The directors are responsible for the maintenance and integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions."
Labour Research

In 2018, the gig economy and precarious work remained a strong theme for Labour Research, and we began the year by looking at the impact of the gig economy and other types of insecure work on the health and safety of those working in such jobs. Unsurprisingly, we found mounting evidence that these forms of work are bad for workers’ safety and wellbeing, and that improvements are to be found through union organisation.

In February, we took a look at environmental unionism and the fact that environmental improvements for workers continue to occupy unions, who are also considering how to protect jobs within a greener economy.

Our biennial “Women in Unions” survey in the March special Women’s TUC Conference issue asked: “What’s the outlook for trade union women?” We found that although change at the top of the unions is slow, unions nevertheless continue their efforts to ensure women are fairly represented throughout their structures.

The April issue provided advice for unions on the wide-ranging changes to data protection taking place the following month. The General Data Protection Regulation introduced much tougher standards — with potential repercussions for unions’ data storage practices.

Low pay, insecure work, wage stagnation and welfare cuts have pushed millions of working families into severe and unsustainable debt, as we reported in our May issue. In June, we marked two anniversaries. One was the first anniversary of the Grenfell Tower fire, with a feature looking at union action to support those affected, and at the ongoing fight for justice for Grenfell victims and survivors. On a happier note, we celebrated the 150th anniversary of the TUC, looking back at how Labour Research reported on some significant moments in TUC history.

Later in the year, we examined where individual UK unions stand on calls for a “people’s vote” on any final Brexit deal, and looked at how US unions are fighting back against a Trump administration that has attacked workers’ rights and union organisation. And we found that there appeared to be no end in sight to the chaos in Britain’s jail system — with conditions in the crisis-ridden prison estate also taking a severe toll on its workforce.

At the end of the year, our annual survey of the pay of top executives found that the highest-paid among them continued to scoop up eye-watering remuneration packages.

Labour Research’s circulation at the end of December 2018 was 3,029, a fall of 4.0% on the previous year.

Workplace Report

The year started off with a look at pay in the civil service and government agencies. There was also the regular round-up of pay and prices across 27 EU states, which found substantial real-term pay increases in Central and Eastern Europe, but only moderate increases in Western Europe.

The year had a strong menu of pay features. The March issue had an analysis of the 2017-18 pay round up to that point, while the annual analysis of the pay round and other improvements in terms and conditions were published in October and November respectively. The annual survey’s key finding was that the median rise in collectively agreed pay settlements showed an overall increase of 2.75% against 2.0% the year before, but for public sector workers it was stuck at 1%. Other pay-related features covered local government and regional allowances (June); market supplements (July); sick pay (September) and ASHE 2018 (November).

Pay ratios are rising up the agenda. The first comprehensive annual gender pay ratios were analysed in April, while the requirements for large firms to publish pay ratios between boardroom and shop floor were set out in July. And ethnicity and disability pay gaps came to the fore in September.

In February, the trade union premium on pay was highlighted along with a survey on how employers consult with employees as part of the TUC’s Great Jobs Agenda.

The benefits of union learning were set out in the March issue, while April looked at sentencing for health and safety crimes.

The May issue had the double header of sexual harassment and whistleblowing.

The year ended with a feature on mental health issues and the possibilities of Collective Defined Contribution pension schemes.

At the end of 2018, circulation was 1,442 — down by 3.4% on a year earlier.

Fact Service

LRD’s weekly publication is published 50 times a year. Issues regularly covered include executive pay and employment law changes. In addition, official statistics on inflation, unemployment, average weekly earnings and the UK economy were analysed each month.

At the end of 2018, circulation was down by 1.8% on a year earlier at 695, while the
number of subscribers opting to receive Fact Service by email was marginally down to 368.

Safety rep

The monthly bulletin brings together the health and safety pages from Labour Research and Workplace Report. Last year, it continued its coverage of stress and mental health, while the issue of violence at work featured regularly. The 40th anniversary of health and safety reps legislation was highlighted along with rights of reps to carry out workplace safety inspections. And, post-Grenfell, the issues of building cladding and the building regulations were examined.

Circulation at the end of 2018 was 1,458 — down by 2.4% on a year earlier.

