

# Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## Annual Return for a Trade Union

|  |  |                             |  |
|--|--|-----------------------------|--|
| Name of Trade Union:   | Communication Workers Union (CWU)              |                             |  |
| Year ended:  | 31 December 2019                               |                             |  |
| List no:   | 743T   |                             |  |
| Head or Main Office address:   | 150 The Broadway                               |                             |  |
|  | Wimbledon                                      |                             |  |
|  | London   |                             |  |
|  |  |                             |  |
|  |  |                             |  |
| Postcode   | SW19 1RX                                       |                             |  |
| Website address (if available)                                       | <a href="http://www.cwu.org">www.cwu.org</a>   |                             |  |
| Has the address changed during the year to which the return relates? | <input type="checkbox"/> Yes                   | <input type="checkbox"/> No | <input checked="" type="checkbox"/> X ('X' in appropriate box) |
| General Secretary:   | Dave Ward                                      |                             |  |
| Telephone Number:  | 020 8971 7237                                  |                             |  |
| Contact name for queries regarding the completion of this return     | Tony Kearns, Senior Deputy General Secretary   |                             |  |
| Telephone Number:  | 020 8971 7237                                  |                             |  |
| E-mail:  | <a href="mailto:sdgs@cwu.org">sdgs@cwu.org</a> |                             |  |

**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](mailto:returns@certoffice.org)

For Unions based in Scotland: [ymw@tcyoung.co.uk](mailto:ymw@tcyoung.co.uk)

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# Return of Members

(see notes 10 and 11)

|              | Number of members at the end of the year |                  |                |   |           |
|--------------|--|------------------|----------------|---|-----------|
|              | Great Britain                            | Northern Ireland | Irish Republic | Elsewhere Abroad<br>(including Channel Islands) | Totals    |
| Male         | 151,997                                  | 4,012            |                | 326   | 156,335   |
| Female       | 38,822                                   | 951              |                | 61  | 39,834    |
| Other        | 4  |                  |                |   | 4         |
| <b>Total</b> | 190,823                                  | 4,963            |                | 387   | A 196,173 |

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

196,173

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

1,440

## 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 |
|---------------------|--|---------------------------|----------------|
| Refer to Appendix 1 |  |                           |                |
|                     |  |                           |                |
|                     |  |                           |                |
|                     |  |                           |                |
|                     |  |                           |                |
|                     |  |                           |                |

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:

# Officers in post

(see note 12)

Please complete list of all officers in post at the end of the year to which this return relates.

| Name of Officer     | Position held |
|---------------------|---------------|
| Refer to Appendix 1 |               |
|                     |               |
|                     |               |
|                     |               |
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|                     |               |

## Appendix 1

### Change of Officers

| Position Held  | Name of Officer<br>Ceasing to Hold Office | Name of<br>Officer Appointed | Date of Change     |
|----------------|---|------------------------------|--------------------|
| Vice President | B Shepherd                                | K Rose                       | End of August 2019 |
| Voting Member  | S Banbury                                 |                              | End of August 2019 |
| Voting Member  | C McGlynn                                 |                              | End of August 2019 |
| Voting Member  | L Simpson                                 |                              | End of August 2019 |
| Voting Member  |   | M Bastiani                   | End of August 2019 |
| Voting Member  |   | E Brett                      | End of August 2019 |
| Voting Member  |   | H Cooper                     | End of August 2019 |
| Voting Member  |   | S Edwards                    | End of August 2019 |
| Voting Member  |   | L Elgar                      | End of August 2019 |
| Voting Member  |   | D Glebocki                   | End of August 2019 |
| Voting Member  |   | B Lee                        | End of August 2019 |
| Voting Member  |   | M Meade                      | End of August 2019 |
| Voting Member  |   | A Moosa                      | End of August 2019 |
| Voting Member  |   | J Samuels                    | End of August 2019 |
| Voting Member  |   | J Sharrocks                  | End of August 2019 |
| Voting Member  |   | I Taylor                     | End of August 2019 |
| Voting Member  |   | K Walsh                      | End of August 2019 |
| Voting Member  |   | M Walsh                      | End of August 2019 |
| Voting Member  |   | K Woolley                    | End of August 2019 |

## Officers in Post

| Name of Officer                        | Position Held                   |
|--|---------------------------------|
| D Ward                                 | General Secretary               |
| A Kearns                               | Senior Deputy General Secretary |
| A Kerr                                 | Deputy General Secretary        |
| T Pullinger                            | Deputy General Secretary        |
|  |                                 |
| <b>CWU Trustees:</b>                   |                                 |
| A Bouch                                | Trustee                         |
| M Kavanagh                             | Trustee                         |
| K Rose                                 | Trustee                         |
| J Upton                                | Trustee                         |
|  |                                 |
| <b>CWU National Executive Council:</b> |                                 |
| J Loftus                               | President                       |
| K Rose                                 | Vice President                  |
|  |                                 |
| M Ali                                  | Voting Member                   |
| M Bastiani                             | Voting Member                   |
| A Bouch                                | Voting Member                   |
| E Brett                                | Voting Member                   |
| H Cooper                               | Voting Member                   |
| T Cooper                               | Voting Member                   |
| N Darbyshire                           | Voting Member                   |
| S Edwards                              | Voting Member                   |
| L Elgar                                | Voting Member                   |
| T Fussey                               | Voting Member                   |
| D Glebocki                             | Voting Member                   |
| S Halliwell                            | Voting Member                   |
| S Jones                                | Voting Member                   |
| M Kavanagh                             | Voting Member                   |
| B Lee                                  | Voting Member                   |
| C Maden                                | Voting Member                   |
| M Meade                                | Voting Member                   |
| A Moosa                                | Voting Member                   |
| J Samuels                              | Voting Member                   |
| J Sharrocks                            | Voting Member                   |
| I Taylor                               | Voting Member                   |
| D Tee                                  | Voting Member                   |
| J Upton                                | Voting Member                   |
| K Walsh                                | Voting Member                   |
| M Walsh                                | Voting Member                   |
| B Weatherall                           | Voting Member                   |
| D Wilshire                             | Voting Member                   |
| K Woolley                              | Voting Member                   |
|  |                                 |



## Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

| Description                              | £              |
|--|----------------|
| <b>Federation and other bodies</b>       |                |
| <b>Total federation and other bodies</b> |                |
| <b>Any Other Sources</b>                 |                |
| Elstead hotel management charge          | 96,000         |
| Political fund management charge         | 45,000         |
| VAT refund                               | 97,406         |
| Net CWU promotional goods                | 14,067         |
| Donations                                | 2,059          |
| Sundry income                            | 7,933          |
| Disposal of quoted investments           | 1,484          |
| Revaluation of quoted investments        | 545,883        |
| <b>Total other sources</b>               | <b>809,832</b> |
| <b>Total of all other income</b>         | <b>809,832</b> |



## Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

|                               |           |   | £         |
|-------------------------------|-----------|---|-----------|
| Representation –              |           | <b>brought forward</b>                                      | 3,765,892 |
| Employment Related Issues     |           | Advisory Services   |           |
| Employment tribunals          | 171,069   | Harrasment helpline   | 271       |
| Representation –              |           | Other Cash Payments   |           |
| Non Employment Related Issues |           | Death benefits  | 510,246   |
| Legal and medical services    | 160,555   | Members welfare   | 53,733    |
| Unionline                     | 2,638,044 | Members insurance scheme                                    | 9,138     |
|                               |           | Education and Training services                             |           |
|                               |           | Education   | 645,850   |
| Communications                |           | Salary Costs  |           |
| Voice magazine                | 479,700   | Legal services  | 716,574   |
| Publications and publicity    | 304,568   |   |           |
|                               |           | Negotiated Discount Services                                |           |
|                               |           | Membership benefits package                                 | 9,387     |
| Dispute Benefits              |           |   |           |
| Strike support                | 11,956    | Other Benefits and Grants (specify)                         |           |
|                               |           | Members 25 Year certificates                                | 1,026     |
|                               |           | Gold badge awards   | 303       |
| <b>carried forward</b>        | 3,765,892 | <b>Total (should agree with figure in<br/>General Fund)</b> | 5,712,420 |



