

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	National Education Union		
Year ended:	31st August 2019 (8 month period)		
List no:	8287		
Head or Main Office address:	Hamilton House		
	Mabledon Place		
	London		
Postcode	WC1H 9BD		
Website address (if available)	www.neu.org.uk		
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	Dr. Mary Bousted & Kevin Courtney (joint post holders)		
Telephone Number:	0345 811 8111		
Contact name for queries regarding the completion of this return	Beccy Reese		
Telephone Number:	020 7380 4731		
E-mail:	beccy.reese@neu.org.uk		

Please follow the guidance notes in the completion of this return

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

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

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

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

Contents

Trade Union's details.....	1
Return of members.....	2
Change of officers.....	2
Officers in post.....	2a
General fund.....	3
Analysis of income from federation and other bodies and other income.....	4
Analysis of benefit expenditure shown at general fund.....	5
Accounts other than the revenue account/general fund.....	6-8a
Political fund account.....	9-9vii
Analysis of administrative expenses	10
Analysis of officials' salaries and benefits.....	11
Analysis of investment income.....	12
Balance sheet as at.....	13
Fixed assets account.....	14
Analysis of investments.....	15
Analysis of investment income (controlling interests).....	16
Summary sheet.....	17
Information on Industrial action ballots.....	18-19
Information on Industrial action.....	20-21
Notes to the accounts.....	22
Accounting policies.....	23
Signatures to the annual return.....	23
Checklist.....	23
Checklist for auditor's report.....	24
Auditor's report (continued).....	25
Membership audit certificate.....	i-iii
Guidance on completion.....	26

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	104,082	930	6	567	105,585
Female	326,460	2,452	37	1,471	330,420
Other	46				46
Total	430,588	3,382	43	2,038	A 436,051

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

390,367

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

1,931

Change of Officers

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

Position Held	Name of Officer ceasing to hold Office	Name of Officer Appointed	Date of change
No changes in period			

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:

Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£
Federation and other bodies	
Total federation and other bodies	
Any Other Sources	
Donations	1,048
Union Magazine advertising	296,369
Commissions	35,734
Legal income	22,437
Other income	100,350
Total other sources	455,938
Total of all other income	455,938

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	1,502,187
		Advisory Services	
		Regional councils	9,011
		Advisory committee	1,343
Representation – Non Employment Related Issues		Other Cash Payments	
		Education and Training services	
			652,439
Communications			
Union Mag	1,352,920		
Website	149,267		
		Negotiated Discount Services	
			46,500
Dispute Benefits		Other Benefits and Grants (specify)	
		Division and other grants	114,196
		Salary costs	13,430,672
		Insurance	280,000
		Travel and subsistence	186,033
carried forward	1,502,187	Total (should agree with figure in General Fund)	16,222,381

(See notes 21 and 23)

Fund 4		Fund Account	
Name:	District Fund	£	£
Income			
	From members		3,778,882
	Investment income (as at page 12)		
	Other income (specify)		
	Local donations and collections		74,751
		Total other income as specified	74,751
		Total Income	3,853,633
		Interfund Transfers IN	
Expenditure			
	Benefits to members		3,778,528
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	3,778,528
		Interfund Transfers OUT	
		Surplus (Deficit) for the year	75,105
		Amount of fund at beginning of year	7,134,786
		Amount of fund at the end of year (as Balance Sheet)	7,209,891
		Number of members contributing at end of year	390,367

Fund 5		Fund Account	
Name:	Benevolent Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Donations		348
		Total other income as specified	348
		Total Income	348
		Interfund Transfers IN	
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		170,952
		Total Expenditure	170,952
		Interfund Transfers OUT	
		Surplus (Deficit) for the year	-170,604
		Amount of fund at beginning of year	170,952
		Amount of fund at the end of year (as Balance Sheet)	348
		Number of members contributing at end of year	None

(See notes 21 and 23)

Fund 6		Fund Account	
Name:	Pension reserve	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Contribution from employer		3,641,000
		Total other income as specified	3,641,000
		Total Income	3,641,000
		Interfund Transfers IN	
Expenditure			
	Benefits to members		3,029,600
	Administrative expenses and other expenditure (as at page 10)		7,070,400
		Total Expenditure	10,100,000
		Interfund Transfers OUT	
		Surplus (Deficit) for the year	-6,459,000
		Amount of fund at beginning of year	-36,587,000
		Amount of fund at the end of year (as Balance Sheet)	-43,046,000
		Number of members contributing at end of year	390,367

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

(See notes 21 and 23)

Fund 8		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Fund 9		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Political fund account

(see notes 24 to 33)

£

£

Political fund account 1		To be completed by trade unions which maintain their own political fund	
	Income		
	Members contributions and levies		7,126
	Investment income (as at page 12)		
Other income (specify)			
	Total other income as specified		
		Total income	7,126
Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period			
	Expenditure A (as at page i)		
	Expenditure B (as at page ii)		
	Expenditure C (as at page iii)		
	Expenditure D (as at page iv)		
	Expenditure E (as at page v)		51,604
	Expenditure F (as at page vi)		
	Non-political expenditure (as at page vii)		102,146
		Total expenditure	153,750
		Surplus (deficit) for year	-146,624
		Amount of political fund at beginning of year	140,030
		Amount of political fund at the end of year (as <u>Balance Sheet</u>)	-6,594
		Number of members at end of year contributing to the political fund	3,999
		Number of members at end of the year not contributing to the political fund	432,052
		Number of members at end of year who have completed an exemption notice and do not contribute to the political fund	15,723
Political fund account 2		To be completed by trade unions which act as components of a central trade union	
Income	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects(specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of year	
		Amount remitted to central political	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

The following pages 9i to 9vii relate to the Political Fund Account Expenditure

Political fund account expenditure (a)

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

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

Contribution to the funds of, or on the payment of expenses incurred directly or indirectly by a political party	
Name of political party in relation to which money was expended	Total amount spent during the period £
Total	

Political fund account expenditure (d)

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

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

Expenditure on the maintenance of any holder of political office	
Name of office holder	£
Total	

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

(see notes 34 and 35)

		£
Administrative Expenses		
Remuneration and expenses of staff		5,116,733
Salaries and Wages included in above	4,115,068	
Auditors' fees		63,735
Legal and Professional fees		363,973
Occupancy costs		2,061,411
Stationery, printing, postage, telephone, etc.		998,599
Expenses of Executive Committee (Head Office)		
Expenses of conferences		1,077,361
Other administrative expenses (specify)		
Campaigns and actions		1,936,726
Member recruitment		115,881
Research fees		176,702
Staff recruitment and training		367,936
IT costs		1,280,412
Health and safety		13,583
Other member services		28,820
Other admin costs		235,450
Net pension interest cost		678,000
Other Outgoings		
Bank charges		129,858
Depreciation		794,178
Outgoings on land and buildings (specify)		
Revaluation of investment property		100,000
Other outgoings (specify)		
Actuarial loss on pension fund		5,498,000
Total		21,037,358
Charged to:		
General Fund (Page 3)		13,796,006
Sustentation Fund		
International Fund		
District Fund		
Benevolent Fund		170,952
Pension reserve		7,070,400
Total		21,037,358

Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			1,131,416
Dividends (gross) from:			
Equities (e.g. shares)			537,711
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
Profit on sale of investments			225,170
Unrealised gain in fv of investments			2,484,992
			4,379,289
		Total investment income	4,379,289
		Credited to:	
		General Fund (Page 3)	3,860,776
		Sustentation Fund	518,513
		International Fund	
		District Fund	
		Benevolent Fund	
		Pension reserve	
		Political Fund	
		Total Investment Funds	4,379,289

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	49,643,221	4,918,717	4,358,013			58,919,951
Additions	1,373,261		450,349			1,823,610
Disposals			-803,216			-803,216
Revaluation/Transfers	-100,000					-100,000
At end of year	50,916,482	4,918,717	4,005,146			59,840,345
Accumulated Depreciation						
At start of year	3,113,124	716,796	3,419,290			7,249,210
Charges for year	442,027	137,021	264,652			843,700
Disposals			-803,216			-803,216
Revaluation/Transfers						
At end of year	3,555,151	853,817	2,880,726			7,289,694
Net book value at end of year	47,361,331	4,064,900	1,124,420			52,550,651
Net book value at end of previous year	46,530,098	4,201,920	938,725			51,670,743

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
	17,110,674	
Government Securities (Gilts)		
	8,300,942	
Other quoted securities (to be specified)		
Cash held in portfolios		
Alternative investments	178,971	
Total quoted (as Balance Sheet)	25,590,588	
Market Value of Quoted Investment	25,590,588	
Unquoted		
Equities		
Unity bank shares	605,120	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Teachers Publishing Co Ltd	1	
Stoke Rochford Management Ltd	1	
Total unquoted (as Balance Sheet)	605,122	
Market Value of Unquoted Investments		

Analysis of investment income (controlling interests)

(see notes 60 and 61)

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

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

If YES name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
Stoke Rochford Management Limited (100%)	1361390
Teachers Publishing company	102549

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

Yes <input checked="" 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 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	37,158,880	7,126	37,166,006
From Investments	4,379,289		4,379,289
Other Income (including increases by revaluation of assets)	4,172,037		4,172,037
Total Income	45,710,206	7,126	45,717,332
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	49,480,251	153,750	49,634,001
Funds at beginning of year (including reserves)	65,218,303	140,030	65,358,333
Funds at end of year (including reserves)	61,448,258	-6,594	61,441,664
Assets			
Fixed Assets			52,550,651
Investment Assets			26,195,710
Other Assets			32,510,601
		Total Assets	111,256,962
Liabilities		Total Liabilities	49,815,298
Net Assets (Total Assets less Total Liabilities)			61,441,664

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

(see notes 74 to 80)

<p>Did the union hold any ballots in respect of industrial action during the return period? <input style="width: 50px; height: 15px;" type="text"/></p>	
<p>If Yes How many ballots were held: <input style="width: 50px; height: 15px;" type="text"/></p>	
<p>For each ballot held please complete the information below:</p>	
<p>Ballot 1</p>	
<p>Number of individual who were entitled to vote in the ballot</p>	<input style="width: 80%; height: 15px;" type="text"/>
<p>Number of votes cast in the ballot</p>	<input style="width: 80%; height: 15px;" type="text"/>
<p>Number of Individuals answering "Yes" to the question</p>	<input style="width: 80%; height: 15px;" type="text"/> ¹
<p>Number of individuals answering "No" to the question</p>	<input style="width: 80%; height: 15px;" type="text"/> ²
<p>Number of invalid or otherwise spoiled voting papers returned</p>	<input style="width: 80%; height: 15px;" type="text"/> ³
<p>1-3 should total "Number of votes cast"</p>	
<p>Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>Ballot 2</p>	
<p>Number of individual who were entitled to vote in the ballot</p>	<input style="width: 80%; height: 15px;" type="text"/>
<p>Number of votes cast in the ballot</p>	<input style="width: 80%; height: 15px;" type="text"/>
<p>Number of Individuals answering "Yes" to the question</p>	<input style="width: 80%; height: 15px;" type="text"/> ¹
<p>Number of individuals answering "No" to the question</p>	<input style="width: 80%; height: 15px;" type="text"/> ²
<p>Number of invalid or otherwise spoiled voting papers returned</p>	<input style="width: 80%; height: 15px;" type="text"/> ³
<p>1-3 should total "Number of votes cast"</p>	
<p>Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>Ballot 3</p>	
<p>Number of individual who were entitled to vote in the ballot</p>	<input style="width: 80%; height: 15px;" type="text"/>
<p>Number of votes cast in the ballot</p>	<input style="width: 80%; height: 15px;" type="text"/>
<p>Number of Individuals answering "Yes" to the question</p>	<input style="width: 80%; height: 15px;" type="text"/> ¹
<p>Number of individuals answering "No" to the question</p>	<input style="width: 80%; height: 15px;" type="text"/> ²
<p>Number of invalid or otherwise spoiled voting papers returned</p>	<input style="width: 80%; height: 15px;" type="text"/> ³
<p>1-3 should total "Number of votes cast"</p>	
<p>Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?</p>	<input style="width: 50px; height: 15px;" type="text"/>
<p>If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot</p>	<input style="width: 50px; height: 15px;" type="text"/>

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

Ballot 4

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

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

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

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

Ballot 5

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

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

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

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

Ballot 6

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

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

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

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

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

(see note 81)

***Categories of Nature of Trade Dispute**

- A: terms and conditions of employment, or the physical conditions in which any workers require to work;
- B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;
- C: allocation of work or the duties of employment between workers or groups of workers;
- D: matters of discipline;
- E: a worker's membership or non-membership of a trade union;
- F: facilities for officials of trade unions;
- G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

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

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

Industrial Action 1

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 2

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 3

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

use a continuation page if necessary

Industrial Action 4

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 5

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 6

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 7

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 8

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

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

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

Information on Industrial Action Ballots

Name of Organisation:		National Education Union			Reporting Period	01/01/2019 to 31/08/2019			
Did the union hold any ballots in respect of industrial action during the return period?				<u>Yes</u>	For each ballot held please complete the information below				
If yes, how many ballots were held?				<u>51</u>					
Ballot	Number of individuals who were entitled to vote in the ballot	Number of votes cast in the ballot	Number of Individuals answering "Yes" to the question	Number of Individuals answering "No" to the question	Number of invalid or otherwise spoiled voting papers returned	Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot?	Does 226(2B) of the 1992 Act apply to this ballot?	If yes, were the number of individuals answering "Yes" to the question(or each question) at least 40% of the number of individuals who were entitled to vote in the ballot?	
1	44	24	23	1	0	Yes	Yes	Yes	
2	43	21	20	1	0	No	Yes	Yes	
3	13	12	12	0	0	Yes	Yes	Yes	
4	104	74	62	12	0	Yes	Yes	Yes	
5	311	184	179	5	0	Yes	Yes	Yes	
6	145	61	61	0	0	No	Yes	Yes	
7	108	78	73	5	0	Yes	Yes	Yes	
8	17	14	14	0	0	Yes	Yes	Yes	
9	26	19	16	3	0	Yes	Yes	Yes	
10	28	21	21	0	0	Yes	Yes	Yes	
11	34	19	19	0	0	Yes	Yes	Yes	
12	2	1	1	0	0	Yes	Yes	Yes	
13	41	20	18	2	0	No	Yes	Yes	
14	23	20	20	0	0	Yes	Yes	Yes	
15	56	37	34	3	0	Yes	Yes	Yes	
16	57	41	41	0	0	Yes	Yes	Yes	

