

**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 2020  
accompanied by a  
Statutory Declaration**

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

**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 2020**

	<b>2020</b>		<b>2019</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Operating Income</b>				
Affiliation Fees	139,518		135,040	
Other	481		77,330	
	<hr/>	139,999	<hr/>	212,370
<b>Operating Expenditure</b>				
Personnel	87,199		136,636	
Property and equipment	42,182		47,939	
General Expenses	101,750		159,856	
Meetings	7,309		43,563	
	<hr/>	(238,440)	<hr/>	(387,994)
<b>Operating Result</b>		<hr/>		<hr/>
		(98,441)		(175,624)
<b>Taxation</b>		-		-
<b>Comprehensive Result for the Year</b>		<hr/>		<hr/>
		(98,441)		(175,624)
<b>Accumulated Funds brought forward</b>		501,487		677,111
<b>Accumulated Funds carried forward</b>		<hr/> <hr/>		<hr/> <hr/>
		403,046		501,487

**CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS**

**BALANCE SHEET OF THE CSEU GENERAL FUND**  
**AS AT 31 DECEMBER 2020**

	<b>2020</b>		<b>2019</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Current Assets</b>				
Debtors and Prepayments	40,919		107,032	
Cash in Hand and at Bank	490,336		532,763	
	<u>531,255</u>		<u>639,795</u>	
<b>Current Liabilities</b>				
Creditors and Accruals	128,209		138,308	
Corporation tax	-		-	
	<u>128,209</u>		<u>138,308</u>	
<b>Net Current Assets</b>		403,046		501,487
<b>Total Net Assets</b>		<u>403,046</u>		<u>501,487</u>
<b>Financed by:</b>				
Accumulated Funds		<u>403,046</u>		<u>501,487</u>

Accounts approved for issue to the members on 2 July 2021.

**I Waddell**  
**General Secretary**

## NOTES ON THE CSEU GENERAL FUND

1. Analysis of General Secretary salary and benefits:

Ian Waddell – General Secretary	Salary (Gross)	£90,132
	Pension contributions	£14,421
	Use of Union car	£5,274
  
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 2020 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 2020 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 2020 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**

In auditing the financial statements, we have concluded the the 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 Confederation'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 Executive Council with respect to going concern are described in the relevant sections of this report.

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

**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.

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.

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 our planning process:

- We enquired of management the systems and controls the union has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The union did not inform us of any known, suspected or alleged fraud.

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the union. We determined that the following were most relevant: FRS 102 and the Trade Union and Labour Relations Act 1992.
- We considered the incentives and opportunities that exist in the union, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the union, together with the discussions held with the union at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the national executive committee's board minutes, correspondence with solicitors, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with management.

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**

**Dated 11 August 2021**

**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 2020**

	<b>2020</b>		<b>2019</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Operating Income</b>				
Investment income		207		520
Other income		-		-
		<hr/>		<hr/>
		207		520
<b>Operating Expenditure</b>				
Donation to Alex Ferry Foundation	-		-	
Management charge	-		75	
Investment Fund management fees	31		79	
Audit, accountancy and tax advice	35		30	
Legal Fees	36		135	
Other costs	-		33	
		<hr/>		<hr/>
		(102)		(352)
<b>Operating Result</b>				
		<hr/>		<hr/>
		105		168
<b>Investment Operations</b>				
Change in investment values	356		1,107	
(Loss)/Gain on sale of investments	(3,246)		(653)	
		<hr/>		<hr/>
		(2,890)		454
<b>Result before Taxation</b>				
		<hr/>		<hr/>
		(2,785)		622
<b>Taxation</b>				
Current tax	-		-	
Deferred tax	-		-	
		<hr/>		<hr/>
		-		-
<b>Comprehensive Result for the Year</b>				
		<hr/>		<hr/>
		(2,785)		622
<b>Accumulated Funds brought forward</b>				
		10,948		10,326
<b>Accumulated Funds carried forward</b>				
		<hr/>		<hr/>
		8,163		10,948



**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 2020**

	<b>2020</b>		<b>2019</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Investments</b>		7,642		10,637
<b>Current Assets</b>				
Debtors and prepayments	-		-	
Cash at bank and with brokers	563		358	
	<u>563</u>		<u>358</u>	
<b>Current Liabilities</b>				
Creditors and accruals	42		47	
Corporation tax	-		-	
	<u>42</u>		<u>47</u>	
<b>Net Current Assets/(Liabilities)</b>		521		311
		<u>8,163</u>		<u>10,948</u>
<b>Provisions for Liabilities</b>				
Deferred tax		-		-
		<u>8,163</u>		<u>10,984</u>
<b>Represented by:</b>				
<b>Accumulated Funds</b>		<u>8,163</u>		<u>10,984</u>

Accounts approved by the Trustees on 2 July 2021.

**J Rowse**  
Trustee

**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 2020 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 2020 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 2020 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**

In auditing the financial statements, we have concluded the the Trustees' 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 Fund'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 Trustees with respect to going concern are described in the relevant sections of this report.

**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.

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**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.

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 our planning process:

- We enquired of management the systems and controls the union has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The union did not inform us of any known, suspected or alleged fraud.
  - We obtained an understanding of the legal and regulatory frameworks applicable to the union. We determined that the following were most relevant: FRS 102 and the Trade Union and Labour Relations Act 1992.
  - We considered the incentives and opportunities that exist in the union, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
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**REPORT OF THE INDEPENDENT AUDITOR  
TO THE MEMBERS OF THE RETENTION FUND (continued)  
(FORMERLY THE CSEU 35 HOUR WEEK CAMPAIGN FUND)**

- Using our knowledge of the union, together with the discussions held with the union at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the national executive committee's board minutes, correspondence with solicitors, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with management.

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 to the members of The Fund**

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**

**Dated 11 August 2021**

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

## 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."*