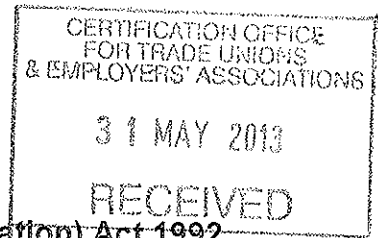


- DO NOT STAPLE
- PRINT ON ONE SIDE ONLY

FORM AR21



Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union: NATIONAL UNION OF TEACHERS

Year ended: 31 DECEMBER 2012

List no: 235

Head or Main Office: HAMILTON HOUSE
MABLEDON PLACE
LONDON
WC1H 9BD

Website address (if available) www.teacher.org.uk

Has the address changed during the year to which the return relates? Yes No (Click the appropriate box)

General Secretary: CHRISTINE BLOWER

Telephone Number: 020 7388 6191

Contact name for queries regarding AUDREY ALLEN-CHITWA

Telephone Number: 020 7388 6191

E-mail:

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: 020 7210 3734

The address to which returns and other documents should be sent are:

For Unions based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



(Revised February 2011)

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	92,171			341	92,512
FEMALE	294,453			1,087	295,540
TOTAL	386,624			1,428	388,052

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

	281
Number of members at end of year contributing to the General Fund	326,930

OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

RETURN OF CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
PRESIDENT	N. FRANKLIN	M. HARROP	6 APRIL 2012
SENIOR VICE PRESIDENT	M. HARROP	B. DAVIES	6 APRIL 2012
EX PESIDENT	G GOODSWEN	N. FRANKLIN	6 APRIL 2012
JUNIOR VICE PRESIDENT	B. DAVIES	M. HYDE	6 APRIL 2012

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:

EXECUTIVE MEMBERS
AT 31 DECEMBER 2012

ALAN RUTTER
ALEX KENNY
AMANDA MARTIN
ANGELA JARDINE
ANNE LEMON
ANNE SWIFT
ANNETTE PRYCE
BETH DAVIES SENIOR VICE PRESIDENT
BARRIE FROST
BETTY JOSEPH
CLARE JONES
DAVID BRINSON
DAVE HARVEY
DOMINIC BYRNE
EDDIE RITSON
GAWAIN LITTLE
GRAHAM WHITE
HAZEL DANSON
HEATHER MACKENZIE
IAN GRAYSON
IAN LEAVER
IAN MURCH TREASURER
JAY BARRY
JERRY GLAZIER
JOHN HOLMES
JOHN PEMBERTHY
JULIE LYON-TAYLOR
KEN RUSTIDGE
LINDA GOODWIN
MANDY HUDSON
MARILYN BATER
MARILYN HARROP PRESIDENT
MARTIN POWELL-DAVIES
MAX HYDE JUNIOR VICE PRESIDENT
NEIL FODEN
NICK WIGMORE
NICK GRANT
PATRICK MURPHY
PETER GLOVER
ROBIN HEAD
ROGER KING
ROY BROWSER
SIMON JONES
TONY TONKS
VERONICA PEPIATT

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		30,639,468
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		30,639,468
Investment income (as at page 14)		1,458,784
Other Income		
Income from Federations and other bodies (as at page 5)		
Income from any other sources (as at page 5)	1,367,751	
Increase in market value of investment (as at page 5)	182,899	
Total of other income (as at page 5)		1,550,650
	TOTAL INCOME	33,648,902
EXPENDITURE		
Benefits to members (as at page 6)		12,557,249
Administrative expenses (as at page 11)		14,335,441
Federation and other bodies (specify)		
TUC	869,627	
EI/TUCE	510,712	
Transfer to branches fund	316,238	
Transfer to pension fund	1,732,224	
Total expenditure Federation and other bodies		3,428,801
Taxation		
	TOTAL EXPENDITURE	30,321,491
Surplus (deficit) for year		3,327,411
Amount of general fund at beginning of year		22,609,746
Amount of general fund at end of year		25,937,157

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		
Other income		
Teacher Advertising	248,938	
Commission	391,294	
Diaries	26,460	
Other	73,335	
Profit on the sale of investments	191,131	
Expected return in scheme assets in excess of interest on liabilities	284,000	
Legal income	152,593	
Increase in market value of investments	182,899	
TOTAL OTHER INCOME		1,550,650
TOTAL OF ALL OTHER INCOME		1,550,650

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	1,228,617
		Education and Training services	886,863
Representation – Non Employment Related Issues		Negotiated Discount Services Countdown	172,889
Communications			
The Teacher	980,412		
Diaries	33,630		
Website	185,877	Salary Costs	9,764,925
Education Review	3,525		
Advisory Services	25,173		
Advisory Committee			
		Other Benefits and Grants (specify)	
Dispute Benefits		Insurance of Members	230,311
		Professional Development	273,644
Other Cash Payments			
carried forward	1,228,617	Total (should agree with figure in General Fund)	12,557,249

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	SUSTENTATION FUND	£	£
Income			
	From members		313,292
	Investment income (as at page 14)		66,308
	Other income (specify)		
	Profit on disposal of fixed assets	33,311	
	Increase in the market value of investments	228,797	
	Total other income as specified		262,108
	Total Income		641,708
Expenditure			
	Benefits to members		190,373
	Administrative expenses and other expenditure (as at page 11)		376,901
	Total Expenditure		567,274
	Surplus (Deficit) for the year		74,434
	Amount of fund at beginning of year		4,559,263
	Amount of fund at the end of year (as Balance Sheet)		4,633,697
	Number of members contributing at end of year		326,930