17	18	16	15	1	0	Yes	Yes	Yes
18	15	12	9	3	0	Yes	Yes	Yes
19	69	57	55	2	0	Yes	Yes	Yes
20	35	31	30	1	0	Yes	Yes	Yes
21	76	47	47	0	0	Yes	Yes	Yes
22	2	0	0	0	0	No	Yes	No
23	12	5	5	0	0	No	Yes	Yes
24	40	31	28	3	0	Yes	Yes	Yes
25	42	26	24	2	0	Yes	Yes	Yes
26	92	61	59	2	0	Yes	Yes	Yes
27	43	18	18	0	0	No	Yes	Yes
28	79	58	52	6	0	Yes	Yes	Yes
29	68	41	34	7	0	Yes	Yes	Yes
30	15	8	7	1	0	Yes	Yes	Yes
31	20	15	12	3	0	Yes	Yes	Yes
32	65	50	44	4	2	Yes	Yes	Yes
33	46	28	27	1	0	Yes	Yes	Yes
34	5	5	5	0	0	Yes	Yes	Yes
35	24	15	12	3	0	Yes	Yes	Yes
36	23	6	5	1	0	No	Yes	No
37	35	24	22	2	0	Yes	Yes	Yes
38	46	15	13	2	0	No	Yes	No
39	48	29	27	2	0	Yes	Yes	Yes
40	104	81	60	21	0	Yes	Yes	Yes
41	92	44	39	4	1	No	Yes	Yes
42	29	12	7	5	0	No	Yes	No
43	76	37	29	7	1	No	Yes	No
44	21	18	18	0	0	Yes	Yes	Yes
45	88	63	56	7	0	Yes	Yes	Yes
46	22	18	17	1	0	Yes	Yes	Yes
47	60	20	16	4	0	No	Yes	No
48	24	14	13	1	0	Yes	Yes	Yes
49	34	22	18	3	1	Yes	Yes	Yes

50	17	13	13	0	0	Yes	Yes	Yes
51	22	10	8	2	0	No	Yes	No

Information on Industrial Action

Name of Organisation:		National Education Union		Reporting Period	01/01/2019 to 31/08/2019
Did Union members take industrial action during the return period in response to any inducement on the part of the union?			<u>Yes</u>	If YES, for each industrial action taken please complete the information below	
Industrial Action	Nature of the trade dispute for which action was taken	Dates of the industrial action taken	Number of days of industrial action	Nature of industrial action	Categories of nature of Trade Dispute
1	A	12/02/2019	1	Strike Action	<p>A: Terms and conditions of employment, or the physical conditions in which any workers are required to work</p> <p>B: Engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers</p> <p>C: Allocation of work or the duties of employment between workers or groups of workers</p> <p>D: Matters of discipline</p> <p>E: A worker's membership or non-membership of a trade union</p> <p>F: Facilities for officials of trade unions</p> <p>G: Machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the representation by employees</p>
2	A	27/02/2019,28/02/2019,05/03/2019,07/03/2019,13/02/2019	5	Strike Action	
3	A	01/03/2019,07/03/2019,08/03/2019	3	Strike Action	
4	A	27/03/2019,28/03/2019,19/04/2019,24/04/2019,09/05/2019,10/05/2019	6	Strike Action	
5	A	13/03/2019,01/04/2019,07/04/2019,08/04/2019,16/05/2019,21/05/2019,22/05/2019,23/05/2019	8	Strike Action	
6	C	06/02/2019,13/02/2019,14/02/2019	3	Strike Action	
7	C	20/03/2019,21/03/2019,02/04/2019,03/04/2019,04/04/2019	5	Strike Action	
8	A	21/05/2019-23/05/2019	3	Strike Action	
9	A	25/06/2019,27/06/2019,04/07/2019,11/07/2019,16/07/2019,17/07/2019	6	Strike Action	

10	A	25/04/2019,01/05/2019,19/06/2019,26/06/2019,27/06/2019,02/07/2019,03/07/2019,04/07/2019	8	Strike Action
11	A	01/05/2019,23/05/2019,05/06/2019,06/06/2019	4	Strike Action
12	A	01/05/2019,23/05/2019,05/06/2019,06/06/2019	4	Strike Action
13	A	14/05/2019,23/05/2019	2	Strike Action
14	A	27/06/2019	1	Strike Action
15	A	10/07/2019	1	Strike Action
16	A	13/06/2019,19/06/2019,20/06/2019,25/06/2019,26/06/2019,27/06/2019	6	Strike Action
17	A	03/07/2019,09/07/2019,10/07/2019	3	Strike Action
18	A	02/07/2019,03/07/2019,10/07/2019,11/07/2019	5	Strike Action
19	A	09/07/2019	1	Strike Action
20	A	20/06/2019,25/06/2019,26/06/2019,27/06/2019	4	Strike Action
21	A	18/07/2019	1	Strike Action

including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

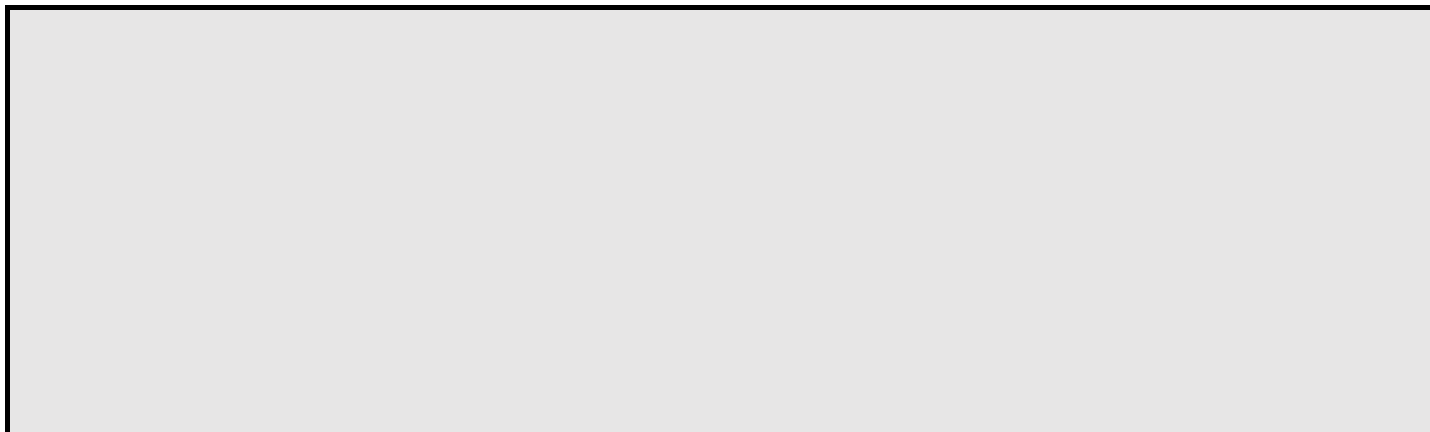
Notes to the accounts

(see notes 82 and 83)

