

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	National Education Union		
Year ended:	31 August 2021		
List no:	8287		
Head or Main Office address:	Hamilton House		
	Mabledon Place		
	London		
Postcode	WC1H 9BD		
Website address (if available)	WC1H 9BD		
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	Dr Mary Bousted & Kevin Courtney (Joint Post Holders)		
Telephone Number:	0345 811 8111		
Contact name for queries regarding the completion of this return	0345 811 8111		
Telephone Number:	0345 811 8111		
E-mail:	dodge.nandhra@neu.org.uk		

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 0330 109 3602

You should send the annual return to the following email address stating the name of the union in subject:

For Unions based in England and Wales: returns@certoffice.org

For Unions based in Scotland: ymw@tcyoung.co.uk

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Return of Members

(see notes 10 and 11)

	Number of members at the end of the year				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	Totals
Male	104,301	910	7	474	105,692
Female	347,643	2,446	19	1,280	351,388
Other	288				288
Total	452,232	3,356	26	1,754	A 457,368

Number of members at end of year contributing to the General Fund

421,103

Number of members included in totals box 'A' above for whom no home or authorised address is held:

2,310

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return

Position Held	Name of Officer ceasing to hold Office	Name of Officer Appointed	Date of change
President	Amanda Martin	Robin Bevan	01 September 2020
Senior Vice President	Robin Bevan	Daniel Kebede	01 September 2020
Junior Vice President	Daniel Kebede	Louise Atkinson	01 September 2020
Ex-President		Amanda Martin	01 September 2020
Ex-Joint President	Kim Knappett		01 September 2020
Ex-Joint President	Kiri Tunks		01 September 2020

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

Officers in post

(see note 12)

Please complete list of all officers in post at the end of the year to which this return relates.

Name of Officer	Position held
Robin Bevan	President
Daniel Kebede	Senior Vice President
Hazel Danson	Treasurer
Louise Regan	Membership & Equalities Officer
Members of Executive	See Appendix

**National Education Union
Members of the NEU Executive (2021)**

Name	Position	Date elected	Other information
Robin Bevan	President	01-Jan-19	
Daniel Kebede	Vice-President	01-Sep-20	
Hazel Danson	national treasurer	01-Sep-20	
Louise Regan	Membership & Equalities Officer	01-Sep-20	
Louise Atkinson	Executive Member	01-Jan-19	
Karam Bales	Executive Member	01-Jan-19	
Allison Barnes	Executive Member	01-Jan-19	
Debra Beale	Executive Member	01-Jan-19	
Paramjeet Bhogal	Executive Member	01-Jan-19	
Dominic Byrne	Executive Member	01-Jan-19	
Mairead Canavan	Executive Member	01-Jan-19	
Sarah Carter	Executive Member	01-Jan-19	
Warren Chambers	Executive Member	01-Jan-19	
Phil Clarke	Executive Member	01-Jan-19	
Simon Clarkson	Executive Member	01-Jan-19	
Dominic Coughlin	Executive Member	01-Jan-19	
Andrea Croce	Executive Member	01-Jan-19	
Christopher Denson	Executive Member	01-Jan-19	
Nicky Downes	Executive Member	01-Jan-19	
Chris Dutton	Executive Member	01-Jan-19	
Jessica Edwards	Executive Member	01-Jan-19	
Jean Evanson	Executive Member	01-Jan-19	
Neil Foden	Executive Member	01-Jan-19	
Jerry Glazier	Executive Member	01-Jan-19	
Peter Glover	Executive Member	01-Jan-19	
Debs Gwynn	Executive Member	01-Jan-19	
Wendy Hardy	Executive Member	01-Jan-19	
Katie Harrison	Executive Member	01-Jan-19	Until April 2021
Beatrice Harvey	Executive Member	01-Jan-19	
Philippa Harvey	Executive Member	01-Jan-19	
Brenda Hayes	Executive Member	01-Jan-19	
Robin Head	Executive Member	01-Jan-19	
Tamsin Honeybourne	Executive Member	01-Jan-19	Until March 2021
Julie Huckstep	Executive Member	01-Jan-19	
Rob Illingworth	Executive Member	01-Jan-19	
Colleen Johnson	Executive Member	01-Jan-19	
Phillipa Kearns	Executive Member	01-Jan-19	
Alex Kenny	Executive Member	01-Jan-19	
Sally Kincaid	Executive Member	01-Jan-19	
Katie Lindenberg	Executive Member	01-Jan-19	
Gawain Little	Executive Member	01-Jan-19	
Amanda Martin	Executive Member	01-Jan-19	
Tracy McGuire	Executive Member	01-Jan-19	
Heather McKenzie	Executive Member	01-Jan-19	
Emma Mort	Executive Member	01-Jan-19	
Simon Murch	Executive Member	01-Jan-19	
Deirdre Murphy	Executive Member	01-Jan-19	
Patrick Murphy	Executive Member	01-Jan-19	
Julia Neal	Executive Member	01-Jan-19	
Karen Parkin	Executive Member	01-Jan-19	
Kirstie Paton	Executive Member	01-Jan-19	
Lucy Phillpot	Executive Member	01-Jan-19	
Helen Porter	Executive Member	01-Jan-19	