(See notes 21 and 23)

| Fund 4             |   | Fund Account |        |
|--------------------|---|--------------|--------|
| Name:              | Scholarship Fund  | £            | £      |
| <b>Income</b>      |   |              |        |
|                    | From members  |              |        |
|                    | Investment income (as at page 12)                             |              |        |
|                    | Other income (specify)  |              |        |
|                    | Commissions   |              | 32,360 |
|                    | <b>Total other income as specified</b>                        |              | 32,360 |
|                    | <b>Total Income</b>   |              | 32,360 |
|                    | Interfund Transfers IN  |              |        |
| <b>Expenditure</b> |   |              |        |
|                    | Benefits to members   |              | 9,000  |
|                    | Administrative expenses and other expenditure (as at page 10) |              |        |
|                    | <b>Total Expenditure</b>                                      |              | 9,000  |
|                    | Interfund Transfers OUT                                       |              | 23,360 |
|                    | <b>Surplus (Deficit) for the year</b>                         |              | 23,360 |
|                    | <b>Amount of fund at beginning of year</b>                    |              | 50,000 |
|                    | <b>Amount of fund at the end of year (as Balance Sheet)</b>   |              | 50,000 |
|                    | <b>Number of members contributing at end of year</b>          |              | n/a    |

| Fund 5             |   | Fund Account |            |
|--------------------|---|--------------|------------|
| Name:              | Property Reserve  | £            | £          |
| <b>Income</b>      |   |              |            |
|                    | From members  |              |            |
|                    | Investment income (as at page 12)                             |              |            |
|                    | Other income (specify)  |              |            |
|                    | <b>Total other income as specified</b>                        |              |            |
|                    | <b>Total Income</b>   |              |            |
|                    | Interfund Transfers IN  |              | 43,786     |
| <b>Expenditure</b> |   |              |            |
|                    | Benefits to members   |              |            |
|                    | Administrative expenses and other expenditure (as at page 10) |              |            |
|                    | <b>Total Expenditure</b>                                      |              |            |
|                    | Interfund Transfers OUT                                       |              |            |
|                    | <b>Surplus (Deficit) for the year</b>                         |              |            |
|                    | <b>Amount of fund at beginning of year</b>                    |              | 24,221,362 |
|                    | <b>Amount of fund at the end of year (as Balance Sheet)</b>   |              | 24,265,148 |
|                    | <b>Number of members contributing at end of year</b>          |              | n/a        |



## Political fund account

(see notes 24 to 33)

£

£

| <b>Political fund account 1</b>  |   | <b>To be completed by trade unions which maintain their own political fund</b>  |           |
|--|---|---|-----------|
|  | <b>Income</b>   |   |           |
|  | Members contributions and levies  |   | 1,606,863 |
|  | Investment income (as at page 12)   |   |           |
| Other income (specify)   |   |   |           |
|  |   |   |           |
|  |   |   |           |
|  | Total other income as specified   |   |           |
|  |   | Total income  | 1,606,863 |
| <b>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</b> |   |   |           |
|  | <b>Expenditure A</b> (as at page i)   |   | 1,432,953 |
|  | <b>Expenditure B</b> (as at page ii)  |   | 12,479    |
|  | <b>Expenditure C</b> (as at page iii)   |   |           |
|  | <b>Expenditure D</b> (as at page iv)  |   | 8,000     |
|  | <b>Expenditure E</b> (as at page v)   |   | 214,486   |
|  | <b>Expenditure F</b> (as at page vi)  |   | 98,197    |
|  | <b>Non-political expenditure</b> (as at page vii)   |   | 199,585   |
|  |   | Total expenditure   | 1,965,700 |
|  |   | Surplus (deficit) for year  | -358,837  |
|  |   | Amount of political fund at beginning of year   | 1,710,087 |
|  |   | Amount of political fund at the end of year (as <u>Balance Sheet</u> )  | 1,351,250 |
|  |   | Number of members at end of year contributing to the political fund   | 153,972   |
|  |   | Number of members at end of the year not contributing to the political fund   | 42,201    |
|  |   | Number of members at end of year who have completed an exemption notice and do not contribute to the political fund           | 33,095    |
| <b>Political fund account 2</b>  |   | <b>To be completed by trade unions which act as components of a central trade union</b>                                       |           |
| <b>Income</b>  | Contributions and levies collected from members on behalf of central political fund                     |   |           |
|  | Funds received back from central political fund   |   |           |
|  | Other income (specify)  |   |           |
|  |   |   |           |
|  |   |   |           |
|  |   | Total other income as specified   |           |
|  |   | Total income  |           |
| <b>Expenditure</b>   | Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify) |   |           |
|  |   |   |           |
|  | Administration expenses in connection with political objects(specify)                                   |   |           |
|  | Non-political expenditure   |   |           |
|  |   | Total expenditure   |           |
|  |   | Surplus (deficit) for year  |           |
|  |   | Amount held on behalf of trade union political fund at beginning of year  |           |
|  |   | Amount remitted to central political  |           |
|  |   | 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 |           |















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

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

| (a) the nature of each cause or campaign for which money was expended, and the total amount expended in relation to each one | £     |
|--|-------|
| Anti-austerity campaign  | 297   |
| Anti-Trump campaign  | 154   |
| CWU Period Poverty   | 168   |
| International anti-racism rally  | 2,261 |
| Post Bank  | 9,992 |
| New Deal for Workers campaign  | 1,500 |
| Save our Post Office   | 400   |
|  |       |
|  |       |
|  |       |

**Total expenditure** 14,772

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

£

|                                |        |
|--------------------------------|--------|
| Autonomy                       | 10,000 |
| Class                          | 12,500 |
| Common Wealth                  | 7,500  |
| Justice 4 Grenfell             | 1,000  |
| Labour Research Department     | 978    |
| New Economics Foundation       | 7,500  |
| Show Racism the Red Card       | 15,000 |
| Sorry We Missed You            | 10,000 |
| The World Transformed Festival | 12,500 |
| Various minor campaigns        | 5,956  |

**Total expenditure** 82,934

£

(c) the total amount of all other money expended

|                                  |        |
|----------------------------------|--------|
| Political fund management charge | 45,000 |
| All other expenditure            | 56,879 |
|                                  |        |
|                                  |        |
|                                  |        |
|                                  |        |
|                                  |        |
|                                  |        |
|                                  |        |