Booklets

Ten booklets were published in 2018. Four of them were regular titles, while the others aimed to respond to current developments or to update earlier LRD booklets. The regular titles were Case law at work 14th edition (January), State benefits and tax credits 2018 (April), Law at work 2018 (May) and Health and safety law 2018 (July).

Compared to 2017, sales of Case Law and State Benefits were up, while sales of Law at work and Health and safety law were down.

The non-regular titles published in 2018, Tackling sexual harassment at work, The General Data Protection Regulation, Disciplinary and grievance procedures, Women’s health and safety at work, Equality law at work and Sickness absence and sick pay, sold slightly better than the corresponding titles in 2017, with the booklet on the new data protection regulations doing particularly well.

In total, 45,973 booklets were sold in 2018 — a fall of 4.9% on the 48,310 in 2017. The number of booklet subscriptions, which are included in the above figures together with booklets supplied to LRD affiliates, was 1,434 in 2018 — down by 5.0% on the previous year.

Commissioned research

Despite the UK’s impending departure from the EU, LRD continued to receive a large number of research commissions relying on its unique expertise in the area of industrial relations across Europe.

These included two major contracts for the European Federation of Public Service Unions (EPSU). One of these was on trends in public and private sector pay, which updated and extended a report produced by LRD in 2014. The second was for research on tax collection in EU member states, aimed at reinforcing the need for fair taxation and drawing attention to failures in tax collection.

EPSU was also a partner, along with the Research Institute for Work and Society (HIVA) of KU Leuven in Belgium, in commissioning LRD to conduct a large project researching the quality of employment for prison officers in England and Wales.

Much of the work involved in updating the Worker Participation website of the European Trade Union Institute, which also required extensive knowledge of employment relations across Europe, was carried out during 2018.

And a now quite regular European client is the European Trade Union Confederation (ETUC), which again asked LRD to carry out its annual gender equality survey. In 2018 this included a special section on the situation of young women in training and in the labour market.

2018 also saw LRD produce the UK chapter of a Europe-wide report aimed at promoting “inclusive growth” across Europe through collective bargaining, post austerity. The project, under the umbrella group called CAWIE (Collectively Agreed Wages In Europe) was funded by the European Commission.

Research carried out for UK unions included two largescale projects for the TUC. These were to conduct the 2018 TUC Safety Reps survey, a biennial survey which has been carried out by LRD since 2002, and to update the employment rights content of the TUC’s workSMART website. In addition the bulk of work on the 2018 TUC Equality Audit, begun in 2017, was completed during the year.

For the first time a substantial piece of work was commissioned by UNISON’s North West region, in preparation for its major project to recruit and organise Early Years workers. This comprised research into North West Early Years and childcare providers, including financial information, ownership structures and numbers employed, and also local authority and state funding in the sector.

Many of these projects spawned smaller spin-off projects during the year, such as providing training or advice, making use of the expertise gained during the larger projects.

Enquiry service

Enquiries to the LRD Enquiry Service have covered a wide range of topics including: discrimination, especially disability discrimination; disciplinary processes;TUPE transfers; redundancy; national minimum wage queries; shift overruns and sleep-in shifts; working time; challenges to changes to working patterns, including night working; wage claims, sick pay, insolvency queries, the General Data Protection Regulation, in particular vehicle tracking and CCTV; employment status, including zero-hours contracts; recognition agreements; industrial action laws; and tribunal procedures.

While issues with a legal angle are always important, union branches and reps have also requested help with bargaining issues such as work/life balance (in particular, remote working policies; pay claims (taking into account inflation trends and forecasts, and company accounts); benchmarking pay levels for particular occupations; employer pension contributions; shift premia and holiday entitlement for shift workers; negotiated redundancy pay; London Weighting; and sickness absence statistics.

Electronic services

LRD continues to offer two electronic services: Payline, the pay and conditions database, and Publications Online, which allows subscribers to read and search the text of LRD’s publications electronically.

The annual LRD Pay Survey is published in an electronic format, making it accessible to more union reps and negotiators. All editions of the Pay Survey since 1983 are now available on LRD’s website.