Annette Pryce	Executive Member	01-Jan-19	Until October 2020
Jonathan Reddiford	Executive Member	01-Jan-19	
Hank Roberts	Executive Member	01-Jan-19	
Murray Sackwild	Executive Member	01-Jan-19	
Ann Seuret	Executive Member	01-Jan-19	
Stefan Simms	Executive Member	01-Jan-19	
Major Sundhu	Executive Member	01-Jan-19	
Niamh Sweeney	Executive Member	01-Jan-19	
Anne Swift	Executive Member	01-Jan-19	
Dawn Taylor	Executive Member	01-Jan-19	
Adam Van Asch	Executive Member	01-Jan-19	
Ian Watkinson	Executive Member	01-Jan-19	
Paul Welch	Executive Member	01-Jan-19	
Sheena Wheatley	Executive Member	01-Jan-19	
Gordon White	Executive Member	01-Jan-19	
Nick Wigmore	Executive Member	01-Jan-19	
Karen Williams	Executive Member	01-Jan-19	
Ian Windeatt	Executive Member	01-Jan-19	
Emma Parker	Executive Member		From October 2020
Sean McCauley	Executive Member		From April 2021
Susan Kent	Executive Member		From March 2021
Hannah O'Neill	Executive Member		From October 2020
Lesley Tipping	Executive Member		Until October 2020
Richard Griffiths	Executive Member	01-Jan-19	Until January 2021
Abdul Choudhury	Executive Member	01-Jan-19	From January 2021
Vik Chechi-Ribeiro	Executive Member		From December 2020
Kacey de Groot	Executive Member		From October 2020

Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£
Federation and other bodies	
Total federation and other bodies	
Any Other Sources	
Unrealised Gain on Revaluation	3,016,187
Donations	
Union Magazine Advertising	259,026
Commissions	27,573
Legal Income (Net of Associated Legal Costs)	-70,138
Other Income	125,401
Gain on disposal of investments	236,702
Total other sources	3,594,751
Total of all other income	3,594,751

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	2,789,192
		Advisory Services	
Representation – Non Employment Related Issues		Other Cash Payments	
		Education and Training services	
		Training	593,309
Communications			
Union Magazine	2,284,650		
Website	504,542		
		Negotiated Discount Services	
Dispute Benefits			
		Other Benefits and Grants (specify)	
		Branch & Other Grants	3,564
		Staff Costs	20,404,004
		Insurance	284,688
		Travel & Subsistence	51,162
carried forward	2,789,192	Total (should agree with figure in General Fund)	24,125,919

(See notes 21 and 23)

Fund 2		Fund Account	
Name:	Sustentation Fund	£	£
Income			
	From members		557,590
	Investment income (as at page 12)		95,853
	Other income (specify)		
	Unrealised investment gain		851,690
	Realised gain on investments		256,267
	Total other income as specified		1,107,957
	Total Income		1,761,400
	Interfund Transfers IN		
Expenditure			
	Benefits to members		252,660
	Administrative expenses and other expenditure (as at page 10)		30,350
	Total Expenditure		283,010
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		1,478,390
	Amount of fund at beginning of year		7,707,461
	Amount of fund at the end of year (as Balance Sheet)		9,185,851
	Number of members contributing at end of year		421,103

Fund 3		Fund Account	
Name:	International	£	£
Income			
	From members		339,472
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		339,472
	Interfund Transfers IN		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		158,902
	Total Expenditure		158,902
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		180,570
	Amount of fund at beginning of year		341,789
	Amount of fund at the end of year (as Balance Sheet)		522,359
	Number of members contributing at end of year		421,103

(See notes 21 and 23)

Fund 4		Fund Account	
Name:	District Fund	£	£
Income			
	From members		6,023,988
	Investment income (as at page 12)		
	Other income (specify)		
	Other Income		70,288
		Total other income as specified	70,288
		Total Income	6,094,276
		Interfund Transfers IN	
Expenditure			
	Benefits to members		3,106,538
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	3,106,538
		Interfund Transfers OUT	
		Surplus (Deficit) for the year	2,987,738
		Amount of fund at beginning of year	10,485,050
		Amount of fund at the end of year (as Balance Sheet)	13,472,788
		Number of members contributing at end of year	421,103