**Total expenditure** 101,879

**Total of all expenditures** 199,585

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

(see notes 34 and 35)

|  |                       | £                 |
|--|-----------------------|-------------------|
| <b>Administrative Expenses</b>                 |                       |                   |
| Remuneration and expenses of staff             |                       | 7,914,441         |
| Salaries and Wages included in above           | 7,408,884             |                   |
| Auditors' fees                                 |                       | 78,131            |
| Legal and Professional fees                    |                       | 1,216,618         |
| Occupancy costs                                |                       | 1,414,438         |
| Stationery, printing, postage, telephone, etc. |                       | 2,729,790         |
| Expenses of Executive Committee (Head Office)  |                       | 2,324,582         |
| Expenses of conferences                        |                       | 1,224,542         |
| Other administrative expenses (specify)        |                       |                   |
| Branch organisation and recruitment            |                       | 4,711,729         |
| Regional and divisional representation         |                       | 1,158,031         |
| Elections and ballots                          |                       | 513,334           |
| International activities                       |                       | 35,391            |
| <b>Other Outgoings</b>                         |                       |                   |
| Bank charges                                   |                       | 33,770            |
| Depreciation                                   |                       | 504,954           |
| Outgoings on land and buildings (specify)      |                       |                   |
| Other outgoings (specify)                      |                       |                   |
| Disposal of fixed assets                       |                       | 3,277             |
| Contribution collection costs and charges      |                       | 21,404            |
| Other financial expense - pension schemes      |                       | 712,000           |
| FRS102 pensions - remeasurement recognised     |                       | 3,184,000         |
| <b>Total</b>                                   |                       | <b>27,780,432</b> |
| Charged to:                                    | General Fund (Page 3) | 24,255,332        |
|  | Defence Fund          | 285,000           |
|  | National Welfare Fund |                   |
|  | Scholarship Fund      |                   |
|  | Property Reserve      |                   |
|  | Pension Reserve       | 3,240,100         |
| <b>Total</b>                                   |                       | <b>27,780,432</b> |



# Analysis of investment income

(see notes 47 and 48)

|                                   | Political<br>Fund<br>£ |                         | Other<br>Fund(s)<br>£ |
|-----------------------------------|------------------------|-------------------------|-----------------------|
| Rent from land and buildings      |                        |                         | 72,412                |
| Dividends (gross) from:           |                        |                         |                       |
| Equities (e.g. shares)            |                        |                         | 50,991                |
| Interest (gross) from:            |                        |                         |                       |
| Government securities (Gilts)     |                        |                         |                       |
| Mortgages                         |                        |                         | 22,976                |
| Local Authority Bonds             |                        |                         |                       |
| Bank and Building Societies       |                        |                         | 2,285                 |
| Other investment income (specify) |                        |                         |                       |
|                                   |                        |                         | 148,664               |
|                                   |                        | Total investment income | 148,664               |
|                                   |                        | Credited to:            |                       |
|                                   |                        | General Fund (Page 3)   | 148,664               |
|                                   |                        | Defence Fund            |                       |
|                                   |                        | National Welfare Fund   |                       |
|                                   |                        | Scholarship Fund        |                       |
|                                   |                        | Property Reserve        |                       |
|                                   |                        | Pension Reserve         |                       |
|                                   |                        | Political Fund          |                       |
|                                   |                        | Total Investment Funds  | 148,664               |





## Fixed assets account

(see notes 53 to 57)

|   | Land and Buildings |                | Furniture<br>and<br>Equipment<br>£ | Motor<br>Vehicles<br>£ | Not used for<br>union<br>business<br>£ | Total<br>£ |
|---|--------------------|----------------|------------------------------------|------------------------|--|------------|
|   | Freehold<br>£      | Leasehold<br>£ |                                    |                        |  |            |
| <b>Cost or Valuation</b>                          |                    |                |                                    |                        |  |            |
| At start of year                                  | 24,221,362         |                | 2,095,265                          | 12,203                 |  | 26,328,830 |
| Additions   | 43,787             |                | 235,434                            | 7,704                  |  | 286,925    |
| Disposals   |                    |                | -4,580                             |                        |  | -4,580     |
| Revaluation/Transfers                             |                    |                |                                    |                        |  |            |
| At end of year                                    | 24,265,149         |                | 2,326,119                          | 19,907                 |  | 26,611,175 |
| <b>Accumulated<br/>Depreciation</b>               |                    |                |                                    |                        |  |            |
| At start of year                                  | 1,774,216          |                | 1,835,650                          | 12,203                 |  | 3,622,069  |
| Charges for year                                  | 255,253            |                | 210,755                            | 1,765                  |  | 467,773    |
| Disposals   |                    |                | -1,303                             |                        |  | -1,303     |
| Revaluation/Transfers                             | 102,906            |                |                                    |                        |  | 102,906    |
| At end of year                                    | 2,132,375          |                | 2,045,102                          | 13,968                 |  | 4,191,445  |
| <b>Net book value at<br/>end of year</b>          | 22,132,774         |                | 281,017                            | 5,939                  |  | 22,419,730 |
| <b>Net book value at<br/>end of previous year</b> | 22,447,146         |                | 259,615                            |                        |  | 22,706,761 |

## Analysis of investments

(see notes 58 and 59)

| Quoted                                       | All Funds Except<br>Political Funds<br>£ | Political Fund<br>£ |
|--|--|---------------------|
|  | Equities (e.g. Shares)                   |                     |
| Government Securities (Gilts)                |  |                     |
| Other quoted securities (to be specified)    |  |                     |
| Aberdeen Unit Trust                          | 4,158,050                                |                     |
| Total quoted (as Balance Sheet)              | 4,158,050                                |                     |
| Market Value of Quoted Investment            | 4,158,050                                |                     |
|  |  |                     |
| Unquoted                                     |  |                     |
| Equities                                     |  |                     |
| Unity Trust Bank ordinary shares             | 2,487,092                                |                     |
| Government Securities (Gilts)                |  |                     |
| Mortgages                                    |  |                     |
| Union mortgages (cash position)              | 99,102                                   |                     |
| Bank and Building Societies                  |  |                     |
| People's Press Printing Society Ltd          | 20,000                                   |                     |
| Other unquoted investments (to be specified) |  |                     |
| Total unquoted (as Balance Sheet)            | 2,606,194                                |                     |
| Market Value of Unquoted Investments         | 2,606,194                                |                     |



# Summary sheet

(see notes 62 to 73)

|   | All funds except<br>Political Funds | Political<br>Funds<br>£  | Total<br>Funds<br>£ |
|---|-------------------------------------|--------------------------|---------------------|
| <b>Income</b>   |                                     |                          |                     |
| From Members  | 29,410,909                          | 1,606,863                | 31,017,772          |
| From Investments  | 148,664                             |                          | 148,664             |
| Other Income (including increases by<br>revaluation of assets)          | 870,955                             |                          | 870,955             |
| <b>Total Income</b>   | 30,430,528                          | 1,606,863                | 32,037,391          |
| <b>Expenditure</b><br>(including decreases by revaluation<br>of assets) |                                     |                          |                     |
| <b>Total Expenditure</b>  | 34,821,909                          | 1,965,700                | 36,787,609          |
| <b>Funds at beginning of year</b><br>(including reserves)               | 16,691,398                          | 1,710,087                | 18,401,485          |
| <b>Funds at end of year</b><br>(including reserves)                     | 12,300,017                          | 1,351,250                | 13,651,267          |
| <b>Assets</b>   |                                     |                          |                     |
| Fixed Assets  |                                     |                          | 22,419,730          |
| Investment Assets   |                                     |                          | 6,764,244           |
| Other Assets  |                                     |                          | 13,157,841          |
|   |                                     | <b>Total Assets</b>      | 42,341,815          |
| <b>Liabilities</b>  |                                     | <b>Total Liabilities</b> | 28,690,548          |
| <b>Net Assets (Total Assets less Total Liabilities)</b>                 |                                     |                          | 13,651,267          |

