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# 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 2015
List no:	235
Head or Main Office:	HAMILTON HOUSE MABLEDON PLACE LONDON WC1H 9BD
Website address (if available)	www.teachers.org.uk
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (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:	

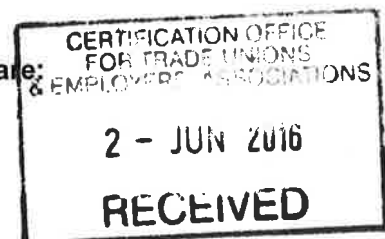
**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

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  
22<sup>nd</sup> 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)

# EXECUTIVE MEMBERS AT 31 DECEMBER 2015

ALAN RUTTER  
ALEX KENNY  
AMANDA MARTIN  
ANGELA JARDINE  
ANNE LEMON  
ANNE SWIFT  
ANNETTE PRYCE  
BETH DAVIES  
BETH PURNELL  
BARBARA REAGAN  
BARRIE FROST  
BETTY JOSEPH  
DAVE HARVEY  
DOMINIC BYRNE  
GAWAIN LITTLE  
GRAHAM WHITE  
HAZEL DANSON  
HEATHER MACKENZIE  
IAN GRAYSON  
IAN LEAVER  
IAN MURCH  
JACKIE BAKER  
JANE NELLIST  
JAY BARRY  
JERRY GLAZIER  
JOHN PEMBERTHY  
KEN RUSTIDGE  
LIAM CONWAY  
LINDA GOODWIN  
MANDY HUDSON  
MARILYN BATER  
MAX HYDE  
NEIL FODEN  
NICK WIGMORE  
PATRICK MURPHY  
PETER GLOVER  
PHIL CLARKE  
PHILIPA HARVEY  
ROBERTO DE BENEDICTIS  
ROBIN HEAD  
ROGER KING  
ROY BOWSER  
SIMON JONES  
STEFAN SIMMS

SENIOR VICE PRESIDENT

TREASURER

EX PRESIDENT

PRESIDENT

# 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	88,199			295	<b>88,494</b>
FEMALE	282,699			943	<b>283,642</b>
TOTAL	370,898			1,238	<b>A 372,136</b>

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

326

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

333,704

## 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	B. DAVIES	P. HARVEY	3 APRIL 2015
SENIOR VICE PRESIDENT	A. SWIFT	P. HARVEY	3 APRIL 2015
EX PRESIDENT	B. DAVIES	M. HYDE	3 APRIL 2015
JUNIOR VICE PRESIDENT	A. SWIFT		3 APRIL 2015

State whether the union is:

0

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)

	£	£
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		33,015,476
<b>From Members:</b> Other income from members (specify)		
 <b>Total other income from members</b>		
<b>Total of all income from members</b>		33,015,476
<b>Investment income (as at page 15)</b>		1,580,759
<b>Other Income</b>		
Income from Federations and other bodies (as at page 5)		
Income from any other sources (as at page 5)	1,669,538	
(Decrease) increase in market value of investment (page 5)	(3,549)	
<b>Total of other income (as at page 5)</b>		1,665,989
	<b>TOTAL INCOME</b>	<b>36,262,224</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 6)</b>		14,756,992
<b>Administrative expenses (as at page 12)</b>		13,680,963
<b>Federation and other bodies (specify)</b>		
TUC	901,569	
EI/TUCE	512,166	
Transfer to branches	316,849	
Transfer to Pension Scheme	1,139,000	
<b>Total expenditure Federation and other bodies</b>		2,869,584
<b>Taxation</b>		170,852
	<b>TOTAL EXPENDITURE</b>	<b>31,478,391</b>
Surplus (deficit) for year		4,783,833
Amount of general fund at beginning of year		56,379,456
Amount of general fund at end of year		61,163,289

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
Teacher Advertising	364,442	
Commission	388,756	
Legal Income	153,226	
Diaries	17,173	
Other	42,277	
Revaluation of Investment Property	700,000	
Profit on sale of fixed asset	3,384	
Donations	280	
<b>TOTAL OTHER INCOME</b>		1,669,538
(Decrease)/Increase in market value of investments		(3,549)
<b>TOTAL OF ALL OTHER INCOME</b>		1,665,989

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	1,662,733
		Education and Training services Training	996,647
Representation – Non Employment Related Issues			
		Negotiated Discount Services Discount card	183,150
Communications			
The Teacher	1,168,349		
Diaries	43,572		
Website	222,484	Salary Costs	11,207,096
Education Review			
Advisory Services (incl. Adviceline)	62,594		
Regional Council	165,734		
		Other Benefits and Grants (specify)	
		Insurance of Members	280,197
Dispute Benefits		Professional Development	415,472
		Professional Unity	11,697
Other Cash Payments			
<b>carried forward</b>	1,662,733	<b>Total (should agree with figure in General Fund)</b>	14,756,992

