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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

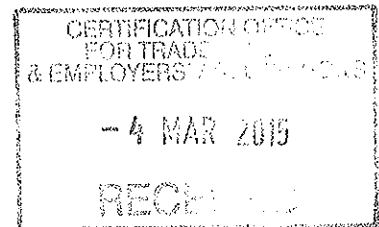
Name of Trade Union:	NATIONAL SOCIETY FOR EDUCATION IN ART AND DESIGN
Year ended:	30 SEPTEMBER 2014
List no:	680T
Head or Main Office:	3 MASONS WHARF POTLEY LANE CORSHAM WILTSHIRE SN13 9FY
Website address (if available)	www.nsead.org
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	LESLEY BUTTERWORTH
Telephone Number:	01225 810 134
Contact name for queries regarding	ANNE INGALL
Telephone Number:	01225 810 134
E-mail:	anneingall@nsead.org

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	The society makes no distinction between male and female members				
FEMALE					
TOTAL	1,927	16	7	36	A 1,986

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

	10
Number of members at end of year contributing to the General Fund	1,650

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	S. Coles	S. Coles	01/01/2014
President-Elect	-	G. Gast	01/01/2014
Vice President	M. Wylie	M. Wylie	01/01/2014
Vice President	G. Gast	-	01/01/2014
Vice President	-	P. Gregory	14/06/2014
Past President	A. Mutter	-	01/01/2014
Hon Treasurer	J. Childs	J. Childs	01/01/2014

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		203,156
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		203,156
Investment income (as at page 12)		
Other Income		
Income from Federations and other bodies (as at page 4)	64,452	
Income from any other sources (as at page 4)	14,023	
Total of other income (as at page 4)		78,475
	TOTAL INCOME	281,631
EXPENDITURE		
Benefits to members (as at page 5)		28,217
Administrative expenses (as at page 10)		167,923
Federation and other bodies (specify)		
Publications	6,081	
CPD	29,144	
Skills in the Making	927	
AD Magazine expenses	21,808	
ATS	0	
CfSA	79	
iJADE	8,536	
Total expenditure Federation and other bodies		66,575
Taxation		0
	TOTAL EXPENDITURE	262,715
		18,916
Surplus (deficit) for year		18,916
Amount of general fund at beginning of year		48,327
Amount of general fund at end of year		67,243

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
Publications	5,913	
CPD	28,448	
Skills in the Making	1,140	
AD Magazine	4,743	
IJADE	21,467	
CfSA	2,741	
TOTAL FEDERATION AND OTHER BODIES		64,452
Other income		
Dividends	11	
Miscellaneous income	965	
Website income	2,670	
Rent received	7,225	
Grants received	3,092	
Donations	60	
TOTAL OTHER INCOME		14,023
TOTAL OF ALL OTHER INCOME		78,475

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	28,217
		Education and Training services	
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications Membership activity & communication costs (see note 9 to the accounts)	28,217	Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
carried forward	28,217	Total (should agree with figure in General Fund)	28,217

(See notes 24 and 25)

FUND 2		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
Amount of fund at the end of year (as Balance Sheet)			
Number of members contributing at end of year			

FUND 3		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
Amount of fund at the end of year (as Balance Sheet)			
Number of members contributing at end of year			

(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			
	Investment income (as at page 12)			
	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 of political fund at beginning of year		
		Amount of political fund at the end of year (as Balance Sheet)		
	Number of members at end of year contributing to the political fund			
	Number of members at end of the year not contributing to the political fund			
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund			

POLITICAL FUND ACCOUNT 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	119,915
Salaries and Wages included in above	£110,872
Auditors' fees	8,325
Occupancy costs	
Stationery, printing, postage, telephone, etc.	5,908
Expenses of Executive Committee (Head Office)	
Expenses of conferences	
Other administrative expenses (specify)	
Irrecoverable VAT	4,501
Miscellaneous	87
Bank Charges	3,407
Equipment hire	2,750
Other Outgoings	
Interest payable:	
Bank loans (including overdrafts)	6,212
Mortgages	
Other loans	
Depreciation	7,727
Taxation	
Outgoings on land and buildings (specify)	
Other outgoings (specify)	
Rates, gas and electricity	3,563
Insurance	1,168
Repairs & maintenance	4,360
Total	167,923
Charged to:	
General Fund (Page 3)	167,923
Total	167,923