(see notes 74 to 80)

|   |  |
|---|--|
| <b>Did the union hold any ballots in respect of industrial action during the return period?</b>   | <input type="text" value="Yes"/>                       |
| If Yes How many ballots were held: <input style="width: 50px;" type="text" value="10"/>   |  |
| For each ballot held please complete the information below: <b>(Please refer to Appendix 2)</b>   |  |
| <b>Ballot 1</b>   |  |
| Number of individual who were entitled to vote in the ballot  | <input style="width: 80px;" type="text"/>              |
| <b>Number of votes cast in the ballot</b>   | <input style="width: 80px;" type="text"/>              |
| Number of Individuals answering "Yes" to the question   | <input style="width: 80px;" type="text"/> <sup>1</sup> |
| Number of individuals answering "No" to the question  | <input style="width: 80px;" type="text"/> <sup>2</sup> |
| Number of invalid or otherwise spoiled voting papers returned   | <input style="width: 80px;" type="text"/> <sup>3</sup> |
|   | <b>1-3 should total "Number of votes cast"</b>         |
| Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot   | <input style="width: 60px;" type="text"/>              |
| Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?  | <input style="width: 60px;" type="text"/>              |
| If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot | <input style="width: 60px;" type="text"/>              |
| <b>Ballot 2</b>   |  |
| Number of individual who were entitled to vote in the ballot  | <input style="width: 80px;" type="text"/>              |
| <b>Number of votes cast in the ballot</b>   | <input style="width: 80px;" type="text"/>              |
| Number of Individuals answering "Yes" to the question   | <input style="width: 80px;" type="text"/> <sup>1</sup> |
| Number of individuals answering "No" to the question  | <input style="width: 80px;" type="text"/> <sup>2</sup> |
| Number of invalid or otherwise spoiled voting papers returned   | <input style="width: 80px;" type="text"/> <sup>3</sup> |
|   | <b>1-3 should total "Number of votes cast"</b>         |
| Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot   | <input style="width: 60px;" type="text"/>              |
| Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?  | <input style="width: 60px;" type="text"/>              |
| If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot | <input style="width: 60px;" type="text"/>              |
| <b>Ballot 3</b>   |  |
| Number of individual who were entitled to vote in the ballot  | <input style="width: 80px;" type="text"/>              |
| <b>Number of votes cast in the ballot</b>   | <input style="width: 80px;" type="text"/>              |
| Number of Individuals answering "Yes" to the question   | <input style="width: 80px;" type="text"/> <sup>1</sup> |
| Number of individuals answering "No" to the question  | <input style="width: 80px;" type="text"/> <sup>2</sup> |
| Number of invalid or otherwise spoiled voting papers returned   | <input style="width: 80px;" type="text"/> <sup>3</sup> |
|   | <b>1-3 should total "Number of votes cast"</b>         |
| Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot   | <input style="width: 60px;" type="text"/>              |
| Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?  | <input style="width: 60px;" type="text"/>              |
| If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot | <input style="width: 60px;" type="text"/>              |

Appendix 2

**Information on Industrial Action Ballots**

| Name of Organisation:  |   | Communication Workers Union        |   |  | Reporting Period  | 01/01/19 - 31/12/19  |  |  |
|--|---|------------------------------------|---|--|---|--|--|--|
| 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>10</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  | 17  | 7                                  | 2   | 5  | 0   | No   | No   |  |
| 2  | 75  | 50                                 | 44  | 6  | 0   | Yes  | No   |  |
| 3  | 68  | 43                                 | 35  | 8  | 0   | Yes  | No   |  |
| 4  | 260   | 172                                | 118   | 54   | 0   | Yes  | No   |  |
| 5  | 4   | 4                                  | 4   | 0  | 0   | Yes  | No   |  |
| 6  | 54  | 43                                 | 39  | 4  | 0   | Yes  | No   |  |
| 7  | 110292  | 83704                              | 81232   | 2421   | 51  | Yes  | No   |  |
| 8  | 4217  | 2841                               | 2697  | 143  | 1   | Yes  | No   |  |
| 9  | 4217  | 2928                               | 2770  | 156  | 2   | Yes  | No   |  |
| 10   | 35  | 27                                 | 20  | 6  | 1   | Yes  | No   |  |

**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**

**Yes**

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: 25 February 2019 to 20 March 2019

3. Number of days of industrial action: 4

4. Nature of industrial action. Strike 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: 23 February 2019 to 25 February 2019

3. Number of days of industrial action: 3

4. Nature of industrial action. Strike 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: 10 August 2019 to 19 September 2019

3. Number of days of industrial action: 3

4. Nature of industrial action. Strike Action

**use a continuation page if necessary**



**Industrial Action 4**

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

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 5**

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

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 6**

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

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 7**

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

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

**Industrial Action 8**

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

A  B  C  D  E  F  G

2. Dates of the industrial action taken:  to

3. Number of days of industrial action:

4. Nature of industrial action.

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

## Notes to the accounts

(see notes 82 and 83)

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

Please refer to Appendix 3.

An extract from the CWU published accounts for the year ended 31 December 2019 (pages 11-20).

# Notes to the Financial Statements

## 1 Accounting Policies

### Basis of Accounts

These accounts have been prepared under the historical cost convention, and are in accordance with Financial Reporting Standard 102 ("FRS 102") modified by the revaluation of certain freehold property and investments.

### Going Concern

At the date of approving these financial statements, the NEC acknowledges that the COVID-19 pandemic is creating significant difficulties in the worldwide economy. The obligation to prepare these financial statements on a going concern basis has been considered by reference to budgets, forecasts and projected cash flows, covering a period of at least the 12 month period from the date of signing these accounts, as well as potential opportunities in relation to the controlled realisation of assets owned by the Union if required. In particular, the NEC has integrated the uncertainty surrounding the current COVID-19 pandemic within these budgets and forecasts.

The Union operates in a sector whose members are considered to be key workers in the economy, and whilst there will be pressures on membership as normal, membership levels are expected to remain "relatively" static during the pandemic. In preparing the budgets and forecasts for the financial years ending December 2020 and 2021, due consideration has been given to all potential impacts of the pandemic ("stress tested") and, after taking into account the recent decisions to cease all travel, and delay elections, conferences and educational activities, the NEC believe that the Union has sufficient working capital to enable it to continue as a going concern for the foreseeable future, which is considered to be a period of at least 12 months from the date of signing these accounts.

The financial statements do not include any adjustments that would be necessary if the forecasts are not achieved.

### Contribution Income

Contribution income received includes amounts remitted by and due to be remitted from pay centres who operate a payroll deduction scheme on behalf of the CWU and Members who have a direct debit facility with their bank. Amounts deducted by pay centres at 31 December 2019 but not received have been brought into the income and expenditure account and included in current assets within debtors.

### Government Funding

Government funding received to support union education is recognised through the statement of financial position. The funding is received in arrears and netted off against expenses.

### Members' Legal Expenses

Members' legal expenses are charged in these accounts net of reimbursements obtained in respect of certain cases, on an invoiced basis. Conditional fee agreements are recognised in the accounts where the amount to be received is known with certainty.

### Value Added Tax (VAT)

Income and expenditure is shown in these accounts including VAT where applicable.

### Corporation Tax

As an unincorporated association, the 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. No provision is made for any potential corporation tax liabilities arising as a result of revaluations of the Unions properties or investments.

Deferred tax is recognised in respect of all timing differences which are differences between the taxable profits and total comprehensive income that arises from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

### Depreciation

Depreciation is calculated to write off the cost of an asset over its estimated useful working life. The following are depreciated on a straight line basis at:

|                         |      |
|-------------------------|------|
| Buildings               | 2%   |
| Freehold Land           | 0%   |
| Furniture and Equipment | 25%  |
| Motor Vehicles          | 25%  |
| Computers               | 33⅓% |

## Notes to the Financial Statements (continued)

### Depreciation (continued)

Assets are reviewed for impairment whenever events or changes in circumstances such as planned disposals of properties, indicates that the carrying amount may not be recoverable.