The LRD also provides a regular newsletter for the TUC’s Union Reps website.

Social media

LRD’s Twitter account @LRDunionnews has grown to almost 5,000 followers. LRD also has a Facebook group with over 1,500 members.

Promotion

In 2018, as every year, LRD’s promotion efforts concentrated on four key targets: to maintain and, if possible, increase our affiliations, to promote individual LRD Booklets, to improve trade union awareness of the work we do, and to increase subscriptions to our other publications and services. In addition in 2018, we continued with our “Strong Foundations” financial appeal, linked to the 100th anniversary of Labour Research.

A key part of building awareness of LRD’s work is being present at union conferences, and in 2018 we increased the number we attended. As well as the annual TUC Congress, LRD staff were also present at the policy conference of Unite and the annual conferences of UNISON, the GMB and the POA, as well as the biennial conference of the Northern Ireland Committee of the Irish Congress of Trade Unions. We also had a stall at the Tolpuddle Martyrs festival.

Attendance at union conferences also helps in making initial contacts for branch affiliations and over the course of the year we sent out flyers and leaflets in both hard copy and electronic formats to union branches in Unite, UNISON, the GMB and other unions. We also continued to re-contact branches which had lapsed, with a reasonable level of success.

Individual booklets were promoted by using direct mail and pre-publication emails, with direct approaches to union organisations which buy in bulk. Booklets were also promoted in Labour Research and LRD’s e-newsletter, a regular monthly update for our affiliates and subscribers.

Finally, there were mailings and promotion for our “Strong Foundations” financial appeal, and we are grateful to all those who contributed so generously.

Affiliation

At the end of 2018 there were 1,126 organisations and individual members affiliated to the LRD. This is a fall of 80 or 6.6% compared with 2017.

The fall is concerning and was greatest in percentage terms among individuals, workplace committees, trade councils and local Labour parties, Labour groups and co-ops.

<table>
<thead>
<tr>
<th>LRD booklets 2018</th>
<th>Title</th>
<th>Month</th>
<th>Quantity sold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case law at work 14th edition</td>
<td>January</td>
<td>3,593</td>
<td></td>
</tr>
<tr>
<td>Tackling sexual harassment at work</td>
<td>February</td>
<td>4,096</td>
<td></td>
</tr>
<tr>
<td>The General Data Protection Regulation</td>
<td>March</td>
<td>4,640</td>
<td></td>
</tr>
<tr>
<td>State benefits and tax credits 2018</td>
<td>April</td>
<td>3,370</td>
<td></td>
</tr>
<tr>
<td>Law at work 2018</td>
<td>May</td>
<td>10,553</td>
<td></td>
</tr>
<tr>
<td>Disciplinary and grievance procedures</td>
<td>June</td>
<td>3,789</td>
<td></td>
</tr>
<tr>
<td>Health and safety law 2018</td>
<td>July</td>
<td>4,383</td>
<td></td>
</tr>
<tr>
<td>Women’s health and safety at work</td>
<td>September</td>
<td>3,333</td>
<td></td>
</tr>
<tr>
<td>Equality law at work</td>
<td>October</td>
<td>2,964</td>
<td></td>
</tr>
<tr>
<td>Sickness absence and sick pay</td>
<td>December</td>
<td>2,621</td>
<td></td>
</tr>
<tr>
<td>plus booklets from previous years</td>
<td></td>
<td>2,631</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>45,973</td>
<td></td>
</tr>
</tbody>
</table>
**Staff**

Stefano Fella, a researcher who began working at the LRD in 2014, left to take up another research appointment in 2018 and Shenaz Navaz, our promotions worker, left on maternity leave in August. We intend to appoint a replacement for Stefano in 2019 and Dawn Livingston is covering Shenaz’s absence until her return. In addition a member of the administrative staff has been on long-term sick leave since August.

**External conferences and events**

Lionel Fulton made a number of presentations to external conferences in the course of the year. These included: an analysis of the gender pay gap in the public sector, presented to a women’s conference organised by EPSU in February; a survey on young women in the labour market and women in unions, presented to the women’s committee of ETUC in April; a comparison of developments in public and private sector pay across Europe, including non-EU states, presented to an EPSU collective bargaining conference in June; a summary of employee participation rights in the UK and the Netherlands, presented to a group of employee representatives in the German union IG Metall in July; and a study on unions and self-employment, based on a report written for the ETUC, presented to the International Federation of Musicians – European Group in November.