BALANCE SHEET as at 30 SEPTEMBER 2014

(see notes 47 to 50)

Previous Year		£	£
279,960	Fixed Assets (at page 14)		274,003
	Investments (as per analysis on page 15)		
	Quoted (Market value £ 270)		
	Unquoted		
	Total Investments		
	Other Assets		
	Loans to other trade unions		
15,412	Sundry debtors	7,117	
16,468	Cash at bank and in hand	20,167	
	Income tax to be recovered		
17,712	Stocks of goods	16,429	
	Others (specify)		
49,592	Total of other assets		43,713
329,552	TOTAL ASSETS		317,716
48,327	Fund (Account 1)		67,243
	Fund (Account)		
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
211,110	Loans: Other		201,188
9,377	Bank overdraft		
	Tax payable		
22,884	Sundry creditors		22,427
22,534	Accrued expenses		9,403
	Provisions		
15,320	Other liabilities: Subscriptions in advance		17,455
281,225	TOTAL LIABILITIES		250,473
329,552	TOTAL ASSETS		317,716

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings Leasehold £	Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
Cost or Valuation					
At start of year	290,486	41,651			332,137
Additions		1,770			1,770
Disposals					
Revaluation/Transfer s					
At end of year	290,486	43,421			333,907
Accumulated Depreciation					
At start of year	20,035	32,142			52,177
Charges for year	5,810	1,917			7,727
Disposals					
Revaluation/Transfer s					
At end of year	25,845	34,059			59,904
Net book value at end of year	264,641	9,362			274,003
Net book value at end of previous year	270,451	9,509			279,960

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Government Securities (Gilts)		
3.5% War Stocks	Nil	
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	Nil	
Market Value of Quoted Investment	274	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)		
Market Value of Unquoted Investments		

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	203,156		203,156
From Investments			
Other Income (including increases by revaluation of assets)	78,475		78,475
Total Income	281,631		281,631
EXPENDITURE (including decreases by revaluation of			
Total Expenditure	262,715		262,715
Funds at beginning of year (including reserves)	48,327		48,327
Funds at end of year (including reserves)	67,243		67,243
ASSETS			
Fixed Assets			274,003
Investment Assets			
Other Assets			43,713
		Total Assets	317,716
LIABILITIES			
		Total Liabilities	250,473
NET ASSETS (Total Assets less Total Liabilities)			67,243

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 attached notes to the financial statements.

ACCOUNTING POLICIES



(see notes 74 and 75)

See attached notes to the 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></u> Name: <u>LESLEY BUTTERWORTH</u> Date: <u>2/3/15</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>GED GAST</u> Date: <u>2/3/15</u>
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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)	ENCLOSE D	<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


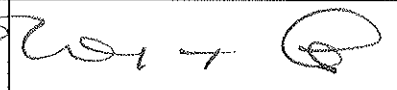


4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided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

See attached Auditor's Report.

AUDITOR'S REPORT (continued)

See attached Auditor's Report.

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

Signature(s) of auditor or auditors:		
Name(s):	HW Fisher & Company	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	Acre House 11-15 William Road London NW1 3ER United Kingdom	
Date:		
Contact name and telephone number:	Sailesh Mehta 020 7388 7000	

NSEAD COUNCIL

Finance & General Purposes Committee as at 30 September 2014

Susan Coles (President 2013-2014)

Ged Gast (President-Elect)

Marlene Wylie (Vice President)

Peter Gregory (Vice President)

John Childs (Honorary Treasurer)

Lesley Butterworth (General Secretary)

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

ACCOUNTING POLICIES

YEAR ENDED 30 SEPTEMBER 2014

Accounting convention

The financial statements have been prepared under the historical cost convention and follow all applicable Accounting Standards.

Subscriptions

Subscriptions are accounted for on an accruals basis.

Donations and Income

Donations and grants are accounted for on a receivable basis.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition.

Depreciation

Depreciation is provided on all tangible fixed assets at rates estimated to write off the cost of each asset on a straight line basis over its expected useful life as follows:

Land and buildings	-	2% Straight line
Computer equipment	-	33% Straight line
Office furniture and equipment	-	10% Straight line

Investments

Investments are stated at cost. Provision is made for any permanent diminution in value.