### Property

Properties are included at deemed cost, less depreciation as detailed above. Where no information is available as to the allocation of the original cost or valuation of property between land and buildings, best estimates of that allocation are used.

### Investments

Quoted investments are disclosed at mid market values in the Statement of Financial Position. Unquoted investments are disclosed at their original cost or, where available, at their estimated current value as estimated by an independent third party.

For the Elstead Hotel (Bournemouth) Limited the Union revalues the shares to an amount equal to the shareholders' funds at the reporting date.

### Operating Leases

Operating lease rentals are charged to the income and expenditure account evenly over the term of the lease.

### Pension Costs

The difference between the fair value of the assets held in the defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Statement of Financial Position as a pension asset or liability as appropriate.

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. Or 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 Other Comprehensive Income / Expense.

## 2 Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

### Pension and post-employment benefits

The cost of each defined benefit pension is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates.

### Unionline

The Union recharges Trade Union Legal LLP (trading as Unionline) for its share of the costs that it incurs on its legal activities. The recharge is an estimate of the current year charges based on the actual costs incurred in the prior year. As Unionline has yet to produce a cumulative surplus, there is a degree of uncertainty with regards to the recoverability of the full balance the Union is owed at the end of the year. As a result, the Union has included a provision against all of the recharge amounts owed.

## 3 Purpose of the Funds and Reserves

### General Fund

Established to receive the contribution income and all other receipts which are intended to use for general purposes and meet all normal expenses and outgoings of the Union.

### Property Reserve

Established to account for any capital costs and profits or losses incurred in the future purchases or disposal of property. The balance of the reserve is equated to the total costs or valuation of Land and Buildings less any bank loans secured.

## Notes to the Financial Statements (continued)

### Political Fund

Established by CWU Union Rule 12 to provide funds for campaigns which could include the furtherance of the political objectives to which section 72 of the Trade Union and Labour Relations (Consolidation) Act 1992 applies. Subscribing members who have not opted out, contribute 87p of the full subscription fee to the Political Fund.

### Branch Fund

Established by CWU Union Rule 11.6 to provide funds for branches based on 29% of their Branch membership income and 27% of Retired membership, received by head office.

### Defence Fund

Established to provide funds for special campaigns including disputes. The fund receives 1% of the gross Branch rebate each month.

### National Welfare Fund

Established to support members in times of financial hardship.

### Scholarship Fund

Established to support members in gaining higher education qualifications.

### Pension Reserve

Established to account for any FRS 102 revaluations on pension assets and liabilities.

|          |   |  |                          |                          |
|----------|---|--|--------------------------|--------------------------|
| <b>4</b> | <b>Total Head Office Expenditure</b>                  |  | <b>2019</b>              | <b>2018</b>              |
|          |   |  | £                        | £                        |
|          | General Fund Total (schedule A, page 21)              |  | <b>22,177,268</b>        | 19,022,656               |
|          | Defence Fund (schedule B, page 22)                    |  | <b>285,000</b>           | -                        |
|          | Scholarship Fund (schedule C, page 22)                |  | <b>9,000</b>             | 29,536                   |
|          | National Welfare Fund (schedule D, page 22)           |  | <b>24,950</b>            | 28,500                   |
|          |   |  | <b><u>22,496,218</u></b> | <b><u>19,080,692</u></b> |
| <br>     |   |  |                          |                          |
| <b>5</b> | <b>Other Income</b>                                   |  | <b>2019</b>              | <b>2018</b>              |
|          |   |  | £                        | £                        |
|          | Long-term Loan Interest                               |  | <b>22,976</b>            | 24,293                   |
|          | Dividends   |  | <b>45,096</b>            | 25,449                   |
|          | Non-cash Distributions                                |  | <b>5,895</b>             | 2,591                    |
|          | Commissions   |  | <b>35,724</b>            | 41,172                   |
|          | Rent  |  | <b>21,000</b>            | 85,599                   |
|          | Donations   |  | <b>25,399</b>            | 19,756                   |
|          | Elstead Hotel (Bournemouth) Limited Management Charge |  | <b>96,000</b>            | 96,000                   |
|          | Political Fund Administration Charge                  |  | <b>45,000</b>            | 45,000                   |
|          | CWU Promotional Goods (net)                           |  | <b>13,529</b>            | (207)                    |
|          | Sundry Income   |  | <b>2,175</b>             | -                        |
|          |   |  | <b><u>312,794</u></b>    | <b><u>339,653</u></b>    |
| <br>     |   |  |                          |                          |
| <b>6</b> | <b>Staff Costs</b>                                    |  | <b>2019</b>              | <b>2018</b>              |
|          |   |  | £                        | £                        |
|          | Salaries, Payroll and Substitution Costs              |  | <b>6,860,819</b>         | 6,740,832                |
|          | Alvescot Staff Salaries                               |  | <b>260,701</b>           | 263,314                  |
|          | National Insurance Costs                              |  | <b>732,617</b>           | 747,245                  |
|          | Total Salaries and Payroll Costs                      |  | <b><u>7,854,137</u></b>  | <b><u>7,751,391</u></b>  |
|          | Less Salary Costs Allocated to Union Learning Fund    |  | <b><u>(184,552)</u></b>  | <b><u>(224,105)</u></b>  |
|          | Staff Costs (schedule J and T)                        |  | <b><u>7,669,585</u></b>  | <b><u>7,527,286</u></b>  |

## Notes to the Financial Statements (continued)

### 7 Tangible Fixed Assets

#### Freehold Property:

|  | Freehold<br>Property<br>£ | Freehold<br>Property<br>Branch Fund<br>£ | Total<br>£        |
|--|---------------------------|--|-------------------|
| <b>Valuation / Cost</b>                    |                           |  |                   |
| Brought forward 1 January 2019             | 20,992,715                | 3,228,647                                | 24,221,362        |
| Additions and Improvements                 | -                         | 43,787                                   | 43,787            |
| <b>Carried forward at 31 December 2019</b> | <b>20,992,715</b>         | <b>3,272,434</b>                         | <b>24,265,149</b> |
| <b>Depreciation</b>                        |                           |  |                   |
| Brought forward at 1 January 2019          | 1,434,118                 | 340,098                                  | 1,774,216         |
| Depreciation for year                      | 174,810                   | 80,443                                   | 255,253           |
| Impairment                                 | 102,906                   | -  | 102,906           |
| <b>Carried forward at 31 December 2019</b> | <b>1,711,834</b>          | <b>420,541</b>                           | <b>2,132,375</b>  |
| <b>Net Book Value</b>                      |                           |  |                   |
| <b>At 31 December 2019</b>                 | <b>19,280,881</b>         | <b>2,851,893</b>                         | <b>22,132,774</b> |
| At 31 December 2018                        | 19,558,597                | 2,888,549                                | 22,447,146        |

Freehold property including branch funds comprises of 20 properties. Of these 12-14 Knyveton Road is subject to a leasehold interest granted to the Elstead Hotel (Bournemouth) Limited.

During May 2020 the Alvescot Lodge Education Centre was sold for £1.75 million.

The following insolvency charges are held over freehold property 150 The Broadway; UCW Pensions 2001 scheme £7.5 million; NCU SS scheme £1 million; CWU 2000 Pensions scheme £2.5 million.