Fund 5		Fund Account	
Name:	Benevolent	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total Income	
		Interfund Transfers IN	
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	
		Interfund Transfers OUT	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	
		Number of members contributing at end of year	

(See notes 21 and 23)

Fund 6		Fund Account	
Name:	Hardship (COVID-19) Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Donations		130,196
	Total other income as specified		130,196
	Total Income		130,196
	Interfund Transfers IN		
Expenditure			
	Benefits to members		124,750
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		124,750
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		5,446
	Amount of fund at beginning of year		69,528
	Amount of fund at the end of year (as Balance Sheet)		74,974
	Number of members contributing at end of year		

Fund 7		Fund Account	
Name:	Pension Reserve	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Contribution from Employer		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		10,704,000
Expenditure			
	Benefits to members		6,432,640
	Administrative expenses and other expenditure (as at page 10)		7,380,360
	Total Expenditure		13,813,000
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		-13,813,000
	Amount of fund at beginning of year		-58,077,000
	Amount of fund at the end of year (as Balance Sheet)		-61,186,000
	Number of members contributing at end of year		421,103

(See notes 21 and 23)

Fund 8		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Fund 9		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Political fund account

(see notes 24 to 33)

£

£

Political fund account 1		To be completed by trade unions which maintain their own political fund	
	Income	Members contributions and levies	537,201
		Investment income (as at page 12)	
Other income (specify)			
		Total other income as specified	
		Total income	537,201
Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period			
	Expenditure A (as at page i)		
	Expenditure B (as at page ii)		
	Expenditure C (as at page iii)		
	Expenditure D (as at page iv)		
	Expenditure E (as at page v)		112,598
	Expenditure F (as at page vi)		79,000
	Non-political expenditure (as at page vii)		63,834
		Total expenditure	255,432
		Surplus (deficit) for year	281,769
		Amount of political fund at beginning of year	341,575
		Amount of political fund at the end of year (as <u>Balance Sheet</u>)	623,344
		Number of members at end of year contributing to the political fund	268,752
		Number of members at end of the year not contributing to the political fund	188,616
		Number of members at end of year who have completed an exemption notice and do not contribute to the political fund	36,825
Political fund account 2		To be completed by trade unions which act as components of a central trade union	
Income	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects(specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of year	
		Amount remitted to central political	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

Expenditure from the political fund not falling within section 72 (1) of the trade union & labour relations (consolidation) act 1992

For expenditure not falling within section 72 (1) the required information is-

(a) the nature of each cause or campaign for which money was expended, and the total amount expended in relation to each one	£

Total expenditure

(b) the name of each organisation to which money was paid (otherwise than for a particular cause of campaign), and the total amount paid to each one	£
CITADEL POLICY & COMMUNICATIONS LTD	9,000
GLASS WING PROJECTS	5,405
SOLU4IONS	49,429

Total expenditure 63,834

(c) the total amount of all other money expended	£
Staff Expenses	

Total expenditure

Total of all expenditures 63,834

Analysis of administrative expenses and other outgoings excluding amounts charged to political fund accounts

(see notes 34 and 35)

		£
Administrative Expenses		
Remuneration and expenses of staff		
Salaries and Wages included in above	8,474,730	9,190,778
Auditors' fees		119,667
Legal and Professional fees		783,922
Occupancy costs		2,516,835
Stationery, printing, postage, telephone, etc.		834,097
Expenses of Executive Committee (Head Office)		
Expenses of conferences		237,493
Other administrative expenses (specify)		
Campaigns & Action		2,156,035
Member Recruitment		111,183
Research Fees		415,697
Staff Recruitment & Training		612,989
Computer Support & Systems Maintenance		942,804
Other Member Services		71,917
Other Admin Costs		123,236
Books & Publications		73,535
Executive Costs		55,655
Office Expenses		79,609
Other Outgoings		
Bank Charges		
		155,514
Depreciation & Impairment		
		2,667,967
Loss on disposal of fixed assets		
		461,946
Bad Debt Writeoff		
		316,177
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Actuarial Losses on Defined Benefit Pension		
		4,119,000
Pension Running Costs		
		222,000
Pension Interest Expense		
		1,008,000
Total		27,276,056
Charged to:		
	General Fund (Page 3)	19,706,444
	Sustentation Fund	30,350
	International	158,902
	District Fund	
	Benevolent	
	Hardship (COVID-19) Fund	
	Pension Reserve	7,380,360
Total		27,276,056

Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			855,150
Dividends (gross) from:			
Equities (e.g. shares)			624,646
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
			1,479,796
		Total investment income	1,479,796
		Credited to:	
		General Fund (Page 3)	1,383,943
		Sustentation Fund	95,853
		International	
		District Fund	
		Benevolent	
		Hardship (COVID-19) Fund	
		Pension Reserve	
		Political Fund	
		Total Investment Funds	1,479,796

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	51,097,094	4,744,404	1,964,997			57,806,495
Additions	470,901		1,385,955			1,856,856
Disposals	-1,100,147	-243,546				-1,343,693
Revaluation/Transfers	-1,789,482					-1,789,482
At end of year	48,678,366	4,500,858	3,350,952			56,530,176
Accumulated Depreciation						
At start of year	4,224,715	937,370	958,641			6,120,726
Charges for year	723,599	164,904	435,771			1,324,274
Disposals	-1,327,536					-1,327,536
Revaluation/Transfers						
At end of year	3,620,778	1,102,274	1,394,412			6,117,464
Net book value at end of year	45,057,588	3,398,584	1,956,540			50,412,712
Net book value at end of previous year	46,872,379	3,807,034	1,006,356			51,685,769

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	6,630,614	
Government Securities (Gilts)	360,353	
Other quoted securities (to be specified)		
Funds	22,128,515	
Bonds	1,279,833	
Total quoted (as Balance Sheet)	30,399,315	
Market Value of Quoted Investment		
Unquoted		
Equities	605,122	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)	605,122	
Market Value of Unquoted Investments		

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	62,194,705	537,201	62,731,906
From Investments	1,479,796		1,479,796
Other Income (including increases by revaluation of assets)	4,903,192		4,903,192
Total Income	68,577,693	537,201	69,114,894
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	68,780,671	255,432	69,036,103
Funds at beginning of year (including reserves)	50,763,334	341,575	51,104,909
Funds at end of year (including reserves)	50,560,356	623,344	51,183,700
Assets			
Fixed Assets			50,412,712
Investment Assets			31,004,437
Other Assets			41,874,379
		Total Assets	123,291,528
Liabilities		Total Liabilities	72,107,828
Net Assets (Total Assets less Total Liabilities)			51,183,700

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members			
From Investments			
Other Income (including increases by revaluation of assets)			
Total Income			
Expenditure (including decreases by revaluation of assets)			
Total Expenditure			
Funds at beginning of year (including reserves)			
Funds at end of year (including reserves)			
Assets			
Fixed Assets			
Investment Assets			
Other Assets			
Total Assets			
Liabilities			
Total Liabilities			
Net Assets (Total Assets less Total Liabilities)			

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?	<input type="text" value="Yes"/>
If Yes How many ballots were held: <input style="width: 50px;" type="text" value="59"/>	
For each ballot held please complete the information below:	
Ballot 1	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Ballot 2	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Ballot 3	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>

Ballots & Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Ballot 4

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 5

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 6

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballots and Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

(see note 81)

***Categories of Nature of Trade Dispute**

- A: terms and conditions of employment, or the physical conditions in which any workers require to work;
- B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;
- C: allocation of work or the duties of employment between workers or groups of workers;
- D: matters of discipline;
- E: a worker's membership or non-membership of a trade union;
- F: facilities for officials of trade unions;
- G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

Did Union members take industrial action during the return period in response to any inducement on the part of the Union? YES/NO

Yes

If **YES**, for each industrial action taken please complete the information below:

Industrial Action 1

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 2

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 3

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

use a continuation page if necessary

Industrial Action 4

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 5

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 6

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 7

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 8

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Information on Industrial Action Ballots

Name of Organisation:		National Education Union			Reporting Period	31/08/20-01/09/21			
Did the union hold any ballots in respect of industrial action during the return period?				<u>Yes</u>	For each ballot held please complete the information below				
If yes, how many ballots were held?				<u>59</u>					
Ballot	Number of individuals who were entitled to vote in the ballot	Number of votes cast in the ballot	Number of Individuals answering "Yes" to the question	Number of Individuals answering "No" to the question	Number of invalid or otherwise spoiled voting papers returned	Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot?	Does 226(2B) of the 1992 Act apply to this ballot?	If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot?	
1	70	51	49	2	0	Yes	Yes	Yes	
2	22	18	12	6	0	Yes	Yes	Yes	
3	27	25	24	1	0	Yes	Yes	Yes	
4	23	18	18	0	0	Yes	Yes	Yes	
5	44	36	35	1	0	Yes	Yes	Yes	
6	7	6	6	0	0	Yes	Yes	Yes	
7	46	22	22	0	0	No	Yes	Yes	
8	91	50	41	9	0	Yes	Yes	Yes	
9	81	48	37	11	0	Yes	Yes	Yes	
10	9	5	5	0	0	Yes	Yes	Yes	
11