset timing differences	170,509	(47,955)	122,554
Funeral benefits payable to life members	(63,895)	3,118	(60,777)
Other losses carry forward	(546,709)	51,009	(495,700)
Unrealised gains on the investment portfolio	812,418	13,652	826,070
Deferred tax	372,323	19,824	392,147
Funeral benefits payable to life members	255,283	(12,150)	243,133
Holiday pay	71,391	(3,274)	68,117
<b>Total provision for liabilities</b>	<b>698,997</b>	<b>4,400</b>	<b>703,399</b>

### Provision for funeral benefits payable to life members

Until 1998, members reaching State retirement age with 21 years' continuous membership were awarded Life Membership where, subject to the payment of a one-off fee payable on a scale ranging between £20 and £40 (depending on the member's age), the life member could enjoy all the benefits of membership with no further subscriptions payable. A provision has therefore been set up to represent the anticipated funeral benefits that will become payable based on the number of life members still in membership, their presumed life expectancy and the current cost of the funeral benefit. This particular category of member ceased in 1998.

## 24 RELATED PARTY TRANSACTIONS

### Educational Recording Agency ("ERA")

During the year the union undertook transactions with ERA in which an officer of the Union served as a director. In the year ended 31 December 2024 Equity received licence revenues (excl-vat) of £1,559,920 (2023 - £1,531,245).

### Grants to related parties

During the year the union made grants to the British Association for Performing Arts Medicine £30,000 (2023 - £30,000), the Council for dance, drama and musical theatre £3,480 (2023 - £3,366) and Creators' Rights Alliance £650 (2023 nil) where a member of Council or a member of staff serves on the governing body of the organisation.

## 25 PENSION FUND

The Union operates the Equity Staff Pension Scheme (the Scheme), a UK registered trust based pension scheme that provides defined benefits. Pension benefits for active members are linked to RPI inflation. The Trustees are responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustees of the Scheme are required to act in the best interests of the beneficiaries of the Scheme.

There are three categories of pension scheme members:

- Active members: currently employed by the Union
- Deferred members: former active members of the Scheme and not yet in receipt of a pension
- Pensioner members: in receipt of pension.

### Future funding obligation

The Trustees are required to carry out an actuarial valuation every 3 years. The last actuarial valuation of the Scheme was performed by the Scheme Actuary for the Trustees as at 6 April 2024. This valuation revealed a funding surplus of £5,543,000. To meet the cost of future service accrual, death-in-service premiums and expenses of administering the Scheme, the Union agreed to pay contributions of 18.3% pa of members' pensionable salaries from 1 April 2025 until 31 March 2027, and contributions of 20.3% pa of members' pensionable salaries from 1 April 2027. For the period from 1 January 2025 to 31 March 2025, the Union agreed to pay contributions of 17.0% pa of members' pensionable salaries.

The Union therefore expects to pay £780,000 to the Scheme during the accounting year beginning 1 January 2025 (excluding member contributions paid via salary exchange).

# Notes to the accounts for the year ended 31/12/2024

## Significant actuarial assumptions

The results of the most recent formal actuarial valuation as at 5 April 2024 have been updated to 31 December 2024 by a qualified independent actuary. The significant assumptions used were as follows:

	2024	2023
Discount rate	5.5%	4.5%
Rpi inflation	3.1%	3.0%
Cpi inflation	2.8%	2.7%

## Life expectancies (years)

For a male aged 65 in 2020	21.2	21.4
For a female aged 65 in 2020	23.7	23.9
At age 65 for a male aged 45 in 2020	22.5	22.6
At age 65 for a female aged 45 in 2020	25.2	25.3
	<b>2024</b>	<b>2023</b>
	£'000	£'000

## Assets

The fair value of the assets of the scheme are invested as follows

Equities	4,713	4,513
Bonds	17,448	18,603
Diversified growth funds (dgfs)	4,704	4,497
Property	3,025	2,865
Cash	605	751
Secured annuities	617	374
	<b>31,112</b>	<b>31,603</b>

## Reconciliation to the statement of financial position

	2024	2023
	£'000	£'000
Market value of assets	31,112	31,603
Present value of defined benefit obligation	(24,132)	(28,191)
<b>Pension asset</b>	<b>6,890</b>	<b>3,412</b>
Limit on recognition of asset	(6,890)	(3,412)
<b>Pension asset recognised in the statement of financial position</b>	<b>nil</b>	<b>nil</b>

The assumptions used to calculate the DBO may take a range of values. Adopting different assumptions would lead to different results being disclosed. The value of assets and DBO are a "snapshot" view reflecting the market conditions on one day. The pension figures are therefore expected to be quite volatile from year to year.

## Analysis of the change in the statement of financial position

	2024	2023
	£'000	£'000
<b>At 1 January</b>	<b>nil</b>	<b>nil</b>
Normal employer contributions	993	898
Current service cost	(707)	(628)
<b>Amounts recognised in income and expenditure (note 5)</b>	<b>286</b>	<b>270</b>
Administration expenses	(146)	(86)
Interest cost	157	122
Interest on irrecoverable surplus	(154)	(118)
<b>Amounts recognised as pension adjustments</b>	<b>(143)</b>	<b>(82)</b>
Actuarial return on assets less interest	(1,268)	1,503
Actuarial gains on defined benefit obligation	4,539	(845)
Limit on recognition of assets less interest	(3,414)	(846)
<b>Amounts recognised in other comprehensive income</b>	<b>(143)</b>	<b>(188)</b>
<b>At 31 December</b>	<b>nil</b>	<b>nil</b>

## Notes to the accounts for the year ended 31/12/2024

### Reconciliation of Scheme's assets and defined benefit obligation (£'000s)

	Assets	DBO	Net position
At 1 January 2024	31,603	(28,191)	3,412
Benefits paid:			
Pensions	(987)	987	
Transfers	(332)	332	
Other	(159)	159	
Employer contributions	993		993
Member contributions			
Current service cost		(707)	(707)
Administration expenses	(146)		(146)
Interest income/(cost)	1,408	(1,251)	157
Remeasurement gains/(losses)			
Actuarial (gains): Change of basis		3,420	3,420
Actuarial (gains): Experience		1,119	1,119
Return on assets excluding interest income	(1,268)		(1,268)
<b>As at 31 December 2024</b>	<b>31,112</b>	<b>(24,132)</b>	<b>6,980</b>

### 26 OFFICIALS' SALARIES AND OTHER BENEFITS

	2024	2023
Executive	nil	nil
President / Lynda Rooke	nil	nil
General Secretary / Paul W Fleming		
Salary	115,391	110,358
Pension	30,963	29,613
<b>Total For General Secretary</b>	<b>146,354</b>	<b>139,971</b>

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

#### IRREGULARITY STATEMENT

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



EQUITY