In addition, he took part in a training session on self-employment and unions for the European Trade Union Institute in May and provided training for future UK European works council members at a German-based company in November.

Nerys Owen continues to sit on the Institute of Employment Rights publications sub-committee and chairs IER conferences. During 2018 she chaired the annual Employment Rights Update. Lewis Emery made presentations on pay trends at the TUC pay bargaining seminar in February, the BARCOM conference in Brussels (Understanding Collective Agreements in the Commerce Sector) and at a Low Pay Commission roundtable discussion in October. He gave a presentation about LRD’s work at the NUJ Book branch, and attended the CSEU engineering unions’ conference.

**Change in legal status**

During 2018 there was an important change in the LRD’s legal form which resulted in the Labour Research Department becoming a company limited by guarantee. This is a legal form widely used by similar organisations, and, although it does not change the way the LRD operates or the rights of LRD affiliates and members, it provides greater certainty and protection to the Executive Committee (now the LRD board) and LRD affiliates, as well as those who use LRD services.

The Executive Committee had been discussing the issue since 2017, and in May 2018 the Annual General Meeting decided that the legal form of the LRD should change to that of a company limited by guarantee. As a result, the Labour Research Department (Company Number 11429402) was incorporated as a limited company on 22 June 2018, with all existing individual members and affiliates becoming members and affiliated members of the new company. Following a General Meeting on 17 September 2018, the activities, assets and employees were transferred to the new company on 1 October.

**Executive Committee**

In June 2018 the members of the LRD Executive Committee became members of the LRD Board, as part of LRD’s change in legal status mentioned above. Most of the current members, taking office after the Annual General Meeting in May, had served on the Executive in 2017-18, but three members stepped down. They were: Dave Gott from the RMT, a very long-standing member and former Vice-Chair of the Committee and Kathy Wallis, a former president of the NASUWT, who resigned at the AGM; and Dulcie Fairhurst who resigned in January when she left PCS. Kathy was replaced as the NASUWT’s representative by Michelle Codrington-Rogers, and Katie Collins (College of Podiatrists) and John Medhurst (PCS), who was co-opted, also joined the Board. The current Board members express their gratitude for the support and help provided by the members who stood down in 2018, particularly Dave and Kathy.

**Finance**

There was an after-tax surplus of £42,054 in 2018. It is the first surplus recorded since 2013 and it is a significant improvement on after-tax losses of £30,359 in 2017 and £53,118 in 2016.

Income was up by 1.3% compared with 2017, but the main reason for the much improved financial performance was a sharp fall in costs, which were down by 6.2% compared with a year earlier. This reflects lower wage costs following voluntary redundancies in 2017.

Most individual items of income were broadly stable compared with 2017. The largest changes were in advertising – down – and income from LRD Booklets and Commissioned research – up.

The LRD also greatly benefited from the generosity of its affiliates and other supporters, who contributed £12,060 to the "Strong Foundations" appeal. We are very grateful to all who donated.

On expenditure, apart from the reduction in wage costs, the main change compared with 2017 was the increase in legal and professional expenditure. This relates entirely to the change in the LRD’s legal status.

Capital expenditure was £2,180, going largely on the installation of new fire safety equipment, including emergency lighting.

This year’s surplus is a welcome development, but the LRD will continue to have to keep tight control of expenditure and to look to increase its income.