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

Accounting policies

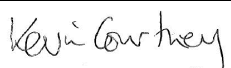

(see notes 84 and 85)



Signatures to the annual return

(see notes 86 & 87)

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

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:	Kevin Courtney	Name:	Beccy Reese (Head of Finance)
Date:	31 January 2020	Date:	31 January 2020

Checklist

(see notes 88 to 89)

(please tick as appropriate)

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

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (*continued*)

2 Subscription Income

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
National subscriptions	33,387,124	69,940,958
Local District/Branches subscriptions	3,778,882	5,562,263
	<hr/>	<hr/>
Total Subscriptions from members	37,166,006	75,503,221
	<hr/> <hr/>	<hr/> <hr/>

3 Investment Income

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
General Fund	452,533	743,759
Sustentation Fund	85,178	103,790
	<hr/>	<hr/>
	537,711	847,549
	<hr/> <hr/>	<hr/> <hr/>

4 Donations

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
General Fund donations	1,048	1,487
Sustentation Fund donations	-	1,500
NUT Benevolent Fund donations	348	81,337
	<hr/>	<hr/>
	1,396	84,324
	<hr/> <hr/>	<hr/> <hr/>

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (*continued*)

5 Other Income

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Union Magazine advertising	296,369	405,482
Commissions	35,734	440,804
Legal income	22,437	342,829
Profit on the sale of investments	225,170	556,066
Other income	175,101	513,873
	<u>754,811</u>	<u>2,259,054</u>

6 Staff Costs

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Salaries	15,219,310	31,253,327
Staff honoraria	-	1,322
Social security costs	1,541,631	3,190,914
Childcare vouchers	27,400	60,384
Superannuation contributions (note 30)		
- current service cost	3,787,000	8,970,000
- benefit change	-	155,000
	<u>20,575,341</u>	<u>43,630,947</u>

	8 months to 31 August 2019 Number	16 months to 31 December 2018 Number
Average number of employees	<u>532</u>	<u>569</u>

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Key personnel compensation	<u>363,591</u>	<u>864,214</u>

During the period 4 (2018: 5) staff were considered key management.

National Education Union

Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (*continued*)

7 Grants

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Division grants	38,981	52,548
Membership grants	302,219	214,296
Other grants	75,215	593,330
	<u>416,415</u>	<u>860,174</u>

8 Property Costs

	Headquarters 8 months to 31 August 2019 £	Nations/ Regions 8 months to 31 August 2019 £	Total 8 months to 31 August 2019 £	Total 16 months to 31 December 2018 £
Consultants' fees	1,454	19,396	20,850	178,846
Heating, lighting and water	197,592	54,522	252,115	479,804
Repairs, maintenance and decorations	255,614	158,540	414,154	870,695
Rates	514,425	159,292	673,717	1,330,555
Insurance	185,796	-	185,796	216,213
Telephone	148,977	34,154	183,131	427,366
Cleaning, laundry and sundries	155,212	71,764	226,976	440,572
Rent	153,755	134,050	287,805	254,802
	<u>1,612,824</u>	<u>631,717</u>	<u>2,244,542</u>	<u>4,198,853</u>

National Education Union

Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (*continued*)

9 Subscriptions

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
TUC	853,406	1,697,662
EI/ETUCE	685,308	934,902
Other subscriptions and donations	428,005	612,890
	<u>1,966,719</u>	<u>3,245,454</u>

10 Campaigns and Action

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Publicity, projects and campaign expenditure	1,877,763	3,446,648
LA Merchandise	33,595	17,150
Other expenditure	179,118	925,949
	<u>2,090,476</u>	<u>4,389,747</u>

11 Publications

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Union Magazine	1,352,920	3,478,469

National Education Union

Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (*continued*)

12 Travel and Subsistence

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Conference	35,599	219,226
Executive travel	186,033	608,762
Regional/Nations and Headquarters	484,938	750,838
Secretaries	127,169	159,000
Car costs	347,755	742,257
General	203,249	462,225
Advisory Committee	1,343	59,963
National Educational Conference and Other	-	316,918
	<u>1,386,086</u>	<u>3,319,189</u>

13 Other Members' Services

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Training	652,439	3,390,641
Insurance for members	280,000	589,022
Recruitment	115,881	496,286
Conferences	195,666	343,843
Countdown	46,500	192,520
Research fees	176,702	166,227
Printing, postage and stationery	294,555	443,581
Web site	149,267	255,109
Other costs	28,820	111,324
Regional Councils	9,011	51,102
Benevolent Fund Grants	-	124,946
	<u>1,948,841</u>	<u>6,164,601</u>

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (*continued*)

14 Other Administration Costs

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Professional fees		
Audit and accountancy	63,735	81,600
Actuarial and other professional fees	363,973	705,504
	<u>427,708</u>	<u>787,104</u>
Staff recruitment and training	367,936	1,212,290
Computer support and systems maintenance	1,280,412	1,911,841
Office expenses	125,719	332,931
Printing, postage and stationery	387,040	1,256,046
Books and publications	8,154	330,966
Conference expenses	846,096	1,214,427
Health and Safety	13,583	31,770
Executive IT grants	-	7,610
Executive costs	-	49,470
Other costs	235,450	145,387
Net interest cost	678,000	1,502,000
	<u>4,370,098</u>	<u>8,781,842</u>

Auditors' remuneration is £58,935 (2018: £69,550) for audit services, £4,800 (2018: £6,600) for tax compliance and £Nil (2018: £5,450) for other services.

