

**ANNUAL STATEMENT TO THE MEMBERS OF GMB**  
**[Required under Section 32A Trade Union and Labour Relations (Consolidation) Act 1992]**

**1. Year Ended 31 December 2020**

	<b>£'000</b>
Total Income	79,662
of which, Income in respect of membership	72,334
Total expenditure	(62,337)
Movement in actuarial valuation of pension scheme	( 1,956)
Provision	( 12,217)
Political Fund	
Income	2,377
Expenditure	(1,420)

**2. Remuneration**

Name	Gross Salary	Benefits			Total	Employer's NI Contributions
		Pension	Other Benefits			
			Car	Assets Transferred		
£'000	£'000	£'000	£'000	£'000	£'000	
Tim Roache	222*	17	8	12	259	29**
Barbara Plant	29				29	3
Malcolm Sage	14				14	1
Kathy Abu-Bakir	6				6	
Shane Allinson					0	
Tracey Ashton					0	
Arron Bevan-John					0	
Gwylan Brinkworth					0	
Kevin Buchanan					0	
Amanda Burley					0	
Mike Carr					0	
Richard Clarke	5				5	
Margaret Clarke					0	
Carol Clarkson	2				2	
Elaine Daley	1				1	
Sandra Daniell	5				5	
Anne Dean					0	
John Dolan	1				1	
Raymond Dowson					0	

Danny Faith					0	
Brian Farr					0	
David Flanagan					0	
Shailesh Gaglani	8				8	
Charlotte Gardner	2				2	
Gordon Gibbs	14				14	1
Dean Gilligan	1				1	
Margaret Gregg					0	
Colin Gunter	4				4	
Gary Harris					0	
Fiona Heneghan					0	
Kevan Hensby	5				5	
Nathan Holman					0	
Rachael Hookway					0	
David Hope	5				5	
Sarah Hurley	6				6	
Mary Hutchinson					0	
Kevin Jones	6				6	
Farzana Jumma					0	
Warinder Juss					0	
Evelyn Martin					0	
Andy McGivern					0	
David McLean	2				2	
Peter Meyrick	1				1	
June Minnery	1				1	
Cathy Murphy	1				1	
Andy Newman	21				21	2
Cath Pinder					0	
Gordon Richardson	7				7	
Carol Robertson					0	
Penny Robinson	8				8	
Robbie Scott					0	
Vivien Smart	2				2	
Donna Spicer	3				3	
Catherine Sutton	6				6	
Alan Walker					0	
Susan Walker					0	
John Warcup	6				6	
Robert Welham					0	
Lorraine Winson					0	
Alan Woodward					0	
Samanta Zubruté					0	

\* Includes Retirement Testimonial £142,905

\*\* Includes NI on Retirement Testimonial £19,698

### 3. Audit Report

The following is reprinted from the Annual Return (AR21):

#### STATEMENT OF CENTRAL EXECUTIVE COUNCIL'S RESPONSIBILITIES

Trade union law requires the Central Executive Council (CEC) to prepare an annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice for each financial year, which give a true and fair view of the state of affairs of the Union and of the surplus or deficit of the Union for that period. In preparing those financial statements, the CEC is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue to operate.

The CEC is also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Union and to enable them to ensure that the financial statements comply with relevant United Kingdom Generally Accepted Accounting Practice and the Trade Union and Labour Relations (Consolidation) Act 1992. It is also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and must also establish and maintain a satisfactory system of control over its accounting records, its cash holdings and all its receipts and remittances.

#### Report of the General Member Auditors

We have examined the financial statements in accordance with Rule.

P Gregson	}	General Member Auditors
C Hyman		
D Kempson		

#### Independent Auditor's Report to GMB

##### Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 2020 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.

We have audited the financial statements of the GMB (the 'Union') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

## **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**

In auditing the financial statements, we have concluded that the Central Executive Council's use of the going concern basis of accounting in the 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Central Executive Council with respect to going concern are described in the relevant sections of this report.

## **Other information**

The Central Executive Council is responsible for the other information. The other information comprises the information included in the General Secretary's Introduction to the 2020 Financial Statements, 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.

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

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 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 Central Executive Council**

As explained more fully in the Statement of the Central Executive Council's Responsibilities, the Central 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 Central 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 Central 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 Central Executive Council 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.

### **Extent to which the audit was capable of detecting irregularities, including fraud**

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 our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

We gained an understanding of the legal and regulatory framework applicable to the Union and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the Union that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Trade Union and Labour Relations (Consolidation) Act 1992, UK tax legislation and equivalent local laws and regulations.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the Central Executive Council meetings, minutes of regional meetings held, legal reports provided to the Central Executive Council and correspondence between the Union and its solicitors.

We completed a sample of branch audit reviews with a focus on the income, expenditure and cash balances throughout the period to ensure that activities were supported and in line with Union rules and practices. Any unusual findings were raised with the regional secretaries for further investigation.

Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by the Central Executive Council that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 GMB, 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.

BDO LLP, statutory auditor  
London, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

### **4. Political Fund**

Members who joined GMB on or after March 1, 2018 and who gave notice that they wished to contribute to the Political Fund, may withdraw that notice by giving notice to the Union (a "withdrawal notice").

### **5. Financial Affairs of the Union**

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 rules of the Union and contemplates bringing civil proceedings against the Union or responsible officials or trustees, he should consider obtaining independent legal advice.