FUND 3		Fund Account	
Name:	LEGACY FUND	£	£
Income			
	From members		
	Investment income (as at page 14)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		14,428
	Amount of fund at the end of year (as Balance Sheet)		14,428
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	INTERNATIONAL FUND	£	£
Income			
	From members		313,292
	Investment income (as at page 14)		
	Other income (specify)		
		Total other income as specified	
		Total Income	313,292
Expenditure			
	Benefits to members		120,769
	Administrative expenses and other expenditure (as at page 11)		
		Total Expenditure	120,769
		Surplus (Deficit) for the year	192,523
		Amount of fund at beginning of year	541,337
		Amount of fund at the end of year (as Balance Sheet)	733,860
		Number of members contributing at end of year	326,930

FUND 5		Fund Account	
Name:	BRANCHES FUND	£	£
Income			
	From members		3,734,288
	Investment income (as at page 14)		18,507
	Other income (specify)		
	Donations	28,606	
	Profit on the sale of fixed assets	3,064	
	Transfer from general fund	316,238	
	Transfer from political fund	2,328	
		Total other income as specified	350,236
		Total Income	4,103,031
Expenditure			
	Benefits to members	267,618	
	Administrative expenses and other expenditure (as at page 11)	3,675,581	
		Total Expenditure	3,943,199
		Surplus (Deficit) for the year	159,832
		Amount of fund at beginning of year	5,421,474
		Amount of fund at the end of year (as Balance Sheet)	5,581,306
		Number of members contributing at end of year	326,930

FUND 6		Fund Account	
Name:	PENSION FUND RESERVE FRS17	£	£
Income			
	From members		
	Investment income (as at page 14)		
	Other income (specify)		
	Transfer from general fund	1,732,224	
	Total other income as specified		1,732,224
	Total Income		1,732,224
Expenditure			
	Benefits to members		
	Actuarial Loss		2,096,000
	Total Expenditure		2,096,000
	Surplus (Deficit) for the year		(363,776)
	Amount of fund at beginning of year		(8,457,239)
	Amount of fund at the end of year (as Balance Sheet)		(8,821,015)
	Number of members contributing at end of year		

FUND 7		Fund Account	
Name:	STOKE ROCHFORD FUND	£	£
Income			
	From members		
	Investment income (as at page 14)		
	Other income (specify)		
	Trading income	2,443,919	
	Total other income as specified		2,443,919
	Total Income		2,443,919
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)		3,333,607
	Total Expenditure		3,333,607
	Surplus (Deficit) for the year		(889,688)
	Amount of fund at beginning of year		12,492,787
	Amount of fund at the end of year (as Balance Sheet)		11,603,099
	Number of members contributing at end of year		

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		403,999
	Investment income (as at page 14)		
	Other income (specify) Donations	291	
	Total other income as specified		291
	Total income		404,290
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		477,584
	Transfer to branch fund for expenditure under section 82		2,328
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
	Total expenditure		479,912
	Surplus (deficit) for year		(75,622)
	Amount of political fund at beginning of year		623,136
	Amount of political fund at the end of year (as Balance Sheet)		547,514
	Number of members at end of year contributing to the political fund		324,635
	Number of members at end of the year not contributing to the political fund		63,417
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		2,295	

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 fund		
	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			

ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

		£
Administrative Expenses		
Remuneration and expenses of staff		4,416,183
Salaries and Wages included in above	£4,003,390	
Auditors' fees		80,342
Legal and Professional fees		309,262
Occupancy costs		1,968,047
Stationery, printing, postage, telephone, etc.		2,385,002
Expenses of Executive Committee (Head Office)		393,600
Expenses of conferences		1,073,852
Other administrative expenses – Computer costs		691,637
Research Fees		22,895
Campaign and action		3,269,383
Elections		522,135
Staff Recruitment		274,072
Badges and souvenirs		61,228
Subscriptions and donations		155,203
Expenses of committees/ other outside bodies		1,541,313
Stoke Rochford costs		2,825,606
Other Outgoings		
Interest payable:		
Depreciation		1,092,700
Taxation		84,438
Executive IT grant		29,019
Other outgoings –Bank charges(specify)		77,457
Recruitment		448,156
	Total	21,721,530
Charged to:	General Fund (Page 4)	14,335,441
	Sust. Fund (Account 2)	376,901
	Leg. Fund (Account)	-
	Bran.Fund (Account 5)	3,675,581
	Stoke Fund (Account7)	3,333,607
	Total	21,721,530