(See notes 24 and 25)

<b>FUND 2</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>SUSTENTATION FUND</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		336,274
	Investment income (as at page 15)		80,775
	Other income (specify)		
	Increase in market value of investment	78,808	
		<b>Total other income as specified</b>	78,808
		<b>Total Income</b>	495,857
<b>Expenditure</b>			
	Benefits to members		110,769
	Administrative expenses and other expenditure (as at page 11)		37,001
		<b>Total Expenditure</b>	147,770
		<b>Surplus (Deficit) for the year</b>	348,087
		<b>Amount of fund at beginning of year</b>	5,631,128
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	5,979,215
		<b>Number of members contributing at end of year</b>	333,704

<b>FUND 3</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>LEGACY</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 15)		
	Other income (specify)		
		<b>Total other income as specified</b>	
		<b>Total Income</b>	
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 12)		
		<b>Total Expenditure</b>	
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	14,248
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	14,248
		<b>Number of members contributing at end of year</b>	

(See notes 24 and 25)

<b>FUND 4</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>INTERNATIONAL SOLIDARITY FUND</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		100,000
	Investment income (as at page 15)		
	Other income (specify)		
		<b>Total other income as specified</b>	
		<b>Total Income</b>	100,000
<b>Expenditure</b>			
	Benefits to members		183,409
	Administrative expenses and other expenditure (as at page 12)		
		<b>Total Expenditure</b>	183,409
		<b>Surplus (Deficit) for the year</b>	(83,409)
		<b>Amount of fund at beginning of year</b>	413,940
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	330,531
		<b>Number of members contributing at end of year</b>	333,704

<b>FUND 5</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>ASSOCIATIONS AND DIVISIONS</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		4,205,562
	Investment income (as at page 15)		13,430
	Other income (specify)		
	Donations	56,756	
	Profit on disposal of fixed assets	267	
	Diaries sold	8,250	
	Transfer from General Fund	316,849	
	Transfer from Political Fund	2000	
		<b>Total other income as specified</b>	384,122
		<b>Total Income</b>	4,603,114
<b>Expenditure</b>			
	Benefits to members	301,825	
	Administrative expenses and other expenditure (as at page 12)	3,705,311	
		<b>Total Expenditure</b>	4,007,136
		<b>Surplus (Deficit) for the year</b>	595,978
		<b>Amount of fund at beginning of year</b>	6,130,171
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	6,726,149
		<b>Number of members contributing at end of year</b>	333,704



(See notes 24 and 25)

<b>FUND 6</b>		<b>Fund Account</b>	
<b>Name:</b>	PENSION RESERVE FRS102	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 15)		
	Other income (specify)		
	Transfer from General Fund	1,139,000	
	Actuarial gain		
	<b>Total other income as specified</b>		1,139,000
	<b>Total Income</b>		1,139,000
<b>Expenditure</b>			
	Benefits to members		
	Admin. expenses and other expenditure (as at page 12)		
	Actuarial loss		5,860,000
	<b>Total Expenditure</b>		5,860,000
	<b>Surplus (Deficit) for the year</b>		(4,721,000)
	<b>Amount of fund at beginning of year</b>		(5,950,015)
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		(10,671,015)
	<b>Number of members contributing at end of year</b>		

<b>FUND 7</b>		<b>Fund Account</b>	
<b>Name:</b>	STOKE ROCHFORD	<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 15)		
	Other income (specify)	2,665,899	
	<b>Total other income as specified</b>		2,665,899
	<b>Total Income</b>		2,665,899
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 12)		3,504,934
	<b>Total Expenditure</b>		3,504,934
	<b>Surplus (Deficit) for the year</b>		(839,035)
	<b>Amount of fund at beginning of year</b>		9,886,704
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		9,047,689
	<b>Number of members contributing at end of year</b>		

FUND 8		Fund Account	
Name:	BENEVOLENT FUND	£	£
<b>Income</b>			
	From members		50,656
	Investment income (as at page 15)	17	
	Other income (specify)	-	
	Donations	44,280	
		<b>Total other income as specified</b>	44,297
		<b>Total Income</b>	94,953
<b>Expenditure</b>			
	Benefits to members		37,203
	Administrative expenses and other expenditure (as at page 12)		
		<b>Total Expenditure</b>	37,203
		<b>Surplus (Deficit) for the year</b>	57,750
		<b>Amount of fund at beginning of year</b>	-
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	57,750
		<b>Number of members contributing at end of year</b>	4,247

