

**CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS
AND
THE RETENTION FUND
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)**

STATEMENT TO MEMBERS

**As required by the Trade Union and Labour Relations
(Consolidation) Act 1992
as amended by the
Trade Union Reform and Employment Rights Act 1993**

**Comprising an extract from the financial statements
for the year ended 31 December 2019
accompanied by a
Statutory Declaration**

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STATEMENT TO MEMBERS

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CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

REVENUE ACCOUNT OF THE CSEU GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019		2018	
	£	£	£	£
Operating Income				
Affiliation Fees	135,040		131,605	
Other	77,330		122,892	
	<hr/>	212,370	<hr/>	254,497
Operating Expenditure				
Personnel	136,636		208,613	
Property and equipment	47,939		7,089	
General Expenses	159,856		61,802	
Meetings	43,563		41,315	
	<hr/>	(387,994)	<hr/>	(318,819)
Operating Result		<hr/>		<hr/>
		(175,624)		(64,322)
Taxation		-		-
Comprehensive Result for the Year		<hr/>		<hr/>
		(175,624)		(64,322)
Accumulated Funds brought forward		677,111		741,433
Accumulated Funds carried forward		<hr/>		<hr/>
		501,487		677,111

CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

BALANCE SHEET OF THE CSEU GENERAL FUND
AS AT 31 DECEMBER 2019

	2019		2018	
	£	£	£	£
Current Assets				
Debtors and Prepayments	107,032		315,778	
Cash in Hand and at Bank	532,763		462,829	
	<u>639,795</u>		<u>778,607</u>	
Current Liabilities				
Creditors and Accruals	138,308		101,496	
Corporation tax	-		-	
	<u>138,308</u>		<u>101,496</u>	
Net Current Assets		501,487		677,111
Total Net Assets		<u>501,487</u>		<u>677,111</u>
Financed by:				
Accumulated Funds		<u>501,487</u>		<u>677,111</u>

Accounts approved for issue to the members on 23 December 2020.

I Waddell
General Secretary

NOTES ON THE CSEU GENERAL FUND

1. Analysis of General Secretary salary and benefits:

Ian Waddell – General Secretary	Salary (Gross)	£87,358
	Pension contributions	£13,977
	Use of Union car	£3,327
	Wellbeing	£500

2. There are no paid officials other than the General Secretary. Neither the President of the Confederation nor any member of its committees, trustees nor Executive Council has received remuneration or taxable benefit.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE CSEU GENERAL FUND

Set out below is the report of the independent auditor to the members of the General Fund of the Confederation of Shipbuilding and Engineering Unions as contained in the financial statements for the year ended 31 December 2019 from which the preceding information has been extracted:

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

Opinion

We have audited the financial statements of the Confederation of Shipbuilding and Engineering Unions [“The Confederation”] for the year ended 31 December 2019 which comprise the Income and Expenditure account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of the significant accounting policies. 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 the Confederation's affairs as at 31 December 2019 and of its income and expenditure for the year then ended; and
- Have been properly prepared in accordance with 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 Confederation in accordance with the ethical requirements that are relevant to the 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

We have nothing to report in respect of the following matters in relation to which the ISA's (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 Confederation's ability to continue to adopt a 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 Annual Report other than the financial statements and our auditor's report thereon. Our opinion of 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.

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
THE CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS (continued)**

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 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

The Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) requires us to report to you if, in our opinion:

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

We have nothing to report in this regard.

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 financial statements and being satisfied that they give a true and fair view, and for such internal control as the Executive Council 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 Executive Council is responsible for assessing the Confederation'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 Executive Council either intends to liquidate the Confederation 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 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 Council's website at <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 Confederation's members as a body. Our audit work has been undertaken so that we might state to the Confederation's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Confederation and the Confederation's members as a body, for our audit work, for this report, or for the opinions we have formed.