Operating Leases

Rental payments in respect of operating leases are charged to the income and expenditure account.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2014

1 PUBLICATIONS	2014		2013
	£		£
Income			
Sale of publications	5,648		8,250
Royalties received	265		2,481
	<u>5,913</u>		<u>10,731</u>
Less: expenses			
Printing and purchases:		26,780	
Opening stock	17,712	1,717	
Purchases	1,685	(17,712)	
Closing stock	<u>(16,429)</u>		10,785
	2,968		
Royalties	-		391
Printing, postage and carriage	707		96
Motor vehicle depreciation	-		1,108
Profit on sale of van	-		(1,726)
Van expenses	2,406		1,808
	<u>6,081</u>		<u>12,462</u>
Deficit for the year	<u>(168)</u>		<u>(1,731)</u>
2 CPD	2014		2013
	£		£
Income			
Conferences	19,948		13,484
A New Direction	-		10,000
Artswork - Kent	8,500		-
	<u>28,448</u>		<u>23,484</u>
Less: expenses			
Assistant General Secretary expenses	-		12
Conference expenses	14,188		9,767
A New Direction expenses	-		5,200
Miscellaneous	2,271		-
Artswork - Kent	8,885		-
Ernest Cook funded expenses	3,800		-
	<u>29,144</u>		<u>14,979</u>
Deficit/surplus for the year	<u>(696)</u>		<u>8,505</u>

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2014

3 SKILLS IN THE MAKING

	2014 £	2013 £
Income		
Paul Hamlyn Foundation	-	30,375
Event booking fees	1,140	341
	<u>1,140</u>	<u>30,716</u>
Less: expenses		
Co-ordinator fee	332	14,400
Co-ordinator expenses	247	1,398
Other expenses	348	6,579
	<u>927</u>	<u>22,377</u>
Surplus for the year	<u>213</u>	<u>8,339</u>

4 AD MAGAZINE

	2014 £	2013 £
Income		
Sale of publications	3,718	6,269
Advertising income	1,025	1,980
	<u>4,743</u>	<u>8,249</u>
Less: expenses		
Design and printing	21,808	22,021
	<u>21,808</u>	<u>22,021</u>
Deficit for the year	<u>(17,065)</u>	<u>(13,772)</u>

5 ARTIST TEACHER SCHEME

	2014 £	2013 £
Income		
TDA Participant funding	-	9,682
	<u>-</u>	<u>9,682</u>
Less: expenses		
TDA Participant funding expenditure	-	7,500
	<u>-</u>	<u>7,500</u>
Surplus for the year	<u>-</u>	<u>2,182</u>

The TDA project was completed in 2013

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2014

6	iJADE	2014 £	2013 £
	Income		
	Share of royalties	21,467	20,121
		21,467	20,121
	Less: expenses		
	Publication costs	8,424	3,400
	Other expenses	112	2,978
		8,536	6,378
	Surplus for the year	12,931	13,743
7	CfSA	2014 £	2013 £
	Income		
	Rent received	2,500	2,500
	Miscellaneous income	241	1,027
		2,741	3,527
	Less: expenses		
	Fees and expenses	79	147
	Legal and professional	-	767
		79	914
	Surplus for the year	2,662	2,613
8	OTHER INCOME	2014 £	2013 £
	Miscellaneous income	965	1,105
	Dividends	11	11
	Website income	2,670	1,965
	Rent received	7,225	1,000
	Grants received	3,092	7,208
	Donations	60	-
		14,023	11,287

Grants received includes amounts received from Ernest Cook Trust in 2014 (2013: Pearson Education and Ernest Cook)

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2014

9 MEMBERSHIP ACTIVITY AND COMMUNICATION COSTS

	2014 £	2013 £
Printing, postage and stationery	1,174	87
Telephone, Fax & Email	3,160	2,931
F & GP and Council expenses	5,860	3,403
General Secretary's expenses	6,803	4,353
Assistant General Secretary's expenses	303	213
Sundry	166	138
Website costs	2,238	2,715
PD Board expenses	107	30
Curriculum Board expenses	1,114	1,050
Publications Board expenses	109	406
Books, subscriptions & donations	89	89
TU adviser	1,345	-
Legal and professional	2,790	3,172
Ballots	1,517	-
APFS	-	23
APPG	70	142
T.E.A	11	21
Staff expenses	530	-
Kent Art Teachers	831	-
	<u>28,217</u>	<u>18,773</u>

