

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	Association of Educational Psychologists		
Year ended:	31 December 2019		
List no:			
Head or Main Office address:	4 Riverside Centre		
	Frankland Lane		
	Durham		
Postcode	DH1 5TA		
Website address (if available)	www.aep.org.uk		
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	Kate Fallon		
Telephone Number:	0191 384 9512		
Contact name for queries regarding the completion of this return	Mary Gardner		
Telephone Number:	0191 384 9512		
E-mail:	mary.gardner@aep.org.uk		

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 0330 109 3602

You should send the annual return to the following email address stating the name of the union in subject:

For Unions based in England and Wales: returns@certoffice.org

For Unions based in Scotland: ymw@tcyoung.co.uk

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Return of Members

(see notes 10 and 11)

	Number of members at the end of the year				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	Totals
Male	591	11		3	605
Female	2,741	97	8	16	2,862
Other					
Total	3,332	108	8	19	A 3,467

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

3,467

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

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return

Position Held	Name of Officer ceasing to hold Office	Name of Officer Appointed	Date of change
President	L O'Connor	D Collingwood	01 December 2019
Vice President	D Collingwood	D Hughes	01 December 2019

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

General Fund

(see notes 13 to 18)

	£	£
Income		
From Members: Contributions and Subscriptions		800,080
From Members: Other income from members (specify)		
Publicity Sales		2,987
Royalty Income		13,002
Total other income from members		15,989
Total of all income from members		816,069
Investment income (as at page 12)		
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)		
Total of other income (as at page 4)		
	Total income	816,069
	Interfund Transfers IN	
Expenditure		
Benefits to members (as at page 5)		
Administrative expenses (as at page 10)		620,532
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		
Taxation		
	Total expenditure	620,532
	Interfund Transfers OUT	195,537
	Surplus (deficit) for year	195,537
Amount of general fund at beginning of year		
Amount of general fund at end of year		

Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£
Federation and other bodies	
Total federation and other bodies	
Any Other Sources	
Total other sources	
Total of all other income	

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	
		Advisory Services	
Representation – Non Employment Related Issues		Other Cash Payments	
		Education and Training services	
Communications			
		Negotiated Discount Services	
Dispute Benefits		Other Benefits and Grants (specify)	
carried forward		Total (should agree with figure in General Fund)	

(See notes 21 and 23)

Fund 6		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Fund 7		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Political fund account

(see notes 24 to 33)

£

£

Political fund account 1		To be completed by trade unions which maintain their own political fund	
	Income		
	Members contributions and levies		
	Investment income (as at page 12)		
Other income (specify)			
		Total other income as specified	
		Total income	

Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period

Expenditure A (as at page i)	
Expenditure B (as at page ii)	
Expenditure C (as at page iii)	
Expenditure D (as at page iv)	
Expenditure E (as at page v)	
Expenditure F (as at page vi)	
Non-political expenditure (as at page vii)	
	Total expenditure
	Surplus (deficit) for year
	Amount of political fund at beginning of year
	Amount of political fund at the end of year (as <u>Balance Sheet</u>)
	Number of members at end of year contributing to the political fund
	Number of members at end of the year not contributing to the political fund
	Number of members at end of year who have completed an exemption notice and do not contribute to the political fund

Political fund account 2 To be completed by trade unions which act as components of a central trade union

Income	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure			
	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects(specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of year	
		Amount remitted to central political	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

Political fund account expenditure (c)

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

Expenditure in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office			
Title and Date of election	Name of political party/organisation	Name of candidate, organisation or political party (see 33(iii))	£
Total			

Expenditure from the political fund not falling within section 72 (1) of the trade union & labour relations (consolidation) act 1992

For expenditure not falling within section 72 (1) the required information is-

(a) the nature of each cause or campaign for which money was expended, and the total amount expended in relation to each one	£

Total expenditure

(b) the name of each organisation to which money was paid (otherwise than for a particular cause of campaign), and the total amount paid to each one	£

Total expenditure

(c) the total amount of all other money expended	£

Total expenditure

Total of all expenditures

Analysis of administrative expenses and other outgoings excluding amounts charged to political fund accounts

(see notes 34 and 35)

