

## **PALM PAPER STAFF ASSOCIATION**

### **STATEMENT TO MEMBERS ISSUED IN CONNECTION WITH THE UNION'S ANNUAL RETURN FOR PERIOD ENDED 31 DECEMBER 2020 AS REQUIRED BY SECTION 32A OF TRADE UNION AND LABOUR RELATIONS (CONSOLIDATION) ACT 1992**

#### **Income and Expenditure**

The total income of the union for the period was £5,309. This amount included payments of £5,286 in respect of membership income of the union. The union's total expenditure for the period was £8,449.

#### **Salary paid to and other benefits provided to the General Secretary**

The General Secretary was not paid any amount in respect of salary or benefits

#### **Irregularity statement**

A member who is concerned that some irregularity may be occurring, or has occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concern with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of the rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice.

#### **Auditor's report**

See attached.

# **PALM PAPER STAFF ASSOCIATION**

## **FOR THE YEAR ENDED 31 DECEMBER 2020**

### **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE PALM PAPER STAFF ASSOCIATION**

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We have audited the financial statements of Palm Paper Staff Association for the year ended 31 December 2020 which comprise the income and expenditure account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Palm Paper Staff Association's affairs as at 31 December 2020 and of its results 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 other 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 opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have conclude that the Management Committee's use of the going concern basis of accounting in preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Union's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Management Committee with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Management Committee are responsible for the other information contained within the annual report. 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.

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 the financial statements or a material misstatement of the other information. If, based on in 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.

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## **FOR THE YEAR ENDED 31 DECEMBER 2020**

### **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE PALM PAPER STAFF ASSOCIATION**

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#### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters to which the Trades Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Staff Association; or
- the Union has not maintained a satisfactory system of control over transactions; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Respective responsibilities of the Management Committee**

As explained more fully in the Statement of the Management Committee's Responsibilities (set out on page 1), the Management Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee determine 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 Management Committee are responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Committee 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which procedures are capable of detecting irregularities, including fraud are detailed below:

#### ***The extent to which the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Union through discussions with the Management Committee, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Union, including the Trades Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the Management Committee and inspecting legal correspondence; and

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## **FOR THE YEAR ENDED 31 DECEMBER 2020**

### **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE PALM PAPER STAFF ASSOCIATION**

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•identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Union's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of the Management Committee as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of the Management Committee;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators, and the Union's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's 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 Palm Paper Staff Association members 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 Palm Paper Staff Association members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Palm Paper Staff Association members as a body, for our audit work, or for the opinion we have formed

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**FOR THE YEAR ENDED 31 DECEMBER 2020**

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE PALM PAPER STAFF ASSOCIATION**

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*SE Edwards*

Mrs Sharon Edwards, FCA (SENIOR STATUTORY AUDITOR)

for and on behalf of

**MAPUS-SMITH & LEMMON LLP**

Registered Auditors

48 KING STREET  
KING'S LYNN  
NORFOLK  
PE30 1HE

Date: *18/05/2021*