10 PREMISES AND EQUIPMENT COSTS

	2014 £	2013 £
Rates, gas and electricity	3,563	2,366
Insurance	1,168	1,676
Equipment hire	2,750	3,302
Repairs and maintenance	4,360	5,235
Bank loan interest	6,212	6,593
Depreciation	7,727	7,360
	<u>25,780</u>	<u>26,532</u>

11 ADMINISTRATION EXPENSES

	2014 £	2013 £
Printing, postage and stationery	5,908	5,022
Audit and accountancy	8,325	7,100
Bank charges	3,407	3,258
Irrecoverable VAT	4,501	1,306
Sundry expenses	87	(66)
	<u>22,228</u>	<u>16,620</u>

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2014

12 TANGIBLE FIXED ASSETS

	Land and buildings (long leasehold) £	Computer Equipment £	Office furniture and equipment £	Total £
Cost				
As at 1 October 2013	290,486	10,601	31,050	332,137
Additions	-	1,770	-	1,770
As at 30 September 2014	290,486	12,371	31,050	333,907
Depreciation				
As at 1 October 2013	20,035	10,601	21,541	52,177
Charge for year	5,810	393	1,524	7,727
As at 30 September 2014	25,845	10,994	23,065	59,904
Net book value				
As at 30 September 2014	264,641	1,377	7,985	274,003
As at 30 September 2013	270,451	-	9,509	279,960

13 INVESTMENTS

	Holding	Market Value 30 September		Cost 30 September	
		2014 £	2013 £	2014 £	2013 £
3.5% War Stock	300	274	252	-	-
		<u>274</u>	<u>252</u>	<u>-</u>	<u>-</u>

14 BANK LOAN

	2014 £	2013 £
Due within one year	10,238	9,939
Due in greater than one year	190,950	201,171
	<u>201,188</u>	<u>211,110</u>
Loan maturity analysis		
Less than one year	10,238	9,939
Within one to two years	10,405	10,101
Within two to five years	33,126	32,158
Greater than five years	147,419	158,912
	<u>201,188</u>	<u>211,110</u>

Secured by way of a fixed charge over the Society's Land and Buildings. Repayable in monthly instalments over a period of 20 years. Interest is payable at 2.5% above the Unity Trust Bank base rate.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2014

15 FINANCIAL COMMITMENTS

At 30 September 2014 the Society had annual commitments under non-cancellable leases as follows:

	2014 £	2013 £
Office equipment		
Expiry date:		
In less than one year	-	1,798
Between one and two years	-	-
Between two and five years	<u>1,060</u>	<u>-</u>
	<u><u>1,060</u></u>	<u><u>1,798</u></u>

16 SALARY COSTS

	2014 £	2013 £
Officers	84,549	83,370
Staff	35,366	35,500
	<u><u>119,915</u></u>	<u><u>118,870</u></u>

17 RELATED PARTY TRANSACTIONS

The President and the members of the Council do not receive any salary from the Society or any benefits. The President and the members of the Council are reimbursed for any expenditure incurred by them in the performance of their duties on behalf of the Society, as is the General Secretary. Separately, due to the specialist skills and experience held by the Society's Council members, the Society will, when the need arises, engage these individuals to perform work on its behalf. During the year the Society engaged the President to provide specialist services, the cost of which are presented within "Conference expenses" in Note 2 to the accounts.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

We have audited the financial statements of the National Society for Education in Art & Design for the year ended 30 September 2014, set out on pages 3 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state to the Society'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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Society's Council and auditors

As explained more fully in the Statement of Responsibilities of the Council on page 1, the Council of the Society is responsible for the preparation of financial statements which give a true and fair view. 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 Society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Society's Council; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements give a true and fair view of the state of the Society's affairs as at 30 September 2014 and of its income and expenditure for the year then ended.

Matters on which we are required to report by exception

We are required by the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) to report to you by exception in respect of the following matters if, in our opinion:

- A satisfactory system of control over transactions has not been maintained.
- The Society has not kept proper accounting records.
- The financial statements are not in agreement with the books of account.
- We have not received all the information and explanations we need for our audit.

We have nothing to report to you in respect of the above matters.

H W FISHER & COMPANY

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London, NW1 3ER

Dated: 12 February 2015