		£
Administrative Expenses		
Remuneration and expenses of staff		369,667
Salaries and Wages included in above	286,877	
Auditors' fees		7,162
Legal and Professional fees		172,914
Occupancy costs		41,781
Stationery, printing, postage, telephone, etc.		15,945
Expenses of Executive Committee (Head Office)		69,383
Expenses of conferences		20,606
Other administrative expenses (specify)		
Bank Charges		1,898
Subscriptions		27,009
Website expenses, Financial admin & Donations		20,918
Professional indemnity insurance & LA rep. expenses		49,461
Sundry expenses & Death in service costs		4,121
Training and recruitment costs		9,835
VAT Adjustment and Research projects		33,769
Equipment Maintenance		17,180
Other Outgoings		
Depreciation		6,235
Amortisation		4,651
Taxation		30,964
Journal Costs		42,028
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Total		945,527
Charged to:	General Fund (Page 3)	620,532
	Development Fund	196,018
	Legal Expense Reserve Fund	108,371
	Conference Fund	20,606
Total		945,527

Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			8,719
Dividends (gross) from:			
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			3,933
Other investment income (specify)			
			12,652
		Total investment income	12,652
		Credited to:	
		General Fund (Page 3)	
		Development Fund	3,933
		Legal Expense Reserve Fund	
		Conference Fund	8,719
		Political Fund	
		Total Investment Funds	12,652

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year		727,546	118,308			845,854
Additions			50,094			50,094
Disposals						
Revaluation/Transfers						
At end of year		727,546	168,402			895,948
Accumulated Depreciation						
At start of year			80,695			80,695
Charges for year			10,886			10,886
Disposals						
Revaluation/Transfers						
At end of year			91,581			91,581
Net book value at end of year		727,546	76,821			804,367
Net book value at end of previous year		727,546	37,613			765,159

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)		
Market Value of Quoted Investment		
Unquoted		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)		
Market Value of Unquoted Investments		

Analysis of investment income (controlling interests)

(see notes 60 and 61)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

If YES name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)

Are the shares which are controlled by the union registered in the names of the union's trustees?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

If NO, state the names of the persons in whom the shares controlled by the union are registered.

Company name	Names of shareholders
Not Applicable - no shares controlled by the union	

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds	Political Funds £	Total Funds £
Income			
From Members	1,005,730		1,005,730
From Investments	12,652		12,652
Other Income (including increases by revaluation of assets)	44,948		44,948
Total Income	1,063,330		1,063,330
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	945,527		945,527
Funds at beginning of year (including reserves)	1,556,362		1,556,362
Funds at end of year (including reserves)	1,674,165		1,674,165
Assets			
Fixed Assets			804,367
Investment Assets			
Other Assets			1,035,883
		Total Assets	1,840,250
Liabilities		Total Liabilities	166,085
Net Assets (Total Assets less Total Liabilities)			1,674,165

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?	<input type="text" value="No"/>
If Yes How many ballots were held: <input style="width: 50px;" type="text"/>	
For each ballot held please complete the information below:	
Ballot 1	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 80px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Ballot 2	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 80px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Ballot 3	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 80px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>

Ballot 4

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 5

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 6

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballots and Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

(see note 81)

***Categories of Nature of Trade Dispute**

A: terms and conditions of employment, or the physical conditions in which any workers require to work;

B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;

C: allocation of work or the duties of employment between workers or groups of workers;

D: matters of discipline;

E: a worker's membership or non-membership of a trade union;

F: facilities for officials of trade unions;

G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

Did Union members take industrial action during the return period in response to any inducement on the part of the Union? YES/NO

No

If **YES**, for each industrial action taken please complete the information below:

Industrial Action 1

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 2

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 3

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

use a continuation page if necessary

Industrial Action 4

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 5

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 6

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 7

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 8

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Notes to the accounts

(see notes 82 and 83)

All notes to the accounts must be entered on or attached to this part of the return.

See notes to the accounts included in signed accounts

Accounting policies

(see notes 84 and 85)

See accounting policies included in signed accounts

Signatures to the annual return

(see notes 86 & 87)

Including the accounts and balance sheet contained in the return. Please send the return with the original signatures. Copies will not be accepted.