**Executive Committee 2018-2019**

- **Chair**: Helen Donoghue
- **Hon Treasurer**: Howard Marchant
- **Vice-Chair**: David Ayrton

**Members**

- Katie Collins
- Ron Douglas
- Andy Hourigan
- John Medhurst
- Joe Simpson
- Val Stansfield
- Laurence Turner
- Michelle Codrington-Rogers
- Rick Graham
- Jonathan Jeffries
- Robert Phillips
- Michelle Singleton
- Bill Taylor

**LRD’s national TUC affiliates**

<table>
<thead>
<tr>
<th>Affiliates</th>
<th>Lloyds Bank, TSB, Equitable Life staff</th>
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<tbody>
<tr>
<td></td>
<td>Santander staff</td>
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<td></td>
<td>Finance sector staff</td>
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<td></td>
<td>Association of Educational Psychologists</td>
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<td>Associated Society of Locomotive Engineers and Firemen</td>
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<td>British Air Line Pilots Association</td>
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<td>British Dietetic Association</td>
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<td>The Union for Life</td>
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<td></td>
<td>Chartered Society of Physiotherapy</td>
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<td></td>
<td>College of Podiatry</td>
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<td></td>
<td>Communication Workers’ Union</td>
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<td>Educational Institute of Scotland</td>
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<td></td>
<td>Performance workers</td>
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<td></td>
<td>Fire Brigades Union</td>
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<td></td>
<td>The union for public sector senior managers and professionals</td>
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<td></td>
<td>Britain’s general union</td>
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<td></td>
<td>Hospital Consultants and Specialists Association</td>
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<td>Musicians’ Union</td>
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<td>National Association of Head Teachers</td>
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<td>The trade union and professional association for family court and probation staff</td>
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<td>NARS</td>
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<td>National Association of Racing Staff</td>
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<td>The Teachers’ Union</td>
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<td>National Association of Head Teachers</td>
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<td>The trade union and professional association for family court and probation staff</td>
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<td>NARS</td>
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<td>National Association of Racing Staff</td>
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<td>NMG - Northern Ireland</td>
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<td>NSAUW - National Union of Mineworkers</td>
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<td>NUSU - National Union of Journalists</td>
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<td>PCSU</td>
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<td></td>
<td>The professional trade union for prison, correctional and secure psychiatric workers</td>
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<td>POA</td>
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<td>The union for public sector senior managers and professionals</td>
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<td>Prospect</td>
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<td>Engineering, scientific, management and professional staff</td>
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<td>RMT</td>
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<td>National Union of Rail, Maritime and Transport Workers</td>
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<td>SoR</td>
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<td>Society of Radiographers</td>
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<td>TSSA</td>
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<td>Transport Salaried Staffs’ Association</td>
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<td>University and College Union</td>
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<td>the union</td>
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<td>URTU</td>
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<td>United Road Transport Union</td>
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<td>Usdaw</td>
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<td></td>
<td>Union of Shop, Distributive and Allied Workers</td>
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</tbody>
</table>

**LRD affiliation figures**

<table>
<thead>
<tr>
<th></th>
<th>End 2017</th>
<th>End 2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>National unions*</td>
<td>53</td>
<td>55</td>
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</tr>
<tr>
<td>Union regions</td>
<td>49</td>
<td>46</td>
<td>-3</td>
</tr>
<tr>
<td>Union branches</td>
<td>857</td>
<td>821</td>
<td>-36</td>
</tr>
<tr>
<td>Workplace committees</td>
<td>29</td>
<td>25</td>
<td>-4</td>
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<tr>
<td>Trades councils</td>
<td>10</td>
<td>8</td>
<td>-2</td>
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<tr>
<td>Labour Parties / Groups &amp; Co-ops</td>
<td>8</td>
<td>5</td>
<td>-3</td>
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<tr>
<td>Total</td>
<td>1,006</td>
<td>960</td>
<td>-46</td>
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<tr>
<td>Individuals</td>
<td>163</td>
<td>136</td>
<td>-27</td>
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<tr>
<td>Education bodies</td>
<td>24</td>
<td>17</td>
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<tr>
<td>Associates / miscellaneous groups</td>
<td>13</td>
<td>13</td>
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</tr>
<tr>
<td>Total affiliates</td>
<td>1,206</td>
<td>1,126</td>
<td>-80</td>
</tr>
</tbody>
</table>

* includes non-UK unions
Labour Research Department and L.R.D. Publications Ltd

**Combined Balance Sheet as at 31 December 2018**

**Fixed assets**
- Freehold Property, 78 Blackfriars Road, SE1.
  - Land at cost: £8,750
  - Buildings at written down value: £37,293
  - Office equipment at written down value: £30,907
- Total: £76,950