EXECUTIVE HONORARIA & ICT GRANTS 2012

		HONORARIA	ICT GRANT	TOTAL
		£	£	£
HELEN	ANDREWS	175		175
JAY	BARRY	525	996	1,521
MARILYN	BATER	525	987	1,512
CHRISTOPHER	BLAKELY	175		175
DAVID	BRINSON	700	360	1,060
ROY	BROWSER	525	643	1,168
DOMINIC	BYRNE	700	225	925
JOHN	DALTON	408		408
HAZEL	DANSON	700	551	1,251
ANN	DAVIES	700	1,000	1,700
ANGELA	DAVIES	175		175
BETH	DAVIES		1,000	1,000
JULIE	DAVIES	175		175
KENDRA	DEACON	292		292
NEIL	FODEN	700	1,000	1,700
NINA	FRANKLIN	350	462	812
BARRIE	FROST	700	1,000	1,700
JERRY	GLAZIER	700		700
GILL	GOODWEN	175		175
LINDA	GOODWIN	525	480	1,005
NICK	GRANT	700	1,000	1,700
IAN	GRAYSON	700	789	1,489
MARILYN	HARROP	700	694	1,394
DAVID	HARVEY	700	1,000	1,700
ROBIN	HEAD	700	586	1,286
JOSEPH	HOLMES	700	318	1,018
MANDY	HUDSON	525	399	924
MAX	HYDE	700	247	947
ANGELA	JARDINE	525	164	689
CLARE	JONES	525	798	1,323
SIMON	JONES	700	734	1,434
BETTY	JOSEPH	700	58	758
ALEX	KENNY	700	2,000	2,700
ROGER	KING	700	956	1,656
IAN	LEAVER	700	999	1,699
ANNE	LEMON	700	79	779
GAWAIN	LITTLE	525		525
JULIE	LYON - TAYLOR	700	370	1,070
DAVID	LYONS	175		175
AMANDA	MARTIN	700	534	1,234
HEATHER	MCKENZIE	700		700
IAN	MURCH	700	344	1,044
PATRICK	MURPHY	700	567	1,267
JOHN	PEMBERTHY	525	1,001	1,526
VERONICA	PEPPIATT	700	687	1,387
THOMAS	POWELL-DAVIES	700	672	1,372
ANNETTE	PRYCE	525	633	1,158
MARTIN	REED	175		175
EDWARD	RITSON	700	1,000	1,700
KENNETH	RUSTIDGE	700	1,000	1,700
ALAN	RUTTER	700	659	1,359
ANNE	SWIFT	700	659	1,359
ANTHONY	TONKS	700	538	1,238
NICHOLAS	WIGMORE	700		700
		<u>30,625</u>	<u>28,189</u>	<u>58,814</u>
EXAMINER OF ACCOUNTS				
HILARY	BILLS	175	0	175
ALYSON	PALMER	0	0	0
		<u>175</u>	<u>0</u>	<u>175</u>

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £
Rent from land and buildings		1,088,941
Dividends (gross) from:		
Equities (e.g. shares)		50,966
Interest (gross) from:		
Government securities (Gilts)		
Mortgages		
Local Authority Bonds		145,453
Bank and Building Societies		258,239
Other investment income (specify)		
Total investment income		1,543,599
Credited to:		
General Fund (Page 4)		1,458,784
Sustentation Fund (Account 2)		66,308
Fund (Account)		
Fund (Account)		
Branch Fund (Account 5)		18,507
Fund (Account)		
Political Fund		
Total Investment Income		1,543,599

BALANCE SHEET as at 31 DECEMBER 2012

(see notes 47 to 50)

Previous Year		£	£
19,429,739	Fixed Assets (at page 14)		19,421,041
	Investments (as per analysis on page 15)		
4,267,858	Quoted (Market value £4,739,952)	4,739,952	
1,177,675	Unquoted	1,075,195	
5,445,523	Total Investments		5,815,147
	Other Assets		
1,398,163	Sundry debtors	1,424,659	
7,799,794	Short term deposits	7,951,124	
13,802,312	Cash at bank and in hand	16,051,904	
66,031	Stocks of goods	48,124	
	Others (specify)		
26,057	Deferred tax	26,057	
145,719	Short term loans	71,256	
23,235,076	Total of other assets		25,573,124
48,110,338	TOTAL ASSETS		50,809,312
22,609,746	General Fund (Account 1)		25,937,157
4,559,263	Sustentation Fund (Account 2)		4,633,697
14,248	Legacy Fund (Account 3)		14,248
541,337	International Fund (Account 4)		733,860
5,421,474	Branch Fund (Account 5)		5,581,306
12,492,787	Stoke Rochford Fund (Account 7)		11,603,099
(8,457,239)	Superannuation Fund (Account 6)		(8,821,015)
623,136	Political Fund (Account 1)		547,514
	Revaluation Reserve		
37,804,752			40,229,866
	LIABILITIES		
	Tax payable		76,757
1,349,505	Sundry creditors		1,251,177
498,842	Deferred income		430,497
8,457,239	Pension liability		8,821,015
10,305,586	TOTAL LIABILITIES		10,579,446
48,110,338	TOTAL ASSETS		50,809,312

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	5,487,212	14,631,533	8,242,043	21,569		28,382,357
Additions	863,374	4,950	409,269			1,277,593
Disposals	(281,736)	(4,485)	(821,573)			(1,107,794)
Revaluation/Transfer s						
At end of year	6,068,850	14,631,998	7,829,739	21,569		28,552,156
Accumulated Depreciation						
At start of year	1,567,012	1,625,367	5,744,583	15,657		8,952,619
Charges for year	180,592	330,069	580,320	1,719		1,092,700
Disposals	(104,749)	(4,485)	(804,970)			(914,204)
Revaluation/Transfer s						
At end of year	1,642,855	1,950,951	5,519,933	17,376		9,131,115
Net book value at end of year	4,425,995	12,681,047	2,309,806	4,193		19,421,041
Net book value at end of previous year	3,920,200	13,006,166	2,497,460	5,912		19,429,738