Secretary's Signature: <input checked="" type="checkbox"/> <i>Kate Fallon</i>	Chairman's Signature: <input checked="" type="checkbox"/> <i>David Collins</i>
Name: KATE FALLON	Name: DAVID COLLINS
Date: <input checked="" type="checkbox"/> 9/05/20	Date: 14 May 2020

Checklist

(see notes 88 to 89)

(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2 and Note 12)	Yes		No	
Has the list of officers in post been completed? (see Page 2 and Note 12)	Yes		No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes		No	
Has the auditor's report been completed? (see Pages 20 and 21 and Notes 2 and 77)	Yes		No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes		No	
A member statement is: (see Note 80)	Enclosed		To follow	
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes		To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes		No	

Checklist for auditor's report

(see notes 90 and 96)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they related? (See section 36(1) and (2) of the 1992 Act and notes 92 and 93)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances. (See section 36(4) of the 1992 Act set out in note 92)

Please explain in your report overleaf or attached

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

See audit report included in signed accounts

Signature(s) of auditor or auditors:

L. Robson
RSM UK Audit UK

Name(s):

Lucy Robson

Profession(s) or Calling(s):

Chartered Accountant

Address(es):

RSM UK

1 St James' Gate

Newcastle

Postcode

NE1 4AD

Date

26/05/20

Contact name for inquiries and
telephone number:

0191 255 7016

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

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

Opinion

We have audited the financial statements of the Association of Educational Psychologists (the 'union') for the year ended 31 December 2019 which comprise the balance sheet, four Income and Expenditure Accounts, Statement of Total Results and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the union's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared to meet the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Basis for opinion

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The National Executive Committee are responsible for the other information. Our opinion on the financial statements does not cover the other information and, 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

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS *(Continued)*

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 in relation 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 of section 28; or
- a satisfactory system of control over its transactions has not been maintained in accordance with the requirements of that section; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations for which, to the best of our knowledge and belief, we consider necessary for our audit.

Responsibilities of the National Executive Committee

As explained more fully in the National Executive Committee's responsibilities statement set out on page 3, the National Executive Committee 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 National Executive Committee 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 National Executive Committee 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 National Executive Committee either intend to liquidate the union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS *(Continued)*

Use of our report

This report is made solely to the union'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 union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the union and the union's members as a body, for our audit work, for this report, or for the opinions we have formed.

LUCY ROBSON
RSM UK AUDIT LLP, Statutory Auditors
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Membership audit certificate

made in accordance with section 24ZD of the Trade Union and Labour
Relations (Consolidation) Act 1992

(See notes 97 to 103)

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

No

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21

Membership audit certificate

Section one

For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer

- 1 In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

Yes / No

- 2 In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

Yes / No

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.

Membership audit certificate (continued)

Signature of assurer	
Name	
Address	
Date	
Contact name and telephone number	

Membership audit certificate

Section two

For a trade union with no more than 10,000 members at the end of the reporting period preceding the one to which this audit relates.

To the best of your knowledge and belief has the trade union during this reporting period complied with its duty to compile and maintain a register of the names and addresses of its members and secured, so far as is reasonably practicable, that the entries in the register are accurate and up-to-date?

Yes

If "No" Please explain below:

Signature	<i>Kate Fallon</i>
Name	KATE FALLON
Office held	GENERAL SECRETARY
Date	9/05/20

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

RSM UK Tax and Accounting Limited
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