(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Members contributions and levies		441,424	
	Investment income (as at page 14)			
	Other income (specify) Donations	125		
	Total other income as specified		125	
	Total income		441,549	
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		356,929	
	Transfer to Association and Division Fund		2,000	
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
		Total expenditure		358,929
		Surplus (deficit) for year		82,620
		Amount of political fund at beginning of year		585,065
		Amount of political fund at the end of year (as Balance Sheet)		667,685
		Number of members at end of year contributing to the political fund		333,704
	Number of members at end of the year not contributing to the political fund		38,432	
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		1,912	

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	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			
<b>Expenditure</b>	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)

	£
<b>Administrative Expenses</b>	
Remuneration and expenses of staff	4,549,217
Salaries and Wages included in above	£4,233,913
Auditors' fees	80,945
Legal and Professional fees	229,273
Occupancy costs	1,991,203
Stationery, printing, postage, telephone, etc.	2,042,405
Expenses of Executive Committee (Head Office)	417,189
Expenses of conferences	1,186,302
Other administrative expenses (specify) –Computer costs	679,069
Research Fees	114,563
Campaigns and action	1,458,638
Elections	502,226
Staff Recruitment	316,272
Badges and souvenirs	45,992
Subscriptions and donations	131,660
Stoke Rochford costs	3,058,890
Recruitment	446,829
Expenses of committees/ other outside bodies	1,358,025
Net Interest on pension liabilities (FRS102)	194,000
<b>Other Outgoings</b>	
Depreciation	2,012,456
Taxation	8,079
Executive IT	8,940
Bank Charges	88,804
Loss on disposal of investments	7,231
Loss on disposal of fixed assets	-
<b>Total</b>	<b>20,928,208</b>
Charged to:	
General Fund (Page 4)	13,680,963
Sustentation Fund (Account 2)	37,000
Assoc & Div Fund (Account 5)	3,705,311
Stoke Fund (Account 7)	3,504,934
<b>Total</b>	<b>20,928,208</b>



# EXECUTIVE HONORARIA AND IT GRANTS

FORENAME	SURNAME	IT GRANT £
JACQUELINE	BAKER	481
JAMES	BARRY	634
PHIL	CLARKE	473
BETH	DAVIES	312
PETER	GLOVER	160
LINDA	GOODWIN	501
IAN	GRAYSON	999
ROBIN	HEAD	909
ALEX	KENNY	559
IAN	LEAVER	101
GAWAIN	LITTLE	1,000
AMANDA	MARTIN	178
PATRICK	MURPHY	884
JANE	NELLIST	762
THOMAS	POWELL-DAVIES	65
STEFAN	SIMMS	921
		<hr/> <b>8,939</b> <hr/>



# BALANCE SHEET as at 31 DECEMBER 2015

(see notes 47 to 50)

Previous Year restated		£	£
48,726,411	<b>Fixed Assets</b> (at page 17)		47,817,246
	<b>Investments</b> (as per analysis on page 18)		
8,658,185	Quoted (Market value £ 8,568,185)	8,265,020	
1,175,632	Unquoted	1,642,336	
9,833,817	<b>Total Investments</b>		9,907,356
	<b>Other Assets</b>		
2,007,940	Sundry debtors	1,541,062	
7,184,641	Short term deposits	5,170,943	
15,276,109	Cash at bank and in hand	23,541,391	
45,701	Stocks of goods	33,000	
68,601	Others (specify) Short tem loans	91,779	
24,582,993	<b>Total of other assets</b>		30,378,175
83,143,220	<b>TOTAL ASSETS</b>		88,102,777
56,379,456	General Fund (Account 1)		61,163,289
5,631,128	Sustentation Fund (Account )		5,979,215
14,248	Legacy Fund (Account )		14,248
413,940	International Sol. Fund (Account )		330,531
6,130,171	Assoc. & Div. Fund (Account )		6,726,149
(5,950,015)	Superannuation Fund (Account )		(10,671,015)
9,886,704	Stoke Rochford (Account )		9,047,669
	Benevolent Fund (Account )		57,750
585,065	Political Fund (Account )		667,684
73,090,697			73,315,520
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
1,853,998	Sundry creditors		1,620,532
352,661	Deferred Income		404,148
5,950,015	Pension liability		10,671,015
1,895,849	Deferred tax		2,091,562
10,052,523	<b>TOTAL LIABILITIES</b>		14,787,257
83,143,220	<b>TOTAL ASSETS</b>		88,102,777



# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Investment Property £	Furniture and Equipment £	Motor Vehicles £	Total £
	Freehold £	Leasehold £				
<b>Cost or Valuation</b>						
At start of year	17,640,267	18,474,334	14,300,000	8,192,437	16,569	58,623,607
Additions	26,925			396,997	7,899	431,821
Disposals	-	-		(419,860)	-	(419,860)
Revaluation/Transfers	-	-	700,000	-	-	700,000
At end of year	17,667,192	18,474,334	15,000,000	8,169,574	24,468	59,335,568
<b>Accumulated Depreciation</b>						
At start of year	1,286,945	2,634,627		5,961,795	13,829	9,897,196
Charges for year	1,093,125	373,613		544,368	1,351	2,012,457
Disposals	-	-		(391,331)	-	(391,331)
Revaluation/Transfers	-	-		-	-	
At end of year	2,380,070	3,008,240		6,114,832	15,180	11,518,322
<b>Net book value at end of year</b>	15,287,122	15,466,094	15,000,000	2,054,743	9,287	47,817,246
<b>Net book value at end of previous year</b>	16,353,322	15,839,707	14,300,000	2,230,645	2,739	48,726,410

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

<b>QUOTED</b>	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)	4,705,963	
Semi Government Bonds	48,233	
Other quoted securities (to be specified)		
Fixed Interest	110,311	
Unit Trust	29,636	
Corporate Bond	220,100	
Corporate Bond Fund	3,150,777	
TOTAL QUOTED (as Balance Sheet)	8,265,020	
Market Value of Quoted Investment	8,265,020	
<b>UNQUOTED</b> Equities	505,001	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies	1,137,335	
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	1,642,336	
Market Value of Unquoted Investments	1,642,336	

# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		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 D	102549		
3) PROFESSIONAL AND EDUCATIONAL TRAVEL ASSOCIATION LIMITED (DORMANT)	1086502		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		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 COMPANY LTD	NAMES OF SHAREHOLDERS  CHRISTINE BLOWER		
PROFESSIONAL AND TRAVEL ASSOCIATED LIMITED (DORMANT)	TEACHER PUBLISHING COMPANY LTD		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Intergroup Transactions	Political Funds £	Total Funds £
<b>INCOME</b>				
From Members	37,707,968		441,424	38,149,392
From Investments	1,674,981			1,674,981
Other Income (including increases by revaluation of	4,520,248	(489,426)	125	4,030,947
<b>Total Income</b>	43,903,197	(489,426)	441,549	43,855,320
<b>EXPENDITURE</b> (including decreases by revaluation of assets)				
<b>Total Expenditure</b>	43,760,994	(489,426)	358,929	43,630,497
<b>Funds at beginning of year</b> (including reserves)	72,505,632		585,065	73,090,697
<b>Funds at end of year</b> (including reserves)	72,647,835		667,685	73,315,520
<b>ASSETS</b>				
Fixed Assets				47,817,246
Investment Assets				9,907,356
Other Assets				30,378,176
			<b>Total Assets</b>	88,102,777
<b>LIABILITIES</b>				
			<b>Total Liabilities</b>	(14,787,257)
<b>NET ASSETS (Total Assets less Total Liabilities)</b>				73,315,520

# 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.

## National Union of Teachers

Notes forming part of the Consolidated Financial Statements  
for the year ended 31 December 2015

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### 1 Related Party Transactions

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 £44,921 (2014 - £108,147).
- (b) The National Union of Teachers made no charitable donations to the Teachers' Support Network in 2015 and 2014.
- (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(a), 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 £338,615 (2014 - £221,999);
- subscriptions collected on behalf of associations and divisions and remitted to them amounted to £4,222,154 (2014 - £4,058,246). These payments are reflected in the accounts by netting them off against Subscription Income.

**Notes forming part of the Consolidated Financial Statements  
for the year ended 31 December 2015 (continued)**

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**2 Pension Costs**

Employees of the Union who are 17 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 £3,906,000 for the year ended 31 December 2016. 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 £10,266,000 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 279 (2014- 273) active members, paid pensions to 200 (2014- 189) retired members and recognised additional future pension commitments in respect of 127 (2014- 124) 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 2011. 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 per the triennial actuarial valuation at 31 December 2011 amounted to £41.8m.

The following disclosures have been prepared to comply with FRS 102.

# National Union of Teachers

## Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2015 (continued)

### 2 Pension Costs (continued)

The information required to comply with FRS 102 was generated by the Scheme's Actuary. It is based on the full actuarial valuation, which was carried out at 31 December 2011 and updated to 31 December 2015 by a qualified independent actuary, using approximate actuarial techniques and available information.