15 Financial Expenses

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Bank charges	129,858	100,723
	<u>129,858</u>	<u>100,723</u>

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (*continued*)

16 Taxation

	8 months to 31 August 2019 £	16 months to 31 December 2018 £
Corporation Tax		
UK Corporation tax at 19%	-	-
Adjustment in respect of amounts brought forward on amalgamation	-	(19,494)
	-	(19,494)
Deferred Tax		
Deferred Tax on the fair value of investments	60,000	(383,961)
Deferred Tax on revalued investment property	(700,000)	1,893,000
Deferred Tax on accelerated capital allowances	-	(2,677)
Deferred Tax on revalued freehold property	(19,000)	-
	(659,000)	1,506,362
Tax (credit) / charge	(659,000)	1,486,868
Reconciliation of Tax Charge		
Profit / (loss) before taxation	922,330	(128,310)
Tax on profit / (loss) on ordinary activities at standard CT rate of 19 %	175,243	(24,379)
Effect of:	(7,205,220)	(14,790,854)
Income not chargeable to taxation		
Expenses not deductible for tax Purposes	7,307,559	15,345,799
Deferred tax – overprovision in prior periods	(753,582)	-
Deferred tax – difference in tax rates	(182,999)	956,302
Current tax charge for the year	(659,000)	1,486,868

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (continued)

17 Tangible Fixed Assets

	Freehold properties £	Investment property £	Leasehold properties £	Plant and machinery £	Furniture and office equipment £	Total £
Cost/revaluation						
At 1 January 2019	29,143,221	20,500,000	4,918,717	1,685,775	2,672,238	58,919,951
Additional items from amalgamation	49,524	-	-	-	-	49,524
Additions	1,323,737	-	-	10,157	440,192	1,774,086
Revaluation	-	(100,000)	-	-	-	(100,000)
Disposals	-	-	-	-	(803,216)	(803,216)
At 31 August 2019	30,516,482	20,400,000	4,918,717	1,695,932	2,309,214	59,840,345
Depreciation						
At 1 January 2019	3,113,124	-	716,796	1,426,105	1,993,185	7,249,210
Additional items from amalgamation	49,522	-	-	-	-	49,522
Charge for the period	392,505	-	137,021	25,306	239,346	794,178
Disposals	-	-	-	-	(803,216)	(803,216)
At 31 August 2019	3,555,151	-	853,817	1,451,411	1,429,315	7,289,694
Net book value						
At 31 August 2019	26,961,331	20,400,000	4,064,900	244,521	879,899	52,550,651
At 31 December 2018	26,030,097	20,500,000	4,201,921	259,670	679,053	51,670,741

The NEU headquarters is disclosed at deemed cost. The freehold and leasehold properties of the ATL were transferred at fair value on the amalgamation last year. These properties were valued by CBRE and Wells McFarlane in June 2017. All other freehold and leasehold properties are disclosed at original cost. The investment property is disclosed at market value. The last valuation was performed by Knight Frank LLP as at 31 August 2019.

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. Details of the current scheme position is shown in note 30. The open market value of this property in existing use as at February 2018 amounted to £46.5m.

National Education Union
Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (continued)

18 Investments

	2019 £	2018 £
Listed investments at market value	25,590,588	23,178,455
Other investments at cost	605,122	605,122
	<u>26,195,710</u>	<u>23,783,577</u>
Listed Investments at Fair Value		
Sustentation Fund		
Brought forward	4,007,505	-
Transfer from NUT	-	4,005,048
Additions	378,056	1,556,562
Disposal proceeds	(446,050)	(1,321,767)
Realised gain on disposals	171,235	489,926
Unrealised gain/(loss) on revaluation	262,100	(722,265)
Carried forward	<u>4,372,846</u>	<u>4,007,505</u>
Listed investments at historic cost	<u>3,735,252</u>	<u>3,630,583</u>
Listed Investments at Fair Value - General Fund		
Brought forward	19,170,950	-
Transfer from NUT	-	9,568,537
Transfer from ATL	-	5,470,165
Additions	1,003,081	6,237,640
Disposal proceeds	(1,233,116)	(1,092,655)
Gain on disposal	53,934	66,140
Unrealised gain/(loss) on revaluation	2,222,892	(1,078,877)
Carried forward	<u>21,217,742</u>	<u>19,170,950</u>
Listed investments at historic cost	<u>17,692,027</u>	<u>17,654,366</u>

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (continued)

18 Investments (continued)

Other Investments at Fair Value - General Fund

	£
Unquoted securities at cost as at 1 January 2019 and 31 August 2019	605,120
Investment in subsidiaries as at 1 January 2019 and 31 August 2019: - The Teacher Publishing Co. Ltd (i)	1
Stoke Rochford Management Ltd (ii)	1
	<hr/>
	605,122
	<hr/> <hr/>

(i) The Teacher Publishing Co. Limited has been dormant for several years and has no net assets.

(ii) The holding in Stoke Rochford Management Limited represents a 100% beneficial holding in the Company at 31 August 2019. Stoke Rochford Management Limited did not trade in the accounting period represented by these financial statements.

Stoke Rochford Management Limited and The Teacher Publishing Company Limited are both incorporated in England.

19 Receivables

	2019 £	2018 £
Teacher Publishing Co. Limited		
Loan	206,200	206,200
Provision	(206,199)	(206,199)
	<hr/>	<hr/>
	1	1
VAT recoverable	-	74,846
Prepayments and accrued income	329,481	551,988
Sundry receivables	1,103,126	1,093,934
	<hr/>	<hr/>
	1,432,608	1,720,769
	<hr/> <hr/>	<hr/> <hr/>

The Teacher Publishing Company Limited has remained dormant during the year. Full provision has been made in respect of sums due from this company.

National Education Union

Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (continued)

20 Short Term Loans

	At 1 January 2019	Loans Granted	Interest	Repaid in year	At 31 August 2019
	£	£	£	£	£
Season ticket loans	205,672	37,982	-	(163,526)	80,127
Car and cycle loans	92,065	21,558	-	(41,052)	72,571
House deposit and removal loans	15,455	-	-	(1,682)	13,773
Other employee loans	10,265	3,110	-	(8,203)	5,172
	<u>323,457</u>	<u>62,650</u>	<u>-</u>	<u>(214,463)</u>	<u>171,644</u>

All loans are to employees and are provided interest free.

21 Short Term Deposits/Cash at Bank and In Hand

	2019 £	2018 £
Short term deposits	<u>16,307,180</u>	<u>23,093,197</u>

Short term deposits consist of high interest deposits, which mature several months after the statement of financial position date whilst the balance matures within one year that date.

Cash at Bank and In Hand	2019 £	2018 £
Bank balances	7,372,054	2,522,380
Cash in hand	37,223	33,789
	<u>7,409,278</u>	<u>2,556,169</u>

National Education Union

Notes forming part of the Financial Statements for the 12 months ended 31 August 2019 (*continued*)

22 Creditors: Amounts Falling Due within One Year

	2019 £	2018 £
Trade creditors	26,423	489,806
Corporation tax payable	-	124,529
Taxation and social security	699,794	239,171
Other creditors and accruals	1,315,230	1,606,134
	<hr/>	<hr/>
	2,041,447	2,459,640
	<hr/>	<hr/>

23 Deferred Income

	2019 £	2018 £
Subscriptions received in advance	-	272,161
Rent and other received in advance	82,690	278,143
	<hr/>	<hr/>
	82,690	550,304
	<hr/>	<hr/>

24 Provisions for Liabilities and Charges

	2019 £	2018 £
Deferred tax liability	4,401,000	5,060,000
Unfunded pension	244,161	247,419
	<hr/>	<hr/>
	4,645,161	5,307,419
	<hr/>	<hr/>

The Union has provided for unfunded pension costs payable to certain employees and former employees, where the Union has agreed to fund the differential between the pension payable under the Association of Teachers & Lecturers pension scheme and the Teachers Superannuation Scheme.