NATIONAL EXECUTIVE COMMITTEE AND PROFESSIONAL ADVISERS

National Executive Committee	L O'Connor	- President until 1 December 2019
	D Collingwood	- President from 1 December 2019
	D Hughes	- Vice-President from 1 December 2019
	D Webster	- Honorary Treasurer
	J Drewicz	- Association Secretary
	S O'Donoghue	
	M Rance	- Term of office ended 30 November 2019
	S James	
	M Greening	
	A Pratten	
	A Marrion	
	D Beaumont	
	M Hancock	
	F Kelly	- Term of office ended 30 November 2019
	C O'Flaherty	
	L Mackey	
	B Tubbs	
	S Ungar	
	J Suchy	
	K Newbury	- Term of office ended 30 November 2019
	S Octigan	
	C Lowther	
	K Swindon	- Term of office ended 30 November 2019
A Always	- Appointed 1 December 2019	
J Flynn	- Appointed 1 December 2019	
M Perry Springer	- Appointed 1 December 2019	
T Regan	- Appointed 1 December 2019	
J Russell	- Appointed 1 December 2019	
V Tate	- Appointed 1 December 2019	
General Secretary	K Fallon	
Registered Office	4 Riverside Centre Frankland Lane Durham DH1 5TA	
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants 1 St. James' Gate Newcastle upon Tyne NE1 4AD	
Auditor	RSM UK Audit LLP Chartered Accountants 1 St. James' Gate Newcastle upon Tyne NE1 4AD	
Bankers	National Westminster Bank Plc 66 Vicar Lane Leeds LS1 7TQ	

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

NATIONAL EXECUTIVE COMMITTEE AND PROFESSIONAL ADVISERS

Bankers (*continued*)

Unity Trust Bank Plc
Nine Brindley Place
Birmingham
B1 2HB

Yorkshire Bank
131 – 135 Northumberland Street
Newcastle upon Tyne
NE1 7AG

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

STATEMENT BY THE NATIONAL EXECUTIVE COMMITTEE

The National Executive Committee present the audited financial statements for the year ended 31 December 2019.

Responsibilities of the National Executive Committee

The Trade Union and Labour Relations (Consolidation) Act 1992 requires the National Executive Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs and of the surplus or deficit for that period. In preparing these financial statements the National Executive Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The National Executive Committee is responsible for keeping proper accounting records that are necessary to give a true and fair view of the state of affairs of the Association and to explain its transactions and to enable them to ensure the financial statements comply with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992. They are also responsible for the system of internal control, for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the National Executive Committee are, individually, aware:

- there is no relevant audit information of which the Association's auditor is unaware; and
- the National Executive Committee have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Members' rights

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 rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he may apply for material assistance from the Commissioner for the Rights of Trade Union Members and should, in any case, consider obtaining independent legal advice.

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS
STATEMENT BY THE NATIONAL EXECUTIVE COMMITTEE

Auditor

A resolution to reappoint RSM UK Audit LLP, Chartered Accountants, as auditor will be put to the members.

By order of the National Executive Committee



.....
D Collingwood – President

Date:

07/05/2020

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

Opinion

We have audited the financial statements of the Association of Educational Psychologists (the 'union') for the year ended 31 December 2019 which comprise the balance sheet, four Income and Expenditure Accounts, Statement of Total Results and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the union's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared to meet the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Basis for opinion

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The National Executive Committee are responsible for the other information. Our opinion on the financial statements does not cover the other information and, 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

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS *(Continued)*

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 in relation 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 of section 28; or
- a satisfactory system of control over its transactions has not been maintained in accordance with the requirements of that section; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations for which, to the best of our knowledge and belief, we consider necessary for our audit.

Responsibilities of the National Executive Committee

As explained more fully in the National Executive Committee's responsibilities statement set out on page 3, the National Executive Committee 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 National Executive Committee 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 National Executive Committee 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 National Executive Committee either intend to liquidate the union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS *(Continued)*

Use of our report

This report is made solely to the union'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 union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the union and the union's members as a body, for our audit work, for this report, or for the opinions we have formed.

LUCY ROBSON
RSM UK AUDIT LLP, Statutory Auditors
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

BALANCE SHEET AS AT 31 DECEMBER 2019

Notes	2019		2018	
	£	£	£	£
	FIXED ASSETS			
2		59,925		26,226
3		<u>744,442</u>		<u>738,933</u>
		804,367		765,159
	CURRENT ASSETS			
		8,380		12,801
		44,292		48,141
		966,924		823,435
8		3,883		3,835
		203		203
		5,005		4,602
		<u>7,195</u>		<u>10,799</u>
	1,035,883		903,816	
	CREDITORS: amounts falling due within one year			
		17,496		6,950
		89,329		56,738
		33,115		22,108
		9,545		9,887
		11,323		9,652
		<u>5,277</u>		<u>7,278</u>
	166,085		112,613	
	NET CURRENT ASSETS	<u>869,798</u>		<u>791,203</u>
	NET ASSETS	<u>1,674,165</u>		<u>1,556,362</u>
	REPRESENTED BY:			
		1,474,165		1,356,362
		-		-
		-		-
		<u>200,000</u>		<u>200,000</u>
		1,674,165		1,556,362