**Current assets**
- Stock of publications (note 5): £16,049
- Trade debtors: £1,195
- Cash on deposit at bank: £148,540
- Cash in hand: £72
- Total: £275,496

**Less Current liabilities**
- Corporation tax payable (note 6): £5
- Creditors and accruals: £58,973
- VAT: £9,463
- Total: £68,441

**Net Current assets**: £207,055

**Financed by:**
- **General Fund**
  - Balance at 1 January 2018: £221,848
  - Surplus/(Deficit) for year: £42,054 (30,359)
  - Transfer from other reserves: £263,902
  - Balance at 31 December 2018 and 2017: £201,032

**Premises Fund**
- Balance at 31 December 2018 and 2017: £284,005

**Combined Revenue Account for the year ended 31 December 2018**

**Income**
- Sales of publications (note 1): £544,496
- Affiliation fees (note 3): £211,209
- Commissioned research costs: £102,935
- LRD Payline: £76,732
- Donations: £12,060
- Royalties/Rental: £5,230
- Royalties/Rental: £5,230
- Bank interest received: £9,463
- VAT: £5
- Total: £953,023

**Expenditure**
- Production and distribution of publications (note 2): £220,996
- Salaries, national insurance and pension costs: £693,623
- Rates, lighting, heating, cleaning and insurance: £56,155
- Printing and stationery: £3,642
- Postage and telephone: £12,322
- Reference material and archiving: £3,634
- Research and travel: £376
- Audit and accountancy: £13,200
- Legal and professional: £15,975
- Bank charges: £2,813
- Advertising and promotion expenses: £14,754
- Annual General Meeting: £630
- Decorations and repairs to premises: £4,066
- Support and maintenance of IT equipment: £12,271
- Miscellaneous expenses: £1,993
- Staff training: £492
- Depreciation (note 5b): £3,205
- Total: £910,969

**Surplus/(Deficit) before taxation:** £42,054 (30,359)

**Taxation (note 6):** £0

**Surplus/(Deficit) carried forward:** £42,054 (30,359)

**Notes to the accounts**

1. **Sales of publications**
   - Labour Research: £51,824
   - Advertising: £10,585
   - Fact Service: £32,324
   - Workplace Report: £55,370
   - LRD Booklets: £342,159
   - Research publications: £20
   - LRD Publications Online: £40,686
   - Safety rep: £11,528
   - Total: £544,496

2. **Production and distribution of publications**
   - Labour Research: £68,932
   - Fact Service: £14,772
   - Workplace Report: £29,080
   - LRD Booklets: £99,296
   - Safety rep: £8,916
   - Total: £220,996

3. **Affiliation fees**
   - National trade unions: £92,427
   - Trade union districts: £2,560
   - Trade union branches: £96,767
   - Shop stewards' committees: £2,093
   - Trades councils: £741
   - Miscellaneous: £5,548
   - Individuals: £11,073
   - Total: £211,029

4. **Accounting Policies**
   (a) **Basis of preparation of financial statements**
   - The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

   (b) **Depreciation**
   - **Freehold property**
   - An apportionment has been made between the cost of land and buildings. Depreciation is provided on the freehold building in order to write this asset off over its estimated useful life of 100 years from the date of purchase in 1964; no depreciation is provided on freehold land.

   - **Office equipment**
   - The basis for depreciation is 20% per annum on cost; no depreciation is provided on the new client relationship management system as this is still in the development phase and therefore not yet in use.

5. **Stock of Publications**
   - Stock is stated at the lower of cost and net realisable value, being the estimated selling price.

6. **Taxation**
   - Taxation has been provided at 20% on bank interest received.

**Independent auditors’ statement**

We have audited the combined financial statements of both the Labour Research Department and L.R.D. Publications Ltd, in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) and have reported separately.

In our opinion the combined financial statements of Labour Research Department and L.R.D. Publications Ltd. give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the combined state of affairs of Labour Research Department and L.R.D. Publications Ltd. at 31 December 2018, and of the combined surplus for the year then ended.

BDO LLP
Chartered Accountants
Statutory Auditor
London
12 April 2019