Under Financial Reporting Standard 102, the net pension deficit or surplus (measured in accordance with the requirements of the standard) are reflected on the Union's Statement of Financial Position as a pension liability or asset. Movements on the Pension Scheme asset or liability during the year are reflected through the Income Statement 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 the interest on scheme assets and liabilities and gains and losses on the Scheme's liabilities are reflected through the Comprehensive Income Statement.

The FRS 102 current service costs of pensions amounts to £2,463,000 (2014 - £2,220,000). The interest on Pension liabilities will exceed the interest on Pension Scheme Assets interest by £194,000 (2014 - £393,000), resulting in a net charge reflected through the Income Statement of £2,657,000 (2014 - £2,613,000).

In addition, in the current year an actuarial loss of £5,860,000 (2014 - surplus of £2,412,000) is reflected through the Statement of Comprehensive Income.

	Value at 31 December 2015 £'000	Value at 31 December 2014 £'000	Value at 31 December 2013 £'000
Present value of funded obligations	86,705	80,299	75,904
Fair value of Scheme assets	(76,034)	(74,349)	(66,493)
	<hr/>	<hr/>	<hr/>
Net liability	10,671	5,950	9,411
	<hr/>	<hr/>	<hr/>

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 2015 (*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:

	<b>At 31 December 2015 (per annum)</b>	<b>At 31 December 2014 (per annum)</b>	<b>At 31 December 2013 (per annum)</b>
<b>Financial Assumptions</b>			
Rate of increase in salaries	<b>1.5% to 31 December 2017, 3.0% thereafter</b>	1.75% to 2015, 1.5% to 2017, 3.0% thereafter	2.25% to 2014, 3.4% thereafter
Rate of increase of pensions in payment	<b>2.0%</b>	1.9%	2.4%
Rate of revaluation of deferred pensions in excess of GMP	<b>1.9%</b>	1.9%	2.4%
Discount rate	<b>3.8%</b>	3.7%	4.5%
Inflation assumption (RPI)	<b>3.0%</b>	2.9%	3.4%
Inflation assumption (CPI)	<b>2.0%</b>	1.9%	2.4%



# National Union of Teachers

## Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2015 (continued)

### 2 Pension Costs (continued)

	At 31 December 2015 (per annum)	At 31 December 2014 (per annum)	At 31 December 2013 (per annum)
<b>Demographic Assumptions</b>			
Post retirement mortality for non-pension members (male/female)	<b>90% (males) / 95% (females) of S2PxA</b>	90% (males) / 95% (females) of S2PxA	90% (males) / 95% (females) of S1PxA
Post retirement mortality for pension members (male/female)	<b>90% (males) / 95% (females) of S2PxA</b>	90% (males) / 95% (females) of S2PxA	90% (males) / 95% (females) of S1PxA
Life expectancy at age 60 for someone who is currently a pensioner	<b>Male 87.3 years Female 89.2 years</b>	Male 87.5 years Female 89.2 years	Male 87.3 years Female 89.2 years
Life expectancy at age 60 for someone who is currently aged 40	<b>Male 88.8 years Female 89.2 years</b>	Male 89 years Female 89.0 years	Male 88.9 years Female 90.9 years
Cash commutation allowance	<b>No</b>	No	No
Withdrawal allowances	<b>No</b>	No	No

### Fair Value of Assets

	Value at 31 December 2015 £'000	Proportion at 31 December 2015 %	Value at 31 December 2014 £'000	Proportion at 31 December 2014 %	Value at 31 December 2013 £'000	Proportion at 31 December 2013 %
Corporate Bonds	37,570	49%	37,732	51%	32,411	49%
Diversified growth	37,642	50%	35,956	48%	32,989	49%
Cash	822	1%	661	1%	789	1%
Other Assets	-	-	-	-	304	1%
<b>Total value of assets</b>	<b>76,034</b>	<b>100%</b>	<b>74,349</b>	<b>100%</b>	<b>66,493</b>	<b>100%</b>

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 2015 *(continued)*

### 2 Pension Costs *(continued)*

	2015 £'000	2014 £'000	2013 £'000
<b>Actual Return on Plan Assets</b>	<b>938</b>	<b>7,164</b>	<b>2,264</b>
<b>Income Statement Impact</b>	<b>Value at 31 December 2015 £'000</b>	<b>Value at 31 December 2014 £'000</b>	
Current service cost	2,463	2,220	
Net Interest cost	194	393	
	<b>2,657</b>	<b>2,613</b>	
<b>Amount Recognised in the Total Comprehensive Income Statement</b>	<b>Value at 31 December 2015 £'000</b>	<b>Value at 31 December 2014 £'000</b>	<b>Value at 31 December 2013 £'000</b>
Net actuarial (losses)/ gains recognised in year	(5,860)	2,412	(2,556)
Net cumulative actuarial losses	(19,197)	(13,337)	(15,749)