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	2,179,559	
Government Securities (Gilts)		
British Government Fixed Interest	70,559	
Semi Government Bonds	47,905	
Other quoted securities (to be specified)		
Fixed interest	149,585	
Corporate bond	202,439	
Corporate bond fund	2,089,905	
TOTAL QUOTED (as Balance Sheet)	4,739,952	
Market Value of Quoted Investment	4,739,952	
UNQUOTED		
Equities	5,001	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies	1,070,194	
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	1,075,195	
Market Value of Unquoted Investments	1,075,195	

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME (1) STOKE ROCHFORD MANAGEMENT LIMITED (100%)	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered) 1361390		
(2) TEACHER PUBLISHING CO (100%) WRITTEN DOWN TO £1 AS THE COMPANY HAS BEEN DORMANT FOR MANY YEARS	102549		
(3) PROFESSIONAL AND EDUCATIONAL TRAVEL ASSOCIATED LIMITED (DORMANT)	1086502		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input checked="" type="checkbox"/> (1)	NO <input checked="" type="checkbox"/> (2)(3)
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME TEACHER PUBLISHING CO LTD	NAMES OF SHAREHOLDERS CHRISTINE BLOWER		
PROFESSIONAL AND EDUCATIONAL TRAVEL ASSOCIATED LIMITED (DORMANT)	TEACHER PUBLISHING COMPANY LIMITED		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	35,000,340	403,999	35,404,339
From Investments	1,543,599		1,543,599
Other Income (including increases by revaluation of assets)	4,288,348	291	4,288,639
Total Income	40,832,287	404,290	41,236,577
EXPENDITURE (including decreases by revaluation of			
Total Expenditure	38,331,550	479,912	38,811,462
Funds at beginning of year (including reserves)	37,181,615	623,136	37,804,751
Funds at end of year (including reserves)	39,682,352	547,514	40,229,866
ASSETS			
Fixed Assets			19,421,041
Investment Assets			5,815,147
Other Assets			25,573,124
		Total Assets	50,809,312
LIABILITIES			
		Total Liabilities	10,579,446
NET ASSETS (Total Assets less Total Liabilities)			40,229,866

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

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

See below

National Union of Teachers

Notes forming part of the Consolidated Financial Statements
for the year ended 31 December 2012(continued)

1 Related Party Transactions

Members of the National Union of Teachers act as directors of each of National Council of the Teachers' Support Network. Ten members of the Executive sit on the National Council of the Teachers' Support Network (a company limited by guarantee with charitable status whose objects are to provide support, advice and practical help to all members of the teaching profession and their families regardless of age, length of service or Union affiliation). Of these ten members of the Executive, two sit on the board of Trustees and are directors of the charitable company.

A summary of the transactions undertaken between the National Union of Teachers and its related parties is set out below.

- (a) During the course of the year, the National Union of Teachers collected subscriptions on behalf of the Teachers' Support Network amounting to £131,352 (2011 - £144,442).
- (b) In 2012, the National Union of Teachers made charitable donations to the Teachers' Support Network of £Nil (2011 - £25,000).
- (c) The National Union of Teachers consists of Headquarters, regional and Wales offices, associations and divisions. The Financial Statements disclose the net assets and transactions of Headquarters and the regional and Wales offices. As explained in Note 1(k), they do not reflect the assets, liabilities and transactions of local associations and divisions other than those transactions with the Union's Headquarters or regional and Wales offices. The AR21 return to the Certification Officer of Trade Unions consolidates the assets, liabilities and transactions of the National Union and its associations and divisions.

The following transactions with associations and divisions are reflected in these accounts:

- payment of grants to associations and divisions £316,238 (2011 - £296,681);
- subscriptions collected on behalf of associations and divisions and remitted to them amounted to £3,748,937 (2011 - £3,597,070). These payments are reflected in the accounts by set off against Subscription Income.



National Union of Teachers

Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2012(*continued*)

2 Pension Costs

Consolidated and Union

Employees of the Union who are 18 years old and over are eligible to join the National Union of Teachers' Staff Superannuation Fund, which is a funded defined Benefit Scheme. The Scheme is open to new entrants and to future accrual. Members of the Fund contribute 8.7% (those opted out of salary exchange pay 9.5%) of pensionable earnings whilst the participating employer's contribution varies in accordance with the terms of the trust instrument governing the Fund and the recommendation of the Fund's actuary.

The employer expects to contribute £3,470,910 for the year ended 31 December 2013. The current arrangements as regards to contribution rates are described in a Schedule of Contributions, dated 26 March 2011. The anticipated pension contribution shown above has been estimated on the basis of total salaries of £9,200,700 and allowance has been made for death in service insurance premium payments. Administration expenses and PPF levies are met by the employer.

During the year, the Fund had 266 (2011- 263) active members, paid pensions to 173 (2011- 162) retired members and recognised additional future pension commitments in respect of 102 (2011- 103) deferred pensioners.