Approved by the National Executive Committee on

and signed on its behalf by:

D Collingwood – President



07/05/20

The notes on pages 14 to 20 form part of these financial statements

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

Notes	2019		2018	
	£	£	£	£
DEVELOPMENT FUND				
Broadsheet Revenue				
Net income for year		189,486		167,987
<u>Less: Associated expenditure</u>				
Wages	48,769		53,236	
Printing and stationery	109		1,919	
Heat and light	597		655	
Telephone and postage	9,025		7,698	
Establishment expenses	6,615		6,768	
Staff expenses	2,621		703	
Professional costs	<u>6,883</u>	<u>(74,619)</u>	<u>4,371</u>	<u>(75,350)</u>
Surplus for the year		<u>114,867</u>		<u>92,637</u>
Training Application Process Revenue				
Net income		44,698		40,208
<u>Less: Associated expenditure</u>				
Wages		<u>(27,800)</u>		<u>(27,402)</u>
Surplus for year		<u>16,898</u>		<u>12,806</u>
Investment Income				
Bank account interest		<u>3,933</u>		<u>2,767</u>
Total Income		135,698		108,210
Expenditure				
4 Taxation	30,964		19,987	
5 Establishment expenses	34,569		31,983	
6 Administration expenses	<u>28,066</u>	<u>(93,599)</u>	<u>30,442</u>	<u>(82,412)</u>
Surplus for the year		42,099		25,798
Transfer from general fund		87,341		92,802
Transfer to conference fund		(11,637)		(9,836)
Surplus brought forward		<u>1,356,362</u>		<u>1,247,598</u>
Surplus carried forward		<u><u>1,474,165</u></u>		<u><u>1,356,362</u></u>

The notes on pages 14 to 20 form part of these financial statements

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

Notes	2019		2018	
	£	£	£	£
GENERAL FUND				
Income				
Subscriptions				
Full members	760,429		751,404	
Affiliate members	9,335		9,017	
Student members	16,507		13,951	
Assistant members	2,358		-	
Retired members	<u>11,451</u>	800,080	<u>11,356</u>	785,728
Publicity sales	2,987		4,030	
Royalty income				
Journal royalty	<u>13,002</u>	<u>15,989</u>	<u>13,125</u>	<u>17,155</u>
		816,069		802,883
Expenditure				
Journal costs				
Editor fee and expenses	10,702		13,368	
Editorial board expenses	3,826		5,194	
Journal publishers' fees	<u>27,500</u>		<u>27,500</u>	
	<u>42,028</u>		<u>46,062</u>	
7 Administration expenses	<u>578,504</u>	<u>(620,532)</u>	<u>564,076</u>	<u>(610,138)</u>
Surplus for the year		195,537		192,745
Transfer to legal expenses reserve account		(108,196)		(99,943)
Transfer to development fund		(87,341)		(92,802)
Fund brought forward		-		-
Fund carried forward		-		-

The notes on pages 14 to 20 form part of these financial statements.

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

Notes	2019		2018	
	£	£	£	£
CONFERENCE FUND				
Income				
Fees receivable	250		902	
Rental income	<u>8,719</u>		<u>7,292</u>	
	8,969		8,194	
Expenditure				
Secretarial	638		342	
Accommodation	17,976		14,688	
Course presenter fees and expenses	1,577		2,207	
Entertaining, telephone, postage, printing and stationery	<u>415</u>	<u>20,606</u>	<u>793</u>	<u>18,030</u>
Deficit for the year		(11,637)		(9,836)
Transfer from development fund		11,637		9,836
Fund brought forward		-		-
Fund carried forward		-		-