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (continued)

Deferred tax liability	At 1 January 2018	Charged/ (released)	At 31 Dec 2018
	£	£	£
Ex ATL premises	1,219,000	(19,000)	1,200,000
Provision relating to the increase in fair value of the investment property	3,500,000	(700,000)	2,800,000
Provision relating to the Increase in the fair value of Investments	341,000	60,000	401,000
	<u>5,060,000</u>	<u>(659,000)</u>	<u>4,401,000</u>

Full provision has been made in respect of all material reversing timing differences which impact on the statement of comprehensive income.

25 Operating Leases

Motor Vehicles, Furniture and Equipment, Plant and Machinery

The Union and its wholly owned subsidiaries are committed to the following payments under operating leases:

	Property 2019 £	Other 2019 £	Property 2018 £	Other 2018 £
Expiry:				
Within one year	175,932	317,510	133,932	398,254
Between one and two years	174,932	242,822	138,432	281,897
Between two and five years	163,680	172,936	200,578	349,040
	<u>514,544</u>	<u>733,268</u>	<u>472,942</u>	<u>1,029,191</u>

26 Financial Commitments

The Union has entered into a commitment to refurbish Hamilton House for £2,770,790 (2018: £850,000 to purchase a freehold property in the East Midlands). Both values are excluding VAT.

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (continued)

27 Designated Reserves

	Sustentation Fund £	International Solidarity Fund £	Political Fund £	Benevolent Fund £	District Fund £	Total 2019
Balance at 1 January 2019	7,164,904	170,990	140,030	170,952	7,134,786	14,781,662
From Subscription Income	267,097	226,315	7,126	-	3,778,882	4,279,420
Investment Income	85,178	-	-	-	-	85,178
Donations	-	-	-	348	-	348
Other income	-	-	-	-	74,751	74,541
Sale of investments	171,235	-	-	-	-	171,235
Campaign expenditure	-	-	(153,750)	-	-	(153,750)
Grants	(302,219)	-	-	-	-	(302,219)
International solidarity	-	(161,446)	-	-	-	(161,446)
Assoc./District Expenditure	-	-	-	-	(3,778,528)	(3,778,528)
Payment to NEU Trust Fund	-	-	-	(170,952)	-	(170,952)
Transfer from Income Statement	221,291	64,869	(146,624)	(170,604)	75,105	44,037
Unrealised gain in market value of listed investments	262,100	-	-	-	-	262,100
Balance at 31 August 2019	7,648,295	235,859	(6,594)	348	7,209,891	15,087,799

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 International Solidarity Fund was established to allow the Union to fund future international solidarity work. The Union contributed 1% of NUT legacy membership income into this Fund during the period ended 31 August 2019.

The Benevolent Fund was established to provide grants of funds to NUT legacy members in times of financial need. A member needs to meet certain criteria to be eligible to be assisted. This has been transferred into the NEU Trust Fund during the period.

The Political Fund was established to allow the Union to undertake campaigning of a political nature.

The District Fund represents the sum of funds held by local districts for local union work.

National Education Union

Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (*continued*)

28 Reconciliation of Movement in Total Funds

	2019 £	2018 £
General Fund surplus / (deficit) for the period	1,275,194	(1,712,246)
Designated funds surplus for the period	306,137	98,014
Other recognised gains and losses relating to the period: Actuarial (loss) / gain on Pension Schemes	(5,498,000)	8,847,000
	_____	_____
Net (reduction) / additions to funds	(3,916,670)	7,232,768
Opening funds	65,358,333	-
Transfer from NUT	-	50,257,554
Transfer from ATL	-	20,681,000
Adjustments in respect of pre-amalgamation financial statements		
ATL - FRS 102 pension valuation	-	(19,917,000)
NUT – Inclusion of local district funds	-	7,104,011
	_____	_____
	61,441,664	65,358,333
	=====	=====

29 Related Party Transactions

There were no related party transactions for the 8 month period to 31 August 2019 (2018: nil).

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (*continued*)

30 Employers' Pension Costs

Defined Benefit Pension Schemes

The Union operates two final salary pension schemes, National Union of Teachers Staff Superannuation Fund the and ATL Pension Scheme. Both schemes are open to new entrants. With effect from the 1 November 2018, new joiners were auto enrolled into the ATL Pension Scheme and provided with the option to elect to join the National Union of Teachers Staff Superannuation Fund.

The schemes are administered by trustees and are independent of the Union's finances. Contributions are paid to the schemes in accordance with the Schedule of Contributions agreed between the trustees and the employers at each actuarial valuation. The funding target is for the schemes to hold assets equal in value to the accrued benefits based on projected salaries. If there is a shortfall against the target, then the Union and trustees will agree on deficit contributions to meet the deficit over a period.

The most recent actuarial valuation of the National Union of Teachers Staff Superannuation Fund was carried out as at 31 December 2017 and revealed a funding deficit of £8.8m. The Union agreed to pay 8.5% of pensionable salaries per annum from 1 January 2019 to 31 December 2026 in respect of the deficit.

The most recent actuarial valuation of the ATL Pension Scheme was carried out as at 30 September 2016 and revealed a funding surplus of £2.3m.

The actuarial valuations have been updated to 31 August 2019 by independent qualified actuaries in accordance with FRS102. As required by FRS102, the value of the defined benefit liabilities has been measured using the project unit method.

The key FRS 102 assumptions used for the schemes are set out below along with the fair value of the assets, a breakdown of the assets into the main asset classes, the present value of the FRS 102 liabilities and the deficit of assets below the FRS 102 liabilities (the net pension liability).