#### Other Fixed Assets:

|  | Office<br>Equipment<br>£ | Computer<br>Equipment<br>£ | Motor<br>Vehicles<br>£ | Total<br>£       |
|--|--------------------------|----------------------------|------------------------|------------------|
| <b>Cost</b>                                |                          |                            |                        |                  |
| Brought forward 1 January 2019             | 895,969                  | 1,199,296                  | 12,203                 | 2,107,468        |
| Additions                                  | 56,718                   | 114,308                    | 7,704                  | 178,730          |
| Funded Assets                              | 1,228                    | 63,180                     | -                      | 64,408           |
| Disposals                                  | -                        | (4,580)                    | -                      | (4,580)          |
| <b>Carried forward at 31 December 2019</b> | <b>953,915</b>           | <b>1,372,204</b>           | <b>19,907</b>          | <b>2,346,026</b> |
| <b>Depreciation</b>                        |                          |                            |                        |                  |
| Brought forward at 1 January 2019          | 732,377                  | 1,103,273                  | 12,203                 | 1,847,853        |
| Depreciation for year                      | 65,108                   | 81,239                     | 1,765                  | 148,112          |
| Funded Assets                              | 1,228                    | 63,180                     | -                      | 64,408           |
| Disposals                                  | -                        | (1,303)                    | -                      | (1,303)          |
| <b>Carried forward at 31 December 2019</b> | <b>798,713</b>           | <b>1,246,389</b>           | <b>13,968</b>          | <b>2,059,070</b> |
| <b>Net Book Value</b>                      |                          |                            |                        |                  |
| <b>At 31 December 2019</b>                 | <b>155,202</b>           | <b>125,815</b>             | <b>5,939</b>           | <b>286,956</b>   |
| At 31 December 2018                        | 163,592                  | 96,023                     | -                      | 259,615          |

Funded assets represent assets that are purchased with government grants.

## Notes to the Financial Statements (continued)

| <b>8 Investments and Long Term Loans</b>      |     | <b>2019</b>             | <b>2018</b>             |
|---|-----|-------------------------|-------------------------|
|   |     | <b>£</b>                | <b>£</b>                |
| Mortgages and Other Long Term Loans - Secured | (a) | <b>99,102</b>           | 251,102                 |
| Quoted Investments at Market Value            | (b) | <b>4,158,050</b>        | 3,604,788               |
| Unquoted Shares at Market Value or Cost       | (c) | <b>2,507,092</b>        | 2,507,092               |
|   |     | <b><u>6,764,244</u></b> | <b><u>6,362,982</u></b> |

| <b>a) Long Term Loans - Secured</b> |  | <b>2019</b>          | <b>2018</b>           |
|-------------------------------------|--|----------------------|-----------------------|
|                                     |  | <b>£</b>             | <b>£</b>              |
| Union Officers:                     |  |                      |                       |
| A Furey                             |  | <b>70,284</b>        | 79,484                |
| A Kerr                              |  | -                    | 63,328                |
| D Bowman                            |  | <b>28,818</b>        | 108,290               |
|                                     |  | <b><u>99,102</u></b> | <b><u>251,102</u></b> |

| <b>Movement During the Year:</b> |  | <b>2019</b>          | <b>2018</b>           |
|----------------------------------|--|----------------------|-----------------------|
|                                  |  | <b>£</b>             | <b>£</b>              |
| Brought Forward at 1 January     |  | <b>251,102</b>       | 276,333               |
| Long term loans repaid           |  | <b>(152,000)</b>     | (25,231)              |
| Carried Forward at 31 December   |  | <b><u>99,102</u></b> | <b><u>251,102</u></b> |

| <b>b) Quoted Investments at Market Value</b>   |  | <b>2019</b>             | <b>2018</b>             |
|--|--|-------------------------|-------------------------|
| <b>Movement during the year:</b>               |  | <b>£</b>                | <b>£</b>                |
| Brought Forward Value at 1 January             |  | <b>3,604,788</b>        | 3,906,121               |
| Disposal of Investments                        |  | <b>(170,000)</b>        | (45,000)                |
| Surplus / (Deficit) on Disposal of Investments |  | <b>1,484</b>            | (75)                    |
| Additional Shares Purchased in Year            |  | <b>170,000</b>          | 45,000                  |
| Non-Cash Distributions in Year                 |  | <b>5,895</b>            | 2,591                   |
| Revaluation Surplus / (Deficit) in Year        |  | <b>545,883</b>          | (303,849)               |
| Carried Forward at 31 December                 |  | <b><u>4,158,050</u></b> | <b><u>3,604,788</u></b> |

The total original cost of quoted investments was £1,418,203 (2018: £1,418,203). Any surplus or deficit arising on sale or revaluation to market value during the year has been debited or credited to the fund holding the investments.

| <b>c) Unquoted Investments at Market Value or Cost</b> |  | <b>2019</b>             | <b>2018</b>             |
|--|--|-------------------------|-------------------------|
| <b>Movement during the year:</b>                       |  | <b>£</b>                | <b>£</b>                |
| Brought Forward Value at 1 January                     |  | <b>2,507,092</b>        | 2,140,734               |
| Additional Shares Purchased in Year                    |  | -                       | 1,358                   |
| Revaluation Surplus in Year                            |  | -                       | 365,000                 |
| Carried Forward at 31 December                         |  | <b><u>2,507,092</u></b> | <b><u>2,507,092</u></b> |

The total unquoted shares held by the Union at the 31 December 2019:

- 1,061,046 shares in Unity Trust Bank revalued on 31 December 2019 at market value of £2.344 per share.
- 20,000 shares in Peoples Press Printing Society Ltd at cost of £1 per share.
- 10,000 shares in Elstead Hotel (Bournemouth) Ltd at £1 per share (note 9).
- 10 shares in Union Network International at £20,000 per share.

The total original cost of unquoted investments was £1,483,696 (2018: £1,483,696). Any surplus or deficit arising on sale or revaluation to market value during the year has been debited or credited to the fund holding the investments.

### Union Network International

A full provision of £201,606 (2018: £201,606) has been made against the cost of shares in the headquarters building of Union Network International as recovery of the amount invested is not envisaged.

## Notes to the Financial Statements (continued)

### 8c) Unquoted Investments at Market Value or Cost (continued)

#### Unionline

At 31 December 2019 the Union was a 50% equity partner in GMB/CWU Legal LLP, which is the sole beneficial corporate partner of Trade Union Legal LLP, trading as Unionline. Further details of Unionline transactions have been given in note 19.

### 9 Elstead Hotel (Bournemouth) Limited

The Union holds 100% share capital in the Elstead Hotel (Bournemouth) Limited, a hotel and conference centre in Bournemouth. This has been fully provided for in these accounts. The company is a subsidiary undertaking of the Union but consolidated accounts have not been prepared as the inclusion of Elstead Hotel (Bournemouth) Limited would have not a material impact on the accounts of the Union.

The accounts of Elstead Hotel (Bournemouth) Limited as at 31 December 2019 show a loss of £297,470 and shareholders' funds at that date of a negative equity of £692,805.

The Union's interest is represented by a debenture of £480,000 secured by a floating charge over the assets of the company and £10,000 ordinary shares of £1 each fully paid. As the company is in a net liability position, the Union's investments (debenture and shares) has been provided for to a £nil amount.

