

National Union of Mineworkers Lancashire Area Trust Fund

National Union of Mineworkers Lancashire Area Trust Fund

Audited Financial statements

31 December 2020



Chartered Accountants, Business Advisers & Statutory Auditor

12 Victoria Road
Barnsley
South Yorkshire
S70 2BB

National Union of Mineworkers Lancashire Area Trust Fund

Year ended 31 December 2020

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The trustees present their report and the financial statements for the year ended 31 December 2020.

Statement of Trustees' Responsibilities

The trustees are required to obtain audited financial statements for each year which show a true and fair view of the financial transactions of the Trust during the year and the disposition, at the end of the year, of the assets and liabilities. The trustees have prepared the financial statements for audit in accordance with applicable law and regulations.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable it to ensure that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992 and are in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees have taken such steps as are reasonably open to them to safeguard the assets of the Trust and prevent any irregularities or error.

Trustees

The trustees who served during the year who were elected by NUM Lancashire Area Members were:

- W Kelly
- P Lomas
- P Hardman
- I Johnson

Auditors

The auditors, Gibson Booth Limited, Chartered Accountants, are proposed for re-appointment and have indicated their willingness to remain in office.

These financial statements were approved on 9 July 2021



Mr P Hardman, Chairman

Year ended 31 December 2020

Independent auditors' report to the members of National Union of Mineworkers Lancashire Area Trust Fund

Opinion

We have audited the financial statements of National Union of Mineworkers Lancashire Area Trust Fund (the 'trust') for the year ended 31 December 2020 which comprise a consolidated statement of comprehensive income, a consolidated statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 trusts affairs as at 31 December 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (Consolidation) Act 1992; and
- have been prepared in accordance with the 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 are independent of the trust 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trusts 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 trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the members of National Union of Mineworkers Lancashire Area Trust Fund cont'd.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Trade Union and Labour Relations (Consolidation) Act 1992

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the National Union of Mineworkers Lancashire Area Trust Fund was not entitled to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice.

Year ended 31 December 2020

Independent auditors' report to the members of National Union of Mineworkers Lancashire Area Trust Fund cont'd.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 1, the trustees are 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 trustees determine 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 trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the trust and the industry in which it operates, and considered the risk of acts by the trust that were contrary to applicable laws and regulations, including fraud. We design audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which 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 and UK tax legislation. Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the vents and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to the irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

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. This description forms part of our Report of the Auditors.

National Union of Mineworkers Lancashire Area Trust Fund

Year ended 31 December 2020

Independent auditors' report to the members of National Union of Mineworkers Lancashire Area Trust Fund cont'd.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the trust's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the trustees 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 trust and the trust members as a body, for our audit work, for this report, or for the opinions we have formed.



Gibson Booth Limited
Statutory Auditor
12 Victoria Road
Barnsley
S70 2BB

9 July 2021

National Union of Mineworkers Lancashire Area Trust Fund

Income and expenditure account
for the year ended 31 December 2020

	<i>Note</i>	2020		2019	
		£	£	£	£
INCOME					
Interest receivable	4	4		3	
Office costs received from Area		—	4	<u>209</u>	212
EXPENDITURE					
Area expenditure	5	5,186		7,393	
Compensation costs		<u>3,474</u>		<u>13,895</u>	
			<u>8,660</u>		<u>21,288</u>
Deficit for the year before taxation			(8,656)		(21,076)
Taxation	6		—		—
Deficit for the year after taxation			<u>(8,656)</u>		<u>(21,076)</u>

National Union of Mineworkers Lancashire Area Trust Fund

Balance sheet
at 31 December 2020

	Note	£	2020	£	2019	£
CURRENT ASSETS						
Cash at bank and in hand	7	32,122			40,376	
CREDITORS: Amounts falling due within one year	8	<u>(3,762)</u>			<u>(3,360)</u>	
NET CURRENT ASSETS			<u>28,360</u>		<u>37,016</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>28,360</u>		<u>37,016</u>	
SPECIAL AREA FUND	9		<u>28,360</u>		<u>37,016</u>	

