

**Musicians'
Union**



Statement to Members

**As required under the Trade Union
and Labour Relations (Consolidation)
Act 1992 (Amended) for the year
ended 31 December 2020**

SUMMARY FINANCIAL INFORMATION
EXTRACTED FROM THE FULL ACCOUNTS

Main Fund and Benevolent Fund	2020	2019
Summary Income and Expenditure Account	£'000	£'000
For The Year Ended 31 December 2020		
Subscription Income	5,678	5,646
Other Income	<u>1,615</u>	<u>1,940</u>
Total Income	7,293	7,586
Total Expenditure	<u>(8,841)</u>	<u>(8,872)</u>
Operating Deficit	(1,548)	(1,286)
Other Items	112	112
Investment Operations	543	1,778
Taxation	<u>(149)</u>	<u>(180)</u>
(DEFICIT)/SURPLUS FOR THE YEAR	(1,042)	424
Remeasurement of defined benefit liability	<u>(686)</u>	<u>521</u>
COMPREHENSIVE RESULT FOR THE YEAR	<u>(1,728)</u>	<u>945</u>

Political Fund	2020	2019
Summary Income & Expenditure Account	£'000	£'000
For The Year Ended 31 December 2020		
Total Income	69	71
Total Expenditure	<u>(28)</u>	<u>(79)</u>
Surplus/(Deficit) For The Year	<u>41</u>	<u>(8)</u>

Collection & Distribution 4	2020	2019
Summary Movement in Amounts Held for Distribution	£'000	£'000
For The Year Ended 31 December 2020		
Total Income	1,335	1,759
Total Expenditure	<u>(974)</u>	<u>(1,364)</u>
Net Movement For The Year	361	395
Amounts Held for Distribution Brought Forward	<u>1,615</u>	<u>1,220</u>
Amounts Held for Distribution Carried Forward	<u>1,976</u>	<u>1,615</u>

SUMMARY FINANCIAL INFORMATION
EXTRACTED FROM THE FULL ACCOUNTS

Hardship Fund	2020	2019
Summary Movement in Hardship Fund For The Year Ended 31 December 2020	£'000	£'000
Total Donations in to Fund	1,449	-
Total Grants paid to members	<u>(1,269)</u>	<u>-</u>
Net Movement For The Year	180	-
Accumulated Fund Brought Forward	<u>-</u>	<u>-</u>
Accumulated Fund Carried Forward	<u>180</u>	<u>-</u>
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Combined Funds	2020	2019
Summary Balance Sheet As at 31 December 2020	£'000	£'000
Fixed Assets	980	1,113
Investments	13,613	15,097
Current Assets	3,779	3,234
Current Liabilities	<u>(3,212)</u>	<u>(3,351)</u>
Net assets	<u>15,160</u>	<u>16,093</u>
Accumulated Funds		
Main fund	16,389	18,120
Benevolent fund	353	350
Political fund	73	32
Hardship fund	<u>180</u>	<u>-</u>
	16,995	18,502
Net Pension Scheme Asset	<u>(1,835)</u>	<u>(2,409)</u>
	<u>15,160</u>	<u>16,093</u>

STATUTORY DECLARATION

We are required by the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) to include the following declaration in this statement to all members. The wording is as prescribed by the Act.

“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 concern with 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 a 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”.

SUMMARY OF SALARIES AND BENEFITS PROVIDED FOR THE YEAR ENDED 31 DECEMBER 2020

Horace Trubridge, General Secretary, received a gross salary of £145,030 and pension contribution of £33,093.

The General Secretary is reimbursed for any expenditure incurred by him in the performance of his duties on behalf of the Union.

The members of the Executive Committee are reimbursed for any expenditure incurred by them in the performance of their duties on behalf of the Union. They are also reimbursed for their loss of earnings whilst on Union business and this is listed here. In certain cases these amounts are reimbursed directly to the employer of the Executive member.

NAME	AMOUNT £	NAME	AMOUNT £
Alex Gascoine	NIL	Julian Field	NIL
Rab Noakes	NIL	Andi Hopgood	80
Xenia Horne	NIL	Sarah Williams	183
Sam Dunkley	80	Andy Gleadhill	420
Vernon Fuller	NIL	Rachael Parvin	NIL
Eileen Spencer	NIL	Rick Finlay	106
Dan Whitehouse	162	Dave Lee	703
Millicent Stephenson	NIL	Gerald Newson	NIL
Harriet Bennett	NIL	Steve Done	955
Jacqueline Hynes	236		

REPORT OF THE INDEPENDENT AUDITORS

Set out below is the report of the independent auditors to the members as contained in the accounts of the Union for the year ended 31 December 2020.

Opinion

We have audited the financial statements of the Musicians' Union ("The Union") 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 Union'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 Union 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 that the National Executive Committee'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 National Executive 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 National Executive Committee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

REPORT OF THE INDEPENDENT AUDITORS

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 Union 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 require for our audit.

We have nothing to report in this regard.

Responsibilities of Executive Committee

As explained more fully in the Statement of Responsibilities of the Executive Committee, the Executive Committee 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 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 Executive Committee 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 Executive Committee either intends 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 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.
- 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 (Consolidation) Act 1992 (Amended).
- 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.

REPORT OF THE INDEPENDENT AUDITORS

- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation of the valuation of the defined benefit pension scheme.
- 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.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as minutes of meeting and confirmation from 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 those charged with governance of the Union.

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. This description forms part of our auditor's report.

Use of our report to the members of The Union

This report is made solely to the Union's members, as a body. Our audit work has been undertaken so that we might state to the Union'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 Union and the Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

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Statutory Auditor
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Dated: 21 May 2021