Further details of Elstead Hotel (Bournemouth) Limited transactions have been given in note 19.

|   |                  |                  |
|---|------------------|------------------|
| <b>10 Debtors</b>   | <b>2019</b>      | 2018             |
|   | £                | £                |
| Contributions from Members  | 2,197,655        | 2,132,518        |
| Salary Debtors  | 102,572          | 58,007           |
| Other Debtors   | 1,100,936        | 3,565,688        |
| Prepayments   | 456,804          | 329,806          |
|   | <u>3,857,967</u> | <u>6,086,019</u> |
| <b>11 Cash at Bank and In Hand</b>                                | <b>2019</b>      | 2018             |
|   | £                | £                |
| General Fund - Head Office  | 2,484,598        | 2,959,990        |
| General Fund - Branches   | 5,481,149        | 5,412,886        |
| Political Fund  | 1,334,127        | 1,582,115        |
|   | <u>9,299,874</u> | <u>9,954,991</u> |
| <b>12 Creditors: amounts falling due within one year</b>          | <b>2019</b>      | 2018             |
|   | £                | £                |
| Trade Creditors   | 1,438,048        | 1,768,286        |
| Salary Creditors  | 83,900           | 173,602          |
| Accruals and Deferred Income                                      | 1,070,046        | 1,092,327        |
| Provisions  | 616,065          | 639,994          |
| Other Creditors   | 260,489          | 221,059          |
|   | <u>3,468,548</u> | <u>3,895,268</u> |
| <b>13 Creditors: amounts falling due after more than one year</b> | <b>2019</b>      | 2018             |
|   | £                | £                |
| Other Creditors   | <u>2,000</u>     | <u>4,000</u>     |



## Notes to the Financial Statements (continued)

### 14 Operating Leases

At 31 December 2019 the Union had future minimum lease payments under non-cancellable operating leases as set out below.

|                                | 2019             | 2018             |
|--------------------------------|------------------|------------------|
|                                | £                | £                |
| Operating leases which expire: |                  |                  |
| Within One Year                | 924,789          | 1,047,294        |
| Within Two to Five Years       | 1,971,207        | 2,149,760        |
| Greater than Five Years        | 128,884          | 756,187          |
|                                | <u>3,024,880</u> | <u>3,953,241</u> |

### 15 Provision for Liabilities and Charges - Pensions

The Union's accounts need to show the value of the pension schemes that it sponsors using the accounting treatment prescribed by Section 28 of FRS 102. The assumptions used in calculating the Section 28 pension scheme valuations, as disclosed in note 16, are agreed between the employer and the scheme's actuaries each year and are generally less prudent than the triennial pension scheme valuation where the assumptions used are agreed by the schemes' trustees and the actuaries.

Using a Section 28 valuation the Union's pension schemes at 31 December 2019 showed a total deficit of £25.22m.

|          | Date of Triennial Valuation | Triennial<br>Valuation<br>£'000 | FRS 102<br>Valuation<br>£'000 |
|----------|-----------------------------|---------------------------------|-------------------------------|
| UCW 2001 | 31/12/2017                  | 17,350                          | 17,260                        |
| NCU SSS  | 31/12/2017                  | (2,660)                         | -                             |
| CWU 2000 | 31/12/2017                  | 8,550                           | 7,960                         |
|          |                             | <u>23,240</u>                   | <u>25,220</u>                 |

The most recent triennial valuations for all schemes are dated 31 December 2017. At this date, the total liability amounted to £23.24m.

The assets in the NCU SSS have not been recognised as there is no provision in the deed and rules of the scheme to enable the trustees to make payments to the Union.

### 16 Pensions

The Union operates a CARE section within the CWU 2000 Pension scheme, which provides benefits for Union employees based on a proportion of career salary. The CWU 2000 Pension Scheme CARE section is open to new employees of the Union and the UCW 2001 and NCU SSS are closed. All schemes are fully funded.

Contributions to the schemes are charged to the Statement of Comprehensive Income to spread the cost of pensions over employees' working lives with the Union. The contributions are paid in accordance with recommendations by independent qualified actuary at a rate of 33% of pensionable salaries. The actuary uses the projected unit method of valuation.

Amounts payable to the schemes by the Union in accordance with actuarial advice were:

|                                     | 2019         | 2018         |
|-------------------------------------|--------------|--------------|
|                                     | £'000        | £'000        |
| <b>Staff Superannuation Schemes</b> |              |              |
| Normal Contributions                | 2,206        | 2,270        |
| Pension Deficit Reduction Payments  | 830          | 750          |
|                                     | <u>3,036</u> | <u>3,020</u> |

The above amounts represent the amounts which would have been charged to the Statement of Comprehensive Income in 2019 and 2018, had Section 28 of FRS 102 not been adopted in respect of accounting for retired benefits. The amounts actually charged to the Statement of Comprehensive Income and Other Comprehensive Income are shown in note 16d and 16e.

The Union is considering the deficits in the various schemes in consultation with respective scheme actuaries and taking advice on the amount of future Union contributions.

## Notes to the Financial Statements (continued)

### 16 Pensions (continued)

The assets of the schemes are held in separate trustee administered funds. A summary of the assets and liabilities in accordance with Section 28, together with the assumptions used to determine the results, is set out below. Qualified independent actuaries have updated figures from the last formal valuations of the schemes to 31 December 2019. The deficit has been incorporated within the Union's balance sheet in accordance with Section 28.

#### 16a The Main Financial Assumptions:

|   | 31 December<br>2019<br>% | 31 December<br>2018<br>% |
|---|--------------------------|--------------------------|
| Discount Rate                             | 1.9 - 2.1                | 2.8 - 3.0                |
| RPI Inflation Assumption                  | 2.0 - 3                  | 3.6                      |
| Rate of Salary Increases                  | 0                        | 0                        |
| Allowance for Future Deferred Revaluation | 2.3 - 3                  | 2.6 - 3.6                |
| Allowance for Future Pension Increases    | 2.3 - 3.2                | 2.6 - 3.6                |

Mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member currently aged 60 will live for a further 26 years if they are male and for a further 28 years if they are female. For a member currently aged 40 who retires at age 60 the assumptions are that they will live on average for a further 28 years after retirement if they are male and a further 30 years after retirement if they are female.

#### 16b The Assets in the Schemes were:

|  | 31 December<br>2019<br>£'000 | 31 December<br>2018<br>£'000 |
|--|------------------------------|------------------------------|
| Hedge Funds                            | 39,080                       | 35,830                       |
| Diversified Growth Funds               | 27,710                       | 24,011                       |
| Government Bonds                       | 46,508                       | 46,875                       |
| Corporate Bonds                        | 2,650                        | 2,590                        |
| Cash                                   | 1,283                        | 969                          |
|  | <u>117,231</u>               | <u>110,275</u>               |
| Irrecoverable Surplus on Scheme Assets | (13,970)                     | (12,658)                     |
| <b>Total Scheme Assets</b>             | <u><b>103,261</b></u>        | <u><b>97,617</b></u>         |

#### 16c Analysis of Amounts in the Statement of Financial Position:

|   | 31 December<br>2019<br>£'000 | 31 December<br>2018<br>£'000 |
|---|------------------------------|------------------------------|
| <b>Changes in Present Value of Scheme Liabilities</b> |                              |                              |
| Opening Defined Benefit Obligation                    | 120,427                      | 131,524                      |
| Current Service Cost                                  | 1,550                        | 2,308                        |
| Past Service Cost                                     | -                            | 46                           |
| Interest Cost   | 3,418                        | 3,335                        |
| Remeasurement Gain - Effect of Experience Adjustments | (170)                        | (5,352)                      |
| Remeasurement Loss / (Gain) - Changes in Assumptions  | 8,098                        | (6,610)                      |
| Contributions paid by Scheme Participants             | 380                          | 327                          |
| Benefits Paid   | (5,222)                      | (5,151)                      |
| <b>Closing Defined Benefit Obligation</b>             | <u><b>128,481</b></u>        | <u><b>120,427</b></u>        |