# National Union of Teachers

## Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2015 (continued)

### 2 Pension Costs (continued)

#### Change in the present value of the defined benefit obligation

	Value at 31 December 2015 £'000	Value at 31 December 2014 £'000	Value at 31 December 2013 £'000
Opening defined benefit obligations	80,299	75,904	72,046
Service cost	2,463	2,220	1,944
Interest cost	2,959	3,398	3,157
Employees' contributions	58	99	56
Actuarial losses	4,033	1,747	1,253
Benefits paid	(3,107)	(3,069)	(2,552)
	<u>86,705</u>	<u>80,299</u>	<u>75,904</u>
Closing defined benefit obligation	<u>86,705</u>	<u>80,299</u>	<u>75,904</u>

#### Change in the Fair Value of Plan Assets

Opening fair value of plan assets	74,349	66,493
Interest Income	2,765	3,005
Actuarial (losses)/ gains	(1,827)	4,159
Contributions by employer	3,796	3,662
Contributions by plan participants	58	99
Benefits paid	(3,107)	(3,069)
	<u>76,034</u>	<u>74,349</u>
Closing fair value of plan assets	<u>76,034</u>	<u>74,349</u>

#### History of Experience Gains and Losses

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Defined benefit obligations	(86,705)	(80,299)	(75,904)	(72,046)	(64,418)
Plan assets	76,034	74,349	66,493	63,225	55,961
Deficit	(10,671)	(5,950)	(9,411)	(8,821)	(8,457)
Experience adjustments on Plan liabilities	(5,158)	197	100	(3,946)	34
Percentage of the present value of scheme liabilities	(6%)	0.2%	0.1%	(5.5%)	0.1%
Actual return less expected return on Plan assets	3,107	3,087	(1,303)	3,273	(845)
Percentage of Scheme assets	4%	4%	(2%)	5.2%	1.5%

As indicated in Note 17, the 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 2015 (*continued*)

### 3 Fixed assets

Freehold and leasehold properties 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 32 indicates that, at 31 December 2015, the Union had a net pension liability, as calculated by the actuary under FRS102, of some £10.67m (2014 - £5.95m). At 20 March 2014, 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 £26.5m (2014: £26.5m).

### 4. Short term loans

	At 1 January 2015 £	Loans Granted £	Interest £	Repaid in year £	At 31 December 2015 £
Executive car loans	50,190	-	565	(41,488)	9,268
Employee house deposit loans	3,729	9,453	-	(739)	12,443
Season ticket loans	14,682	153,464	-	(98,078)	70,068
	<u>68,601</u>	<u>162,917</u>	<u>565</u>	<u>(140,305)</u>	<u>91,779</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 2015 (continued)

### 5 Operating Leases

#### Motor Vehicles, Furniture and Equipment, Plant and Machinery

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

<b>Consolidated</b>	<b>Property 2015 £</b>	<b>Other 2015 £</b>	<b>(Restated) Property 2014 £</b>	<b>(Restated) Other 2014 £</b>
Expiry:				
Within one year	55,489	119,030	-	198,978
Between one and two years	-	131,229	115,104	319,359
Between two and five years	-	559,172	8,664	437,370
	<u>55,489</u>	<u>809,431</u>	<u>123,768</u>	<u>955,707</u>
<b>Union</b>	<b>Property 2015 £</b>	<b>Other 2015 £</b>	<b>Property 2014 £</b>	<b>Other 2014 £</b>
Expiry:				
Within one year	51,157	105,284	-	127,653
Between one and two years	-	131,229	115,104	291,867
Between two and five years	-	559,172	-	437,370
	<u>51,157</u>	<u>795,685</u>	<u>115,104</u>	<u>856,890</u>

### 6 Financial Commitments

There were no financial commitments at the year end

# National Union of Teachers

Notes forming part of the Consolidated Financial Statements  
for the year ended 31 December 2015 (*continued*)

## 7 Designated Reserves

### Sustentation Fund

The following grants were paid:

	2015	2014
	£	£
Birmingham	4,346	-
Brent	4,179	-
Bridgeford	1,462	-
Bristol	4,343	7,662
Cardiff	535	-
Coventry	847	-
Croydon	-	1,416
Derbyshire	8,210	-
East London	944	-
East Sussex	1,974	853
Eastbourne	-	317
Gateshead	37	-
Greenwich	3,490	-
Hackney	4,360	4,985
Hampshire	(87)	718
Haringey	218	23,630
Harrow	(1,048)	12,256
Highgate	905	-
Hillingdon	85	-
Hove	659	2,383
Islington	-	913
Kent	-	526
Kirklees	63	-
Lancashire	-	224
Leeds	73	1,310
Leicester	(122)	24,212
Lewisham	23,264	-
Liverpool	-	1,436
Lowestoft	386	3,941
Middlesex	-	3,047
Neath	-	717
Newham	10,969	937
Northampton	-	182
Pembrokeshire	-	137
Powys	(245)	726
Rotherham	-	4,864
Sheffield	-	61
Shrewsbury	-	17,108
	<hr/>	<hr/>
Subtotal carried forward	69,847	114,561

# National Union of Teachers

## Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2015 (continued)

### 7 Designated Reserves (continued)

#### Sustentation Fund

The following grants were paid:	2015 £	2014 £
Subtotal brought forward	69,847	114,561
South Gloucestershire	3,401	-
Southern Derbyshire	6,315	-
Swansea	1,436	1,552
TEK	-	110
Telford	8,233	3,738
Tower Hamlet	1,064	-
Tyne & Wear	-	13,306
Wakefield & District	312	-
Waltham Forest	18,494	-
West Glamorgan	-	510
West Sussex	-	1,267
Wigan	-	4,759
Wokingham	1,667	-
	<u>110,769</u>	<u>139,803</u>

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 Solidarity Fund was established to allow the Union to fund future international solidarity work. The Union contributed 0.3% into this Fund during the year ended 31 December 2015.

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

The Benevolent Fund was established to provide grants of funds to NUT members in times of financial need. A member needs to meet certain criteria to be eligible to be assisted.

# National Union of Teachers

Notes forming part of the Consolidated Financial Statements  
for the year ended 31 December 2015 (continued)

## 8 First time adoption of FRS 102

Consolidated	Funds at 1 January 2014	Total comprehensive income statement for year ended 31 December 2014	Funds at 31 December 2014
	£	£	£
<b>As previously stated under UK GAAP</b>			
Revaluation of property to deemed cost	36,887,150	5,227,423	42,114,573
Depreciation of deemed cost that was not been re-categorized as investment property	24,821,320	(855,457)	24,821,320
Surplus on revaluation of investment property	-	2,934,714	2,934,714
Deferred tax on investment property	-	(1,758,000)	(1,758,000)
Deferred tax on investments	-	(128,267)	(128,267)
Employer Pension contribution	-	(24,000)	(24,000)
Inclusion in Income Statement of interest on defined benefit scheme assets rather than expected return on scheme assets	-	(1,072,000)	(1,072,000)
Inclusion of actual returns on scheme assets in comprehensive Income Statement	-	1,096,000	1,096,000
Accrual of carried forward holiday pay	-	(168,357)	(168,357)
<b>Stated in accordance with FRS 102</b>	<b>61,708,470</b>	<b>5,252,056</b>	<b>66,950,526</b>



# National Union of Teachers

Notes forming part of the Consolidated Financial Statements  
for the year ended 31 December 2015 (continued)

## 8 First time adoption of FRS 102 (continued)

Union	Funds at 1 January 2014	Total comprehensive income statement for year ended 31 December 2014	Funds at 31 December 2014
	£	£	£
<b>As previously stated under UK GAAP</b>			
Revaluation of property to deemed cost	26,225,386	6,002,483	32,227,869
Depreciation of deemed cost that was not been re-categorized as investment property	24,821,320	-	24,821,320
Surplus on revaluation of investment property	-	(855,457)	(855,457)
	-	2,934,714	2,934,714
	-	(1,758,000)	(1,758,000)
Deferred tax on investment	-	(128,267)	(128,267)
Employer pension contribution adjustment	-	(24,000)	(24,000)
Inclusion in Income Statement of interest on defined benefit scheme assets rather than expected return on scheme assets	-	(1,072,000)	(1,072,000)
Inclusion of actual returns on scheme assets in comprehensive Income Statement	-	1,096,000	1,096,000
Accrual of carried forward holiday pay	-	(168,357)	(168,357)
	<u>51,046,706</u>	<u>6,027,116</u>	<u>57,073,822</u>
<b>Stated in accordance with FRS 102</b>			

# ACCOUNTING POLICIES

(see notes 74 and 75)

## National Union of Teachers

Notes forming part of the Consolidated Financial Statements  
for the year ended 31 December 2015

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### 8 Accounting Policies

(a) **Basis of preparation of financial statements**

The accounts have been prepared under the historical cost convention, as modified by revaluation of fixed assets investments, and are in accordance with Financial Reporting Standard 102. 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 2015 which is submitted to the Certification Officer for Trade Union and Employers' Associations.