The Fund is subject to triennial valuations by an independent actuary. The most recent formal valuation to have been completed was carried out as at 31 December 2008. The valuation was prepared using the projected unit method and was based on the following principal assumptions:

Rate of discount pre-retirement	6.3% p.a.
Rate of discount post retirement	4.55% p.a.
Rate of pay escalation	3.1% p.a.
Rate of pension payment increase	2.1% p.a.

The valuation showed that, on an on-going basis, the Fund's assets amounted to 88% of the value of the accrued benefits, allowing for expected future increases in earnings.

The market value of the Fund's assets at 31 December 2008 amounted to £41.8m.

The following disclosures have been prepared to comply with FRS17.

National Union of Teachers

Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2012(continued)

2 Pension Costs (continued)

The information required to comply with FRS17 was generated by the Scheme's Actuary. It is based on the interim results of the full actuarial valuation, which is being carried out at 31 December 2011 and updated to 31 December 2012 by a qualified independent actuary, using approximate actuarial techniques and available information.

Under FRS 17, the net pension deficit or surplus (measured in accordance with the requirements of the standard) are reflected on the Union's Balance Sheet as a pension liability or asset. Movements on the Pension Scheme asset or liability during the year are reflected through the Income and Expenditure account to the extent that they arise from the employer's current service cost and expected return on the Scheme's assets, net of interest on Pension Scheme liabilities. Movements arising from changes in actuarial assumptions, including differences between the actual return and expected return on the Scheme's assets and experience gains and losses on the Scheme's liabilities are reflected through the Statement of total recognised gains and losses.

The FRS17 current service costs of pensions amounts to £1,906,000 (2011 - £1,635,000) whereas the expected pension assets will exceed the Pension Scheme liabilities interest by £284,000 (2011 - expected Pension Scheme liabilities interest will exceed the pension assets by £56,000), resulting in a net charge reflected through the Income and Expenditure account of £1,622,000 (2011 - £1,691,000).

In addition, in the current year actuarial loss of £2,096,000 (2011 - gain of £2,908,000) are reflected through the Statement of Total Recognised Gains and losses.

	Value at 31 December 2012 £'000	Value at 31 December 2011 £'000	Value at 31 December 2010 £'000
Present value of funded obligations	72,046	64,418	65,191
Fair value of Scheme assets	(63,225)	(55,961)	(51,641)
	<u>8,821</u>	<u>8,457</u>	<u>13,550</u>
Present value of unfunded obligations	-	-	-
Unrecognised past service cost	-	-	-
	<u>8,821</u>	<u>8,457</u>	<u>13,550</u>
Net liability	<u>8,821</u>	<u>8,457</u>	<u>13,550</u>

The Union does not benefit generally from tax relief on employee remuneration. Therefore there are no deferred tax implications to Pension Scheme deficits or surpluses.

National Union of Teachers

Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2012(continued)

2 Pension Costs (continued)

The principal assumptions used by the actuary to calculate the present value of the Scheme's liabilities were as follows:

	At 31 December 2012 (per annum)	At 31 December 2011 (per annum)	At 31 December 2010 (per annum)
Financial Assumptions			
Rate of increase in salaries	1.5% to 2014, 2.8% thereafter	3.1%	3.5%
Rate of increase of pensions in payment	2.2%	2.1%	3.2%
Rate of revaluation of deferred pensions in excess of GMP	2.2%	2.1%	3.2%
Discount rate	4.4%	4.7%	5.4%
Inflation assumption (RPI)	2.8%	2.8%	3.2%
Inflation assumption (CPI)	2.2%	2.1%	-
Expected return on Scheme assets	5.85%	6.57%	7.11%

National Union of Teachers

Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2012(continued)

2 Pension Costs (continued)

	At 31 December 2012 (per annum)	At 31 December 2011 (per annum)	At 31 December 2010 (per annum)
Demographic Assumptions			
Post retirement mortality for non-pension members (male/female)	90% (males) / 95% (females) of S1Px	S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)	S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)
Post retirement mortality for pension members (male/female)	90% (males) / 95% (females) of S1Px	S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)	S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)
Life expectancy at age 60 for some who is currently 60 (pensioner)	Male 87.4 years Female 89.4 years	Male 88.8 years Female 90.2 years	Male 88.9 years Female 90.3 years
Life expectancy at age 60 for someone who is current 45 (non-pensioner)	Male 89 years Female 91.1 years	Male 90.2 years Female 91.6 years	Male 90.3 years Female 91.7 years
Cash commutation allowance	No	Yes	Yes
Withdrawal allowances	No	Yes	Yes

The overall expected rate of return on the Scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each class.

In setting the expected return on the assets as at 1 January 2013, the actuary has taken into account the opinions of leading investment houses, yields on government bonds and yields on quality corporate bonds.

Fair Value of Assets

	Value at 31 December 2012 £'000	Proportion at 31 December 2012 %	Value at 31 December 2011 £'000	Proportion at 31 December 2011 %	Value at 31 December 2010 £'000	Proportion at 31 December 2010 %
Equities	-	-	-	-	-	-
Corporate Bonds	31,931	50%	27,425	49%	23,024	45%
Diversified growth	30,305	48%	27,922	50%	27,127	52%
Cash	728	1%	614	1%	1,490	3%
Other Assets	261	1%	-	-	-	-
Total value of assets	63,225	100%	55,961	100%	51,641	100%

The Scheme assets do not include investments issued by the National Union of Teachers nor any property occupied by the National Union of Teachers.