## Notes to the Financial Statements (continued)

|   |                    |                 |
|---|--------------------|-----------------|
| <b>16c Analysis of Amounts in the Statement of Financial Position (continued):</b>  | <b>31 December</b> | 31 December     |
|   | <b>2019</b>        | 2018            |
|   | <b>£'000</b>       | £'000           |
| <b>Changes in Fair Value of Scheme Assets</b>   |                    |                 |
| Opening Fair Value of Scheme Assets   | 110,275            | 114,848         |
| Expected Return (Interest Income) on Scheme Assets  | 3,156              | 2,924           |
| Administration Expenses Paid  | (450)              | (461)           |
| Remeasurement Gain / (Loss) - Return on Scheme Assets   | 6,056              | (5,233)         |
| Contributions paid by the Employer  | 3,036              | 3,021           |
| Contributions paid by Scheme Participants   | 380                | 327             |
| Benefits Paid   | (5,222)            | (5,151)         |
|   | <u>117,231</u>     | <u>110,275</u>  |
| Irrecoverable Surplus on Scheme Assets  | (13,970)           | (12,660)        |
| <b>Closing Fair Value of Scheme Assets</b>  | <u>103,261</u>     | <u>97,615</u>   |
| <br>  |                    |                 |
| Present Value of Defined Benefit Obligation   | (128,481)          | (120,427)       |
| Fair value of Scheme Assets   | 103,261            | 97,615          |
| <b>Net Liability (note 15)</b>  | <u>(25,220)</u>    | <u>(22,812)</u> |
| <br>  |                    |                 |
| <b>16d Analysis of the Amount Charged to the Operating Surplus:</b>   | <b>31 December</b> | 31 December     |
|   | <b>2019</b>        | 2018            |
|   | <b>£'000</b>       | £'000           |
| Current Service Cost  | 1,550              | 2,308           |
| Past Service Costs  | -                  | 46              |
| <b>Total Operating Charge</b>   | <u>1,550</u>       | <u>2,354</u>    |
| <br>  |                    |                 |
| <b>16e Analysis of the Amount Recognised as Other Financial Expense:</b>  | <b>31 December</b> | 31 December     |
|   | <b>2019</b>        | 2018            |
|   | <b>£'000</b>       | £'000           |
| Interest Income on Scheme Assets  | 3,156              | 2,925           |
| Interest Cost   | (3,418)            | (3,335)         |
| Scheme Administration Expenses Paid   | (450)              | (460)           |
| <b>Total Financial Expense</b>  | <u>(712)</u>       | <u>(870)</u>    |
| <br>  |                    |                 |
| <b>16f Remeasurement Recognised in Other Comprehensive Income (OCI):</b>  | <b>31 December</b> | 31 December     |
|   | <b>2019</b>        | 2018            |
|   | <b>£'000</b>       | £'000           |
| Remeasurement Gain / (Loss) - Return on Scheme Assets   | 6,056              | (5,233)         |
| Remeasurement Gain - Effect of Experience Adjustments   | 170                | 5,352           |
| Remeasurement (Loss) / Gain - Changes in Assumptions  | (8,098)            | 6,610           |
| <b>Total Remeasurement (Loss) / Gain recognised in OCI</b>  | <u>(1,872)</u>     | <u>6,729</u>    |
| Assets not Recoverable in the Future  | (1,312)            | (6,730)         |
| <b>Total Loss in OCI</b>  | <u>(3,184)</u>     | <u>(0,001)</u>  |
| <br>  |                    |                 |
| <b>17 Contingent Liabilities</b>  |                    |                 |
| The Union had a £nil amount at 31 December 2019.  |                    |                 |
| <br>  |                    |                 |
| <b>18 Key Management Personnel</b>  |                    |                 |
| Key management personnel is defined as the roles of General Secretary and Senior Deputy General Secretary. The total employment cost for these roles paid in the year was £264,316 (2018: £261,023) and includes gross pay, employers pension contributions and employers national insurance. |                    |                 |

## Notes to the Financial Statements (continued)

### 19 Related Party Transactions

#### Unionline

Intercompany transactions at the reporting date:

£273,250 (2018: £273,250) Other Debtors, note 10 relating to a unsecured loan at a commercial rate of interest.

£102,470 (2018: £81,203) Other Debtors, note 10 accumulated loan interest.

£49,140 (2018: £49,140) Trade Debtors, note 10 relating to medical fees.

#### Elstead Hotel (Bournemouth) Limited

Intercompany transactions at the reporting date:

£582,193 (2018: £394,953) Other Debtors note 10, relating to rent, management fees and a loan.

£7,455 (2018: £nil) Accruals, note 12, relating to hotel services.

£nil (2018: £5,975) Trade Creditors note 12, relating to hotel services.

### 20 Post Balance Sheet Events

Since 31 December 2019, the outbreak of the pandemic COVID-19 has had an economic effect across all sectors and the Union has considered the effect on the organisation as a going concern, its resilience through this period and the impact on the reserves. The NEC has reviewed the revised financial plans, which have been amended to include the impact of known changes in activities, and will continue to review these budgets and forecasts as the situation progresses.

Due to the uncertainty involved and the unprecedented nature of the challenges posed by the coronavirus situation, the NEC are of the opinion that continual monitoring of the financial impact of the COVID-19 pandemic is crucial to the future of the Union. Senior management have been quick to take action to mitigate detrimental effects on the Union and its members, ensuring staff have been able to work remotely in a safe environment.

In preparing amended budgets and forecasts for the financial years ending December 2020 and 2021 after taking into account all potential impacts of the pandemic ("stress testing existing budgets"), including the sale of Alvescot Lodge for £1.75m and after taking into account the decisions to cease all travel, and delay elections, conferences and educational activities, the NEC believe that the Union has sufficient working capital to enable it to continue to provide services to its members and ensure the future viability of the organisation.

# Accounting policies

(see notes 84 and 85)

Please refer to Appendix 3.

An extract of the CWU published accounts for the year ended 31 December 2019 (pages 11-20).

The Union's accounting policies are detailed within note 1.

## 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: | <i>Dave Ward.</i> | Chairman's Signature: | <i>Tony Kearns</i>                                  |
|                        |                   |                       | (or other official whose position should be stated) |
| Name:                  | Dave Ward         | Name:                 | Tony Kearns<br>Senior Deputy General Secretary      |
| Date:                  | 02/11/20          | Date:                 | 02/11/20  |

## Checklist

(see notes 88 to 89)

(please tick as appropriate)

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

# Checklist for auditor's report

(see notes 90 and 96)

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

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

Please explain in your report overleaf or attached.

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

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

Please explain in your report overleaf or attached

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

**In our opinion the financial statements:**

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

## Auditor's report (continued)

Please refer to Appendix 4 - Independent Auditor's report

An extract from the CWU published accounts for the year ended 31 December 2019 (pages 5-6).

Signature(s) of auditor or auditors:

*BDO LLP*

Name(s):

BDO LLP

Profession(s) or Calling(s):

Statutory Auditor

Address(es):

55 Baker Street

London

Postcode

W1U 7EU

Date

2 November 2020

Contact name for inquiries and  
telephone number:

Gareth Jones  
020 7486 5888

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

# Independent Auditor's Report to the Communication Workers Union

## Opinion

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

In our opinion, the financial statements:

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

## 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 Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Executive Council 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 Council 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.



# Independent Auditor's Report to the Communication Workers Union (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 to which the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept, 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 Council

As explained more fully in the Statement of Responsibilities of the Executive Council, the Executive Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Executive Council 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 Council is responsible for assessing the union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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](http://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 Communication Workers 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 as a body, for our audit work, for this report, or for the opinions we have formed.



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**BDO LLP**  
Statutory Auditor  
London

BDO LLP is a Limited Liability Partnership registered in England and Wales (with registered number OC305127)

Date: 2 November 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 reporting period preceding 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 information 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,<br>33 Clarendon Road,<br>London N8 0NW                    |
| Date                              | 26/05/2020  |
| Contact name and telephone number | Simon Hearn, Managing Director<br>020 8365 8909                                     |