HW FISHER
Chartered Accountants
Statutory Auditor

Date: 23 December 2020

Acre House
11-15 William Road
London NW1 3ER
United Kingdom

CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

REVENUE ACCOUNT OF THE RETENTION FUND
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019		2018	
	£'000	£'000	£'000	£'000
Operating Income				
Investment income		520		770
Other income		-		-
		<u>520</u>		<u>770</u>
Operating Expenditure				
Donation to Alex Ferry Foundation	-		14,395	
Management charge	75		100	
Investment Fund management fees	79		208	
Audit, accountancy and tax advice	30		80	
Legal Fees	135		610	
Other costs	33		50	
		<u>(352)</u>	<u>(15,443)</u>	
Operating Result		<u>168</u>		<u>(14,673)</u>
Investment Operations				
Change in investment values	1,107		(7,086)	
(Loss)/Gain on sale of investments	(653)		35	
		<u>454</u>	<u>(7,051)</u>	
Result before Taxation		<u>622</u>		<u>(21,724)</u>
Taxation				
Current tax	-		-	
Deferred tax	-		1,311	
		<u>-</u>	<u>1,311</u>	
Comprehensive Result for the Year		<u>622</u>		<u>(20,413)</u>
Accumulated Funds brought forward		10,326		30,739
Accumulated Funds carried forward		<u>10,948</u>		<u>10,326</u>

CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

BALANCE SHEET OF THE CSEU RETENTION FUND
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)
AS AT 31 DECEMBER 2019

	2019		2018	
	£'000	£'000	£'000	£'000
Investments		10,637		10,530
Current Assets				
Debtors and prepayments	-		-	
Cash at bank and with brokers	358		239	
	<u>358</u>		<u>239</u>	
Current Liabilities				
Creditors and accruals	47		443	
Corporation tax	-		-	
	<u>47</u>		<u>443</u>	
Net Current Assets/(Liabilities)		311		(204)
		<u>10,948</u>		<u>10,326</u>
Provisions for Liabilities				
Deferred tax		-		-
		<u>10,948</u>		<u>10,326</u>
Represented by:				
Accumulated Funds		<u>10,948</u>		<u>10,326</u>

Accounts approved by the Trustees on 23 December 2020.

J Rowse
Trustee

I Waddell
General Secretary

NOTES ON THE RETENTION FUND
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)

1. There are no paid officials.
2. No member, committee member or trustee of the Retention Fund has received any remuneration, taxable benefit or other benefit in the current year.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE RETENTION FUND
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)

Set out below is the report of the independent auditor to the members of the Retention Fund as contained in the accounts for the year ended 31 December 2019 from which the preceding information has been extracted:

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF THE RETENTION FUND
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)**

Opinion

We have audited the financial statements of the Retention Fund [“The Fund”] for the year ended 31 December 2019 which comprise the Income and Expenditure account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of the significant accounting policies. 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 the Fund's affairs as at 31 December 2019 and of its income and expenditure for the year then ended; and
- Have been properly prepared in accordance with 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 Fund in accordance with the ethical requirements that are relevant to the 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

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

- The Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Fund's ability to continue to adopt a 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion of 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.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF THE RETENTION FUND (continued)
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)**

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 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

The Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) requires us to report to you if, in our opinion:

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

We have nothing to report in this regard.

Responsibilities of the Trustees

As explained more fully in the Statement of Responsibilities of the Trustees, the Trustees are responsible for the preparation of financial statements and being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the Fund'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 Trustees either intend to liquidate the Fund 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 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 Council's website at <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 Fund's members as a body. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

**HW FISHER
Chartered Accountants
Statutory Auditor**

**Acre House
11 - 15 William Road
London NW1 3ER
United Kingdom**

Date: 23 December 2020

STATUTORY DECLARATION

Under the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Trade Union Reform and Employment Rights Act 1993 we are required by law to append a declaration which is reproduced below.

"A member who is concerned that some irregularity may be occurring, or have 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 concerns 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."