National Union of Teachers

Notes forming part of the Consolidated Financial Statements
for the year ended 31 December 2012(*continued*)

2 Pension Costs (*continued*)

Expected Long Term Rate of Return (per annum)

	At 31 December 2012 (per annum)	At 31 December 2011 (per annum)	At 31 December 2010 (per annum)
Equities	N/A	N/A	N/A
Corporate bonds	4.7%	5.4%	5.80%
Diversified growth	7.0%	7.7%	8.40%
Cash	4.7%	4.2%	4.90%
Average Return	5.85%	6.57%	7.11%

	2012 £'000	2011 £'000	2010 £'000
Actual Return on Plan Assets	6,566	2,605	4,889

Income and Expenditure Account Impact

	Value at 31 December 2012 £'000	Value at 31 December 2011 £'000	Value at 31 December 2010 £'000
Current service cost	1,906	1,635	1,111
Interest on obligations	3,009	3,506	3,271
Expected return on plan assets	(3,293)	(3,450)	(3,305)
Past service cost	-	-	-
	1,622	1,691	1,077

Amount Recognised in the Statement of Total Recognised Gains and Losses

	Value at 31 December 2012 £'000	Value at 31 December 2011 £'000	Value at 31 December 2010 £'000
Net actuarial gains/(losses) recognised in year	(2,096)	2,908	(4,170)
Net cumulative actuarial losses	(13,193)	(11,097)	(14,005)

National Union of Teachers

Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2012(continued)

2 Pension Costs (continued)

Change in the present value of the defined benefit obligation

	Value at 31 December 2012 £'000	Value at 31 December 2011 £'000	Value at 31 December 2010 £'000
Opening defined benefit obligations	64,418	65,191	56,633
Service cost	1,906	1,635	1,111
Interest cost	3,009	3,506	3,271
Employees' contributions	49	403	582
Actuarial (gains)/losses	5,369	(3,753)	5,754
Benefits paid	(2,705)	(2,564)	(2,160)
	<u>72,046</u>	<u>64,418</u>	<u>65,191</u>
Closing defined benefit obligation	72,046	64,418	65,191

Change in the Fair Value of Plan Assets

Opening fair value of plan assets	55,961	51,641	46,268
Expected return	3,293	3,450	3,305
Actuarial (losses)/gains	3,273	(845)	1,584
Contributions by employer	3,354	3,876	2,062
Contributions by plan participants	49	403	582
Benefits paid	(2,705)	(2,564)	(2,160)
	<u>63,225</u>	<u>55,961</u>	<u>51,641</u>
Closing defined benefit obligation	63,225	55,961	51,641

History of Experience Gains and Losses

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Defined benefit obligations	(72,046)	(64,418)	(65,191)	(56,633)	(52,429)
Plan assets	63,225	55,961	51,641	46,268	41,668
Deficit	(8,821)	(8,457)	(13,550)	(10,365)	(10,761)
Experience adjustments on Plan liabilities	(3,946)	34	(464)	2,821	(1,564)
Percentage of the present value of scheme liabilities	5.5%	0.1%	(0.7%)	5.0%	(3.0%)
Actual return less expected return on Plan assets	3,273	(845)	1,584	1,717	(16,009)
Percentage of Scheme assets	5.2%	1.5%	3.1%	3.7%	38.4%

As indicated in Note 17, any Pension Scheme liability is secured by a first legal charge over the Union's Headquarters.

National Union of Teachers

Notes forming part of the consolidated financial statements for the year ended 31 December 2012 (continued)

3 Fixed assets

Any Pension Scheme liability is secured by a first legal charge over the Union's Headquarters.

Properties both freehold and leasehold are disclosed at cost. In the view of the Officers' the market value of these properties is significantly higher than their book value.

The freehold property used as Union headquarters is subject to a first legal charge in favour of the national Union of Teachers Staff Superannuation Fund to cover actuarial deficits. Note 2 indicates that at 31 December 2012 the Union had a net pension liability, as calculated by the actuary under FRS17, of some £8.82m (2011 – £8.46m). At 6 October 2012 the Union's headquarters were valued by Knight Frank Chartered Surveyors. The open market value of this property in existing use at that time amounted to £24m.

4 Short Term Loans

Consolidated and Union

	At 1 January 2012 £	Loans Granted £	Interest £	Repaid in year £	At 31 December 2012 £
Executive car loans	11,544	69,524	395	(25,560)	55,903
Employee house deposit loans	6,866	-	-	(1,440)	5,426
Season ticket loans	127,309	9,927	-	(127,309)	9,927
	<u>145,719</u>	<u>79,451</u>	<u>395</u>	<u>(154,309)</u>	<u>71,256</u>

Executive car loans are restricted to £6,000. Interest is charged on executive car loans at approximately 1% above HSBC's base rate. All other loans are interest free.