(b) **Consolidated financial Statements**

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 three 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) **Income recognition**

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 Statement to match the expenditure incurred on these projects to date. The balance is deferred.

(d) **Designated funds**

All Income and Expenditure is credited/ charged to the Income Statement. 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.

Reserves which are earmarked by the Union for specific purposes are termed Designated Reserves (note 28).

Subscribing members, who have not opted out, contribute 1% of the full subscription fee to the Political Fund. Expenditure in connection with Political activities must be charged against this Fund.

(e) **Analysis of expenditure**

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 Member Services. Costs associated with Resource Management, Finance, Payroll, Pensions and Records and Subscriptions 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

## Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2015 (*continued*)

### 8 Accounting Policies (*continued*)

#### (f) Defined benefit pension scheme

The surplus or deficit arising on the Union's defined benefit Pension Scheme is disclosed on the Union's Statement of Financial Position. Movements on the Pension Scheme, asset or liability, are reflected through the Income Statement 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) Corporation taxation

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.

#### (h) Deferred tax

Deferred tax is provided on all material reversing timing differences which arise from transactions reflected through the Income Statement.

#### (i) Operating Leases

Rentals payable on operating leases are reflected in their entirety through the Income Statement.

#### (j) Critical accounting assumptions and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable. Revision to accounting estimates are recognised in the period in which the estimates are revised and any future period affected.

In preparing these financial statements, the Union has made the following judgements:

- Determine whether leases entered into by the group either as lessor or a lessee are operating lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are any indicators of impairment of the group's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 17)

Fixed assets are initially recognised at cost. 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.

# National Union of Teachers

## Notes forming part of the Consolidated Financial Statements for the year ended 31 December 2015 (*continued*)

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### 8 Accounting Policies (*continued*)

The principal annual rates used are:

Freehold property	-	2% on cost excluding land
Leasehold improvements	-	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 33⅓%
Motor vehicles	-	20%
Website	-	20%

- Investments (see note 18)  
Listed investments are disclosed at mid-market values at the Statement of Financial Position date. Unquoted investments are disclosed at fair value. Realised and unrealised gains or losses on listed investments are reflected in the Professional Sustentation Fund or the General Fund as appropriate. Realised gains or losses on disposals of investments are calculated by reference to the carrying value of those investments reflected in the last set of audited Financial Statements.

# 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>	Union Accountant: <u><i>Ally Allen</i></u> (or other official whose position should be stated)
Name: <u>Christine Blower</u> Date: <u>27/05/2016</u>	Name: <u>Audrey Allen-Chitwa</u> Date: <u>27/05/2016</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  NO

If "No" please explain below.

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  NO

If "No" please explain below.

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  NO

If "No" please explain below.

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)

## National Union of Teachers

### Independent auditor's report

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF TEACHERS

We have audited the financial statements of the National Union of Teachers for the year ended 31 December 2015 which comprise the Consolidated and Union Income Statements, Consolidated Statement of Comprehensive Income and Expenditure, Consolidated Statement of Historical Surpluses and Deficits, the Consolidated and Union Statement of Financial Position, the Consolidated Cash Flow, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard 102.

This report is made solely to the members of the Union 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 members of the Union those matters we are required to state to them in an independent 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 members of the Union as a body, for our work, for this report, or for the opinion we have formed.

#### Respective responsibilities of the Union's Executive and auditor

As explained more fully in the Executive's Responsibilities Statement, the Executive Council is responsible for the preparation of the financial statements, which have been prepared in accordance with applicable law and accounting standards and for being satisfied that they give a true and fair view.

We have been appointed as auditors and our responsibility is to audit and express an opinion on 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 (APB's) Ethical Standards for Auditor.

#### Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Examiner to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

# AUDITOR'S REPORT (continued)

## National Union of Teachers

### Independent auditor's report

#### 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 by, if in our opinion:

- The Union has not kept proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- A satisfactory system of control over transactions has not been maintained.
- The accounts are not in agreement with accounting records.
- We have not received all the information and explanations we require for our audit.

MOORE STEPHENS LLP  
Chartered Accountants and Statutory Auditor  
LONDON  
Date:

Signature(s) of auditor or auditors:	Moore Stephens LLP	
Name(s):	MOORE STEPHENS LLP	
Profession(s) or Calling(s):	CHARTERED ACCOUNTANTS	
Address(es):	150 ALDERGATE STREET LONDON EC1A 4AJ	
Date:	31 MAY 2016	
Contact name and telephone number:	PHILIP CLARK 0207 509 9305	

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