Approved for issue by the Trustees on 9 July 2021 and signed on its behalf by:



Mr P Hardman, Chairman

National Union of Mineworkers Lancashire Area Trust Fund

Notes

(forming part of the financial statements)

for the year ended 31 December 2020

1 Statutory information

The National Union of Mineworkers Lancashire Area Trust Fund is governed by a Trust Deed established on the transfer of engagements from the National Union of Mineworkers (Lancashire Area) on 10 August 1995. The principal address is 2 - 4 Hilden Street, Leigh, Lancashire WN7 4LG.

The financial statements are presented in sterling which is the functional currency of the Trust and rounded to the nearest pound.

2 (a) Accounting policies

The following accounting policies have been used consistently in dealing with the items which are considered material to the Trust's affairs.

(b) Basis of preparation

The financial statements have been prepared in accordance with the provisions of Section 1A "small entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Trade Union and Labour Relations (Consolidation) Act 1992. The financial statements have been prepared under the historical cost convention.

The financial statements summarise the transactions and net assets of the Trust.

(c) Significant Judgements and Estimates

No judgements have been made in the process of applying the below accounting policies that have had the most significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have had significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(d) Income and Expenditure

Other income and expenditure is recognised on an accruals basis in the period to which it relates.

National Union of Mineworkers Lancashire Area Trust Fund

Notes (continued)
 (forming part of the financial statements)
 for the year ended 31 December 2020

3 Employees and trustees

The average number of employees, excluding trustees, during the year was Nil (2019: Nil)

4 Interest receivable

	2020	2019
	£	£
Bank interest	<u>4</u>	<u>3</u>

5 Area expenditure

	2020	2019
	£	£
Postage, telephone, printing and stationery	217	153
Audit and taxation fees	3,462	3,360
Sundries	992	864
Deputations, delegations and meetings	-	2,084
Other grants and donations	450	850
Bank charges	<u>65</u>	<u>82</u>
	<u>5,186</u>	<u>7,393</u>

6 Taxation

	2020	2019
	£	£
Corporation tax based on the results for the year at 19% (2019: 19%)	<u>-</u>	<u>-</u>

The Trust is able to set off provident benefit and certain provident benefit administration costs against its income chargeable to corporation tax.

National Union of Mineworkers Lancashire Area Trust Fund

Notes (continued)
(forming part of the financial statements)
for the year ended 31 December 2020

7	Cash at bank and in hand	2020	2019
		£	£
	Bank current accounts	-	5,750
	Santander business reserve accounts	32,109	34,604
	Cash in hand	<u>13</u>	<u>22</u>
		<u>32,122</u>	<u>40,376</u>
8	Creditors: amounts falling due within one year	2020	2019
		£	£
	Accruals	3,462	3,360
	Other creditors	<u>300</u>	<u>-</u>
		<u>3,762</u>	<u>3,360</u>
9	Special Area Fund	2020	2019
		£	£
	Balance at 1 January 2020	37,016	57,879
	Deficit for the year	(8,656)	(20,863)
	Balance at 31 December 2020	<u>28,360</u>	<u>37,016</u>

The Special Reserve Fund is the accumulation of contribution income collected by NUM Lancashire Area in accordance with previous Rule 6.L.

10 Related Party Transactions

During the year fees of £3,474 (2019 – £13,895) were paid to Trade Union Consultancy for consultancy work regarding compensation claims provided by Mr W Kelly, a Trustee of National Union of Mineworkers Lancashire Area Trust Fund.

The National Union of Mineworkers Lancashire Area Trust Fund operates from premises owned by the Steve Sullivan Memorial Trust, whose Trustees are also Trustees of National Union of Mineworkers Lancashire Area Trust Fund. National Union of Mineworkers Lancashire Area Trust Fund have not been charged any rent for occupying the premises during the year (2019 – Nil).