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

	At 31 August 2019 (per annum)	At 31 December 2018 (per annum)
Rate of increase in salaries	2.60%	2.80%
Rate of increase of pensions in payment	2.10%	2.30%
Discount rate	1.90%	2.80%
Retail price Inflation assumption	3.10%	3.30%
Consumer price Inflation assumption	2.10%	2.30%

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (continued)

The current allocation of the schemes' assets are as follows:

	NUT SSF Value at 31 Aug 2019		ATL PS Value at 31 Aug 2019		Total Value at 31 Aug 2019		Total Value at 31 Dec 2018	
	£'000	%	£'000	%	£'000	%	£'000	%
Diversified growth	70,989	68	25,540	85	96,529	72	83,360	74
Liability Driven Investments	31,825	31	-	-	31,825	24	26,610	23
Private Equity	-	-	4,371	15	4,371	3	2,724	2
Cash	606	1	43	-	649	1	1,325	1
Total value of assets	103,420	100	29,954	100	133,374	100	114,019	100

	NUT SSF 31 Aug 2019 £'000	ATL PS 31 Aug 2019 £'000	Total 31 Aug 2019 £'000	Total 31 Dec 2018 £'000
Present value of funded obligations	126,756	49,664	176,420	150,606
Fair value of Scheme assets	(103,420)	(29,954)	(133,374)	(114,019)
Net liability	23,336	19,710	43,046	36,587

	NUT SSF 31 Aug 2019 £'000	ATL PS 31 Aug 2019 £'000	Total 31 Aug 2019 £'000	Total 31 Dec 2018 £'000
Change in the present value of the defined benefit obligation				
Opening defined benefit obligations	110,644	39,962	150,606	156,797
Employer' part of current service cost	2,531	1,256	3,787	8,970
Interest on obligation	2,050	750	2,800	5,540
Employees' contributions	20	159	179	408
Actuarial gain	14,325	7,941	22,266	(15,625)
Benefits paid	(2,814)	(404)	(3,218)	(5,639)
Loss due to benefit changes	-	-	-	155
Closing defined benefit obligation	126,756	49,664	176,420	150,606

National Education Union

Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (continued)

	NUT SSF 31 Aug 2019 £'000	ATL PS 31 Aug 2019 £'000	Total 31 Aug 2019 £'000	Total 31 Dec 2018 £'000
Change in the Fair Value of Plan Assets				
Opening fair value of plan assets	87,508	26,511	114,019	113,882
Interest on scheme assets	1,623	499	2,122	4,038
Actuarial gains / (losses)	14,367	2,401	16,768	(6,778)
Contributions by employer	2,716	925	3,641	8,342
Running costs	-	(137)	(137)	(234)
Contributions by employees	20	159	179	408
Benefits paid	(2,814)	(404)	(3,218)	(5,639)
	<u>103,420</u>	<u>29,954</u>	<u>133,374</u>	<u>114,019</u>

The following amounts have been included within operating profit under FRS102:	NUT SSF 31 Aug 2019 £'000	ATL PS 31 Aug 2019 £'000	Total 31 Aug 2019 £'000	Total 31 Dec 2018 £'000
Current service cost	2,531	1,256	3,787	8,970
Running costs	-	137	137	234
Interest expense	427	251	678	1,502
Benefit change	-	-	-	155
	<u>2,958</u>	<u>1,644</u>	<u>4,602</u>	<u>10,861</u>

The deficit under FRS 102 would have moved as following during the period:	NUT SSF 31 Aug 2019 £'000	ATL PS 31 Aug 2019 £'000	Total 31 Aug 2019 £'000	Total 31 Dec 2018 £'000
Deficit in the scheme at 1 Jan 2019	(23,136)	(13,451)	(36,587)	(42,915)
Expense included in the profit & loss	(2,958)	(1,644)	(4,602)	(10,861)
Contribution by the employer	2,716	925	3,641	8,342
Actuarial gain	42	(5,540)	(5,498)	8,847
	<u>(23,336)</u>	<u>(19,710)</u>	<u>(43,046)</u>	<u>(36,587)</u>

National Education Union
Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (continued)

31 Reconciliation of Operating Deficit to Net Cash Flow from Operating Activities	2019	2018
	£	£
Profit / (Loss) before taxation	922,330	(128,309)
Cash Flows Disclosed Separately		
Less: Investment income	(537,711)	(847,549)
Add: Financial expenses	129,858	100,723
Charges/(Credits) not Involving Cash Flows		
Depreciation charges	794,178	1,200,029
Revaluation of investment property	100,000	(5,500,000)
(Increase) / decrease in the fair value of investments	(2,484,992)	1,801,142
Gain on sale of investments	(225,169)	(556,066)
Profit on sale of investments	-	(394,347)
Interest on net pension scheme liabilities	678,000	1,502,000
Employer's current pension service costs	3,787,000	8,970,000
Pension scheme running costs (ATL pension scheme)	137,000	234,000
Benefit changes	-	155,000
Cash Flow Not Recognised in the Income Statement		
Payments to the Pension Scheme	(3,641,000)	(8,342,000)
Movement in Working Capital		
Decrease in receivables	288,161	144,100
Decrease / (increase) in short term loans	151,813	(16,981)
Decrease in creditors	(418,194)	(49,738)
Decrease in deferred income	(467,614)	(7,286,694)
Decrease in provisions for liabilities	(3,258)	(25,581)
	(789,598)	(9,040,271)
	(789,598)	(9,040,271)

National Education Union
Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 (*continued*)

32 Cash and cash equivalents

	2018 £	Movement £	2019 £
Cash at bank and in hand	2,556,169	4,853,109	7,409,278
Short term deposits	23,093,197	(6,786,017)	16,307,180
Local Districts/Branches	7,114,786	75,105	7,189,891
	<u>32,764,152</u>	<u>(1,857,803)</u>	<u>30,906,349</u>

National Education Union
Notes forming part of the Financial Statements
for the 8 months ended 31 August 2019 *(continued)*

33 Analysis of Net Assets by Fund

	General Fund £	Sustentation Fund £	International Solidarity Fund £	Political Fund £	Benevolent Fund £	District Fund £	Total 2019
Fixed assets							
- Tangible assets	52,530,651	-	-	-	-	20,000	52,550,651
- Investments	21,822,864	4,372,846	-	-	-	-	26,195,710
Net current assets	19,691,511	3,275,449	235,859	(6,594)	348	7,189,891	30,386,464
Pension liability	(43,046,000)	-	-	-	-	-	(43,046,000)
Provisions for liabilities and charges	(4,645,161)	-	-	-	-	-	(4,645,161)
	<u>46,353,865</u>	<u>7,648,295</u>	<u>235,859</u>	<u>(6,594)</u>	<u>348</u>	<u>7,209,891</u>	<u>61,441,664</u>

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019

1 Accounting Policies

(a) Basis of preparation of financial statements

The National Education Union was formed on the 1 September 2017 following the amalgamation of the National Union of Teachers and the Association of Teachers and Lecturers. The assets and liabilities of the two unions were transferred to the National Education Union to form the opening position for the National Education Union. The Union's activities of the former unions have continued without interruption. The financial statements have therefore been prepared on a going concern basis and the Executive Committee consider that there are no material uncertainties about the Union's ability to continue as a going concern.

The financial statements have been prepared under the historical cost convention, as modified by revaluation of fixed assets investments, and in accordance with Financial Reporting Standard 102.

(b) 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 into the following accounting period. Subscription income is accounted for on a receivable basis for the current year with income received in advance being deferred into the following year.

(c) Designated funds

All income and expenditure is credited/(charged) to the statement of comprehensive income. Transfers to/(from) designated funds are made for 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 27).

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.