National Union of Teachers

Notes forming part of the Consolidated Financial Statements
for the year ended 31 December 2012(*continued*)

5 Operating Leases

Motor Vehicles, Furniture and Equipment, Plant and Machinery

In the forthcoming year, the Union and its totally owned subsidiaries are committed to the following payments under operating leases:

Consolidated	Property 2012 £	Other 2012 £	Property 2011 £	Other 2011 £
Expiry:				
Within one year	34,950	28,743	47,099	12,021
Between one and two years	-	280,858	166,221	39,046
Between two and five years	38,947	134,308	112,984	38,947
Greater than five years	61,601	-	13,601	46,500
	<u>135,498</u>	<u>443,909</u>	<u>339,905</u>	<u>136,514</u>
Union	Property 2012 £	Other 2012 £	Property 2011 £	Other 2011 £
Expiry:				
Within one year	34,950	26,343	47,099	-
Between one and two years	-	223,448	166,221	34,950
Between two and five years	38,947	134,308	112,984	38,947
Greater than five years	48,000	-	-	46,500
	<u>121,897</u>	<u>384,099</u>	<u>326,304</u>	<u>120,397</u>

National Union of Teachers

Notes forming part of the Consolidated Financial Statements
for the year ended 31 December 2012(*continued*)

6 Designated Reserves

Sustentation Fund

The following grants were paid:

	2012	2011
	£	£
Balham		1,910
Barking and Dagenham	2,055	-
Birmingham	174	3,620
Blackpool	-	39
Brent	2,510	2,392
Calderdale	259	-
Cambridge	-	179
Cardiff	-	129
Clitheroe	-	816
Coventry	-	10,519
Croydon	58	809
Darwen	-	447
Dudley	648	610
Eastbourne	1,492	-
Enfield	612	923
Essex	113	740
Hackney	-	1,144
Haringey	2,597	6,145
Hyndburn & Ribble Valley	662	-
Islington	-	2,632
Kent	34	-
Lancashire	47	2,915
Leeds	3,578	2,298
Lewisham	64	2,257
Liverpool	1,026	5,745
Midlands	493	-
Neasden	196	-
Newcastle	738	13,018
Newham	63,650	19,039
Northampton	809	-
Nottingham	19,166	-
Nottingham City	42,648	-
Nottinghamshire	-	254
Oldham	473	5,715
Powys	-	1,049
Preston	-	431
Rosendale	1,105	-
Rotherham	2,091	25,230
Salford	6,491	-
Scunthorpe	11,000	-
Sheffield	176	-
Shropshire	-	7,970
Southall	(25)	3,153
South Tyneside	259	-
Staffordshire	-	202
Stockport	4,748	211
	169,947	122,541
Subtotal carried forward		

National Union of Teachers

Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2012 *(continued)*

6 Designated Reserves *(continued)*

Sustentation Fund

The following grants were paid:	2012	2011
	£	£
Subtotal brought forward	169,947	122,541
Stoke on Trent	193	-
Stratford	-	916
Thurrock	117	3,078
Tower Hamlet	8,684	-
Waltham	-	810
Waltham Forest	8,693	-
Warwickshire	803	-
West Sussex	209	-
Worthing	1,727	-
	190,373	127,345
	190,373	127,345

The Sustentation Fund, under the Rules of the Union, may be utilised to make sustentation payments to members involved in industrial action. It may also be utilised to defray the costs of certain campaigns undertaken by the Union to protect the salaries and conditions of service of members.

The Legacy Fund was established by a bequest from a former member and is used from time-to-time to make grants to deserving members who have fallen on difficult times. The Fund is managed in conjunction with the Teacher Support network.

The International Development Fund was established to allow the Union to fund future international development work. The Union was committed to allocating 1% of Subscription Income to this Fund during the year ended 31 December 2012.

The Subsidiary reserve represents the total value of share capital and reserves within the Union's subsidiary companies.

National Union of Teachers
ACCOUNTING POLICIES
(see notes 74 and 75)

1 **Accounting policies**

- (a) The accounts have been prepared under the historical cost convention as modified by revaluation of fixed assets investments, and are in accordance with applicable accounting standards. The accounts do not include any autonomous Local Associations or Division funds and related financial transactions. Information relating to those groups and branches are included in the Annual Return for 2012 which is submitted to the Certification Officer for Trade Union and Employers' Associations.
- (b) Following a review of the Union's relationship with its related entity, Stoke Rochford Management Limited, and in accordance with United Kingdom Accounting Standards the results of this wholly owned subsidiary company have been consolidated within the Union. Previously, Stoke Rochford Management Limited was considered to act independently from the Union. However, following this review it was concluded that Stoke Rochford Management Limited is and always has been legally owned by the Union and while day to day management rests within the Company's management the Union has always maintained the ability to apply strategic control.

As a result the group accounts consolidate the accounts the National Union of Teachers and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method. Separate financial statements for Stoke Rochford Management Limited, The Teacher Publishing Co. Limited and Professional and Educational Travel Association Limited are available from Companies House.

Where a subsidiary company has a financial year end which is different to that of the National Union of Teachers, provided that the year/period end falls within 3 months prior to that of the National Union of Teachers, the financial results of the subsidiaries to be included in the consolidated financial statements are based on the subsidiaries' financial statements. Consolidation adjustments are made, where appropriate, to align the subsidiaries' transactions and balances with other group entities.

- (c) The financial statements are prepared on an accruals basis, whilst commissions are accounted for when the Union is notified of the sum due. Grants receivable for specific purposes are credited to the Income and Expenditure account to match the expenditure incurred on these projects to date. The balance is deferred.
- (d) All income and expenditure is credited/ charged to the Income and Expenditure account. Transfers to/(from) designated funds are made to allocate to these funds investment income earned on each fund's assets together with specific donations, and where relevant apportionment of subscription income due to the funds net of any expenditure attributable to the funds.