The notes on pages 14 to 20 form part of these financial statements

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

Notes	2019 £	2018 £
LEGAL EXPENSES RESERVE FUND		
Income		
Reimbursement of legal expenses	175	20,000
Expenditure		
Legal and professional expenses	<u>108,371</u>	<u>119,943</u>
Deficit for the year	(108,196)	(99,943)
Transfer from general fund	108,196	99,943
Fund brought forward	<u>200,000</u>	<u>200,000</u>
Fund carried forward	<u>200,000</u>	<u>200,000</u>

The notes on pages 14 to 20 form part of these financial statements

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

STATEMENT OF TOTAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Surplus/(deficit) for the year (before fund transfers):		
Development fund	42,099	25,798
General fund	195,537	192,745
Conference fund	(11,637)	(9,836)
Legal expenses reserve fund	<u>(108,196)</u>	<u>(99,943)</u>
Total recognised result relating to the financial year	<u>117,803</u>	<u>108,764</u>

The notes on pages 14 to 20 form part of these financial statements

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK & Republic of Ireland" ("FRS 102"), as applied to smaller entities by the adoption of section 1A of FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the association. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The financial statements have been prepared on a going concern basis. In applying this basis the National Executive Committee have considered available cash reserves and forecast activity for the next twelve months from the date the financial statements have been approved. This forecast activity has been reviewed mindful of the Coronavirus pandemic and the risk of adverse impacts specifically considered including the impact on income and resources. The National Executive Committee are confident that despite the uncertain economic environment created by the pandemic, there is a reasonable expectation that the Association can continue in operation existence for the foreseeable future.

Change in accounting policy

The company adopted the amendments to FRS 102 published in the Triennial Review 2017. This had no impact on the current or prior period results.

Income

Income consists of:

- (1) Broadsheet revenue – accounted for when invoiced, exclusive of value added tax;
- (2) Subscription income – accounted for when receivable;
- (3) Publicity sales - accounted for when invoiced, exclusive of value added tax;
- (4) Royalty income - accounted for when receivable, exclusive of value added tax;
- (5) Course fees - accounted for when receivable;
- (6) Training application revenue – accounted for when receivable; and
- (7) Rental income – accounted for when receivable.

Cash flow statement

The National Executive Committee have taken advantage of the exemption in FRS 102 of including a cash flow statement in the financial statements on the grounds that the Association is small.

Intangible fixed assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation.

Costs in relation to the development of the website have been capitalised at cost as they give rise to future economic benefits.

1. ACCOUNTING POLICIES *(continued)*

Intangible assets are amortised to profit or loss on a straight line basis over their useful lives, as follows:

Website and database systems	10% per annum straight line
------------------------------	-----------------------------

Tangible fixed assets and depreciation

Fixed assets are capitalised at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset, as follows:

Fixtures, fittings and equipment	25% per annum straight line
Leasehold property	2% per annum straight line

The Association's leasehold property is maintained by a programme of repair and refurbishment such that the residual value is deemed to be at least equal to the book value. The residual value would be sufficiently high to make any depreciation charge in the current period and accumulated depreciation, immaterial. The land that is part of the leasehold site is not depreciated.

Financial instruments

The Association has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Association becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in income and expenditure. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in income and expenditure.

1. **ACCOUNTING POLICIES** *(continued)*

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Association transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Association after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Association's contractual obligations are discharged, cancelled, or they expire.

Taxation

The tax expense represents the sum of the current tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Current tax is charged or credited to income and expenditure, except when it relates to items charged or credited to other comprehensive income, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income.

Pension costs

The Association operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Association. The annual contributions payable are charged to the income and expenditure account.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES *(continued)*

Funds

Development Fund – this fund includes the broadsheet revenue and associated costs, investment income, the training application process income and expenditure, establishment expenses and associated administration expenses. Also included is the corporation tax liability on the development fund surplus and investment income.

General Fund – this fund includes the subscription income, publicity sales and journal income and expenditure. Also included are all related administration expenses relating to this income.

Conference Fund – this fund includes conference income and related expenditure and also the cost of study days.

Legal Expenses Reserve Fund – this fund is maintained at £200,000 and all legal and professional fees (with the exception of the Association's head office legal and professional fees which are charged to either the development or general fund depending upon their specific nature) are charged against this fund.