(d) 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 statement of comprehensive income 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 comprehensive income.

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019

1 Accounting Policies *(continued)*

(e) Corporation taxation

As an unincorporated association, the National Education Union 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.

(f) Deferred tax

Deferred tax is provided on all material reversing timing differences which arise from transactions reflected through the statement of comprehensive income.

(h) Operating leases

Rentals payable on operating leases are reflected in their entirety through the statement of comprehensive income.

(i) Fixed assets

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.

The principal annual rates 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 33 $\frac{1}{3}$ %

The value of the investment property is provided as an accounting estimate.

(j) Investments

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 at the amalgamation date.

National Education Union

Notes forming part of the Financial Statements for the 8 months ended 31 August 2019 (*continued*)

(k) **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 by the Union 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 Union's tangible fixed assets or investments. 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)
- Pension Costs (see note 30)

Valuations of the pension schemes are based on estimates provided by the actuary for each scheme and the value of the investment property is based on the assumptions provided through a professional valuation.

Checklist for auditor's report

(see notes 90 and 96)

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

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

Please explain in your report overleaf or attached.

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

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

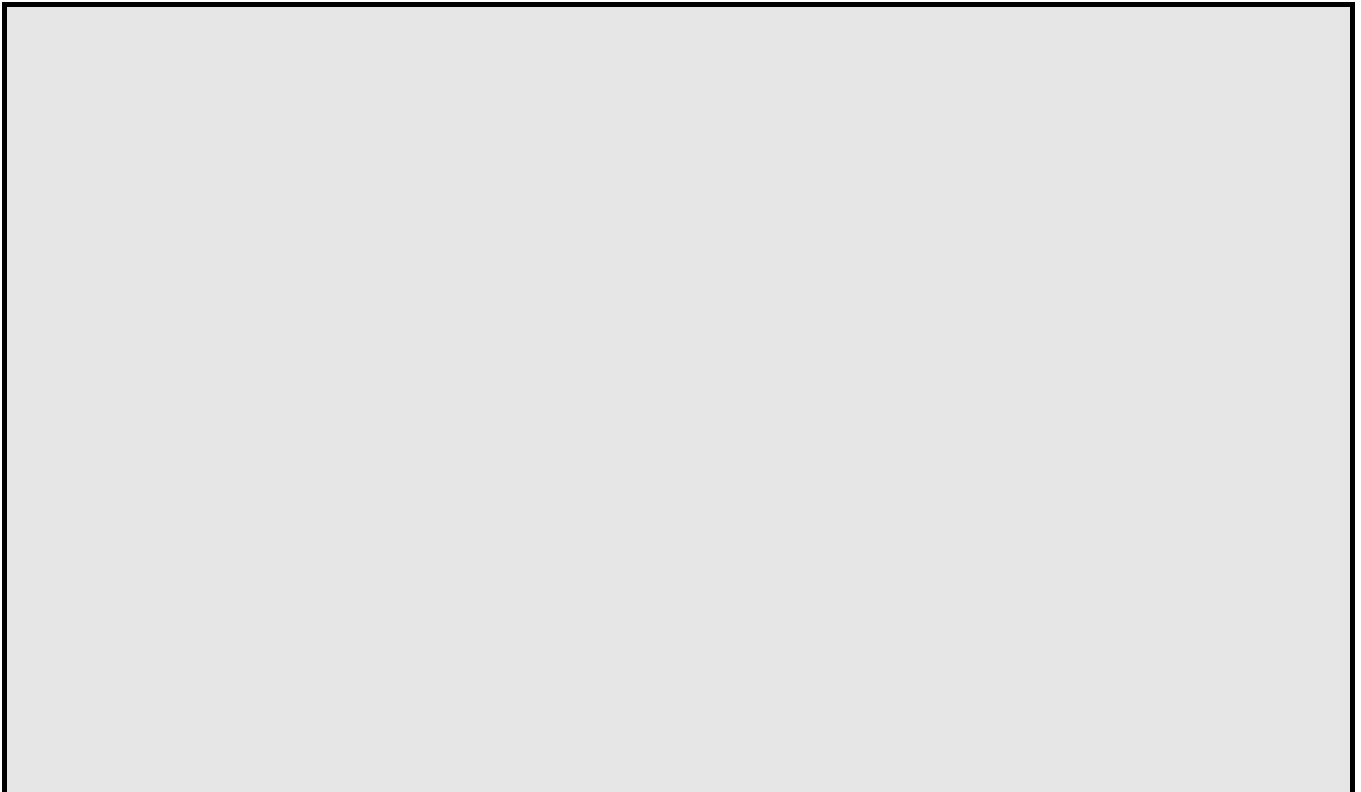
Please explain in your report overleaf or attached

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

In our opinion the financial statements:

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

Auditor's report (continued)



Signature(s) of auditor or auditors:	<input type="text" value="BDO LLP"/>	<input type="text"/>
Name(s):	<input type="text" value="BDO LLP"/>	<input type="text"/>
Profession(s) or Calling(s):	<input type="text" value="Chartered Accountant"/>	<input type="text"/>
Address(es):	<input type="text" value="55 Baker Street"/>	<input type="text"/>
	<input type="text" value="London"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>
	Postcode	<input type="text" value="W1U 7EU"/>
Date	<input type="text" value="03-Feb-20"/>	<input type="text"/>
Contact name for inquiries and telephone number:	<input type="text" value="Ben Courts 020 3219 4597"/>	<input type="text"/>

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

National Education Union

Independent auditor's report

Independent Auditor's Report to the Members of National Education Union

Opinion

We have audited the financial statements of the National Education Union (the 'Union') for the period ended 31 August 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 August 2019 and of its result for the period 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

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

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

Other information

The Executive Committee is responsible for the other information. The other information comprises the information included in the Report of the Honorary Treasurer, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

National Education Union

Independent auditor's report (continued)

Matters on which we are required to report by exception

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

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:

- proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, in accordance with the requirements; or
- the Union has not maintained a satisfactory system of controls over its transactions in accordance with the requirements; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Executive Committee

As explained more fully in the Statement of Executive Committee's Responsibilities, the Executive Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Executive Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Committee are responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our Report

This report is made solely to the National Education Union, as a body, in accordance with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Union 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.



BDO LLP
Chartered Accountants Statutory Auditor
55 Baker Street, London, W1U 7EU

Date: 3 February 2020

Membership audit certificate

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

(See notes 97 to 103)

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

Yes

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

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

Membership audit certificate

Section one

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

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

Yes


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

Yes

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

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

Membership audit certificate (continued)

Signature of assurer	
Name	Simon Hearn
Address	Civica Election Services The Election Centre 33 Clarendon Road London, N8 0NW
Date	18/12/2019
Contact name and telephone number	Simon Hearn, Director of Client Advisory Department 020 8829 8447

NEU

Membership audit certificate

Section two

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

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

Yes / No

If "No" Please explain below:

Signature	
Name	
Office held	
Date	