Following a change in the rules of the Union in 2008 a Political Fund has been established contributions to which commenced in 2010 with subscribing members, who have not opted out, contributing 1% of the full subscription fee to the Fund. Expenditure in connection with political activities must be charged against this fund.

- (e) Expenditure incurred, with the exception of depreciation, financial expenses and taxation are analysed under two broad categories, members' Services and Administration. Costs connected with Organisation and Membership, Employment Conditions and Rights, Superannuation, Equality and Professional Development and Education Economics departments together with costs incurred in the publication of The Teacher and at Regional and Wales Offices, have been classified as Administration. The costs associated with the Strategy and Communications Department have been apportioned between members Services and Administration on the basis of estimated employee time devoted to each type of activity. Labour costs are allocated to each department on an actual basis. Property costs have been apportioned to each department on the basis of floor space occupied.

National Union of Teachers
ACCOUNTING POLICIES

1 Accounting policies (continued)

- (f) In accordance with FRS17, the surplus or deficit arising on the Union's defined benefit pension scheme is disclosed on the Union's balance sheet. Movements on the pension scheme, asset or liability, are reflected through the income and expenditure account to the extent that they relate to employer's current service costs (which is reflected as a component of Staff Costs) or movements arising from expected returns on pension scheme assets net of interest on pension scheme liabilities which is disclosed as a component of Other Income). Movements arising from changes in actuarial assumptions, including differences between the actual returns on scheme assets and the expected returns and experience gains/(losses) arising on the scheme's liabilities are reflected through the Statement of Total Recognised Gains and Losses.
- (g) Depreciation is calculated to write down the cost of fixed assets to estimated realisable values on a straight line basis over the expected useful lives of the assets concerned.

The principal annual rates used are:

Freehold property	-	2% on cost excluding land
Property enhancements	-	Over the balance of the property's expected useful life
Leasehold property	-	Over the period of the lease (or 50 years if shorter)
Plant and machinery	-	10%
Furniture and office equipment	-	At varying rates of between 10% and 33½%
Cars	-	Over the period of the lease
Website		20%

- (h) Listed investments are disclosed at mid-market values at the balance sheet date. Unquoted investments are disclosed at cost less any provision for permanent diminution in value. Realised and unrealised gains or losses on listed investments are reflected in the Professional Sustentation Fund as listed investments are Sustentation Fund assets. Realised gains or losses on disposals of investments are calculated, in accordance FRS3, by reference to the carrying value of those investments reflected in the last set of audited financial statements.
- (i) As an unincorporated association, the National Union of Teachers is liable to Corporation Tax on its investment income, and realised gains on investments sold. As a trade union relief is available in respect of provident benefits expenditure as statutorily defined.
- (j) Deferred tax is provided on all reversing timing differences which arise from transactions reflected through the income and expenditure account.

National Union of Teachers
ACCOUNTING POLICIES

1 Accounting policies *(continued)*

- (k) Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right of title. Assets acquired under finance leases are treated as tangible fixed assets, depreciation is provided accordingly and the deemed capital element of future rentals is included under creditors. Rentals payable are apportioned between the finance element which is reflected as a finance charge in the income and expenditure account and the capital element which reduces the outstanding obligations. Rentals payable on operating leases are reflected in their entirety through the income and expenditure account.

- (l) Reserves which are earmarked by the Union for specific purposes are termed Designated Reserves (note 6).

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u><i>Christine Blower</i></u> Name: <u>CHRISTINE BLOWER</u> Date: <u>24/05/2013.</u>	Union Accountant Signature: <u><i>Audrey Allen</i></u> (or other official whose position should be stated) Name: <u>AUDREY ALLEN - CHITON</u> Date: <u>24/05/2013</u>
---	---

CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

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 relate?
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 83)

YES

3. 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 rule 83)

YES

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 85)

AUDITOR'S REPORT (continued)

Independent Auditors Report to the members of the National Union of Teachers

We have audited the AR21 of the National Union of Teachers for the year ended 31 December 2012 on pages 4 to 38, excluding pages 12 and 13. The AR21 has been prepared under the accounting policies set out on pages 32 to 34.

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.

Respective responsibilities of officers and auditors

As explained more fully in the statement of officers' responsibilities, the officer's are responsible for the preparation of the financial statements and AR21 and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the AR21

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the AR21

In our opinion the AR21:

- gives a true and fair view of the state of the Union's affairs as at 31 December 2012 and of its surplus for the year then ended; and
- has been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Trade Union and Labour Relations (Consolidation) Act 1992.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 union has not maintained a satisfactory system of control over transactions; or
- the AR21 does not agree with the accounting records; or
- we have not received all the information and explanations we require for our audit.



BDO LLP
Chartered accountants &
Statutory auditors
Gatwick
United Kingdom

Date: 30 May 2013

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

Signature(s) of auditor or auditors:		
Name(s):	BPO LLP	
Profession(s) or Calling(s):	Chartered accountants & statutory auditors	
Address(es):	2 City Place Beehive Ring Road Gatwick West Sussex, RH6 0PA	
Date:	30 MAY 2017	
Contact name and telephone number:	ANDREW STICKLAND 01293 848953	

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