2. INTANGIBLE FIXED ASSETS

	Website and database systems £
Cost or valuation	
As at 1 January 2019	46,510
Additions	38,350
Disposals	-
	<hr/>
As at 31 December 2019	84,860
	<hr/>
Depreciation	
As at 1 January 2019	20,284
Provided for year	4,651
On disposal	-
	<hr/>
As at 31 December 2019	24,935
	<hr/>
Net Book Value	
As at 31 December 2019	<u>59,925</u>
As at 31 December 2018	<u>26,226</u>

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. TANGIBLE FIXED ASSETS	Leasehold property £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
As at 1 January 2019	727,546	71,798	799,344
Additions		11,744	11,744
Disposals	-	-	-
As at 31 December 2019	<u>727,546</u>	<u>83,542</u>	<u>811,088</u>
Depreciation			
As at 1 January 2019	-	60,411	60,411
Provided for year		6,235	6,235
On disposal	-	-	-
As at 31 December 2019	<u>-</u>	<u>66,646</u>	<u>66,646</u>
Net Book Value			
As at 31 December 2019	<u>727,546</u>	<u>16,896</u>	<u>744,442</u>
As at 31 December 2018	<u>727,546</u>	<u>11,387</u>	<u>738,933</u>
4. TAXATION		2019	2018
		£	£
UK corporation tax based on the taxable results for the year		23,455	19,973
Deferred tax		7,509	629
Over provision of taxation in the prior year		-	(615)
		<u>30,964</u>	<u>19,987</u>
5. ESTABLISHMENT EXPENSES – DEVELOPMENT FUND		2019	2018
		£	£
Rent and rates		19,244	14,024
Insurance		531	785
Light and heat		3,381	3,711
Maintenance and cleaning		<u>11,413</u>	<u>13,463</u>
		<u>34,569</u>	<u>31,983</u>

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. ADMINISTRATION EXPENSES – DEVELOPMENT FUND	2019 £	2018 £
Equipment maintenance	17,180	20,369
Depreciation office equipment	6,235	5,422
Amortisation	<u>4,651</u>	<u>4,651</u>
	28,066	30,442
	<u> </u>	<u> </u>
7. ADMINISTRATION EXPENSES - GENERAL FUND	2019 £	2018 £
Executive committee - meetings expenses	49,024	54,048
Executive representational duty	20,359	9,001
Secretarial wages and NIC	126,123	140,136
Regional Officers wages and NIC	47,816	53,553
Regional Officers expenses	12,524	9,182
General Secretary wages and NIC	64,169	63,083
General Secretary intra association duties	9,543	6,285
General Secretary external representational duties	1,420	3,722
General Secretary pension	7,686	7,487
Staff pension fund	21,196	21,074
Website expenses	11,271	5,122
Books and publications	981	936
Telephone and postage including officers	5,830	5,585
Financial administration	9,016	10,033
Bank charges	1,898	4,027
Audit and accountancy fees	7,162	5,362
Donations	631	1,226
Subscriptions	14,240	14,517
GFTU subscriptions	2,725	2,768
TUC subscriptions	10,044	9,541
Professional indemnity insurance	5,800	4,579
Sundry expenses	1,458	779
Death in service costs	2,663	2,433
LA representative expenses	43,661	25,599
Training and recruitment costs	9,835	20,514
VAT adjustment	33,755	33,403
Consultancy fees	57,660	49,644
Research projects	<u>14</u>	<u>437</u>
	578,504	564,076
	<u> </u>	<u> </u>

ASSOCIATION OF EDUCATIONAL PSYCHOLOGISTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

8. BRANCH EXPENSES

	£		£
Cash and bank balances as at 1 January 2019	3,835	Study day and course expenses	(667)
Study day and course fees	715	Transfer	-
Other income	<u>-</u>	Cash and bank balances as at 31 December 2019	<u>3,883</u>
	<u>4,550</u>		<u>3,883</u>

9. OPERATING LEASE COMMITMENTS

The outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Less than one year	11,824	12,438
Within two to five years	<u>10,595</u>	<u>22,419</u>
	<u>22,419</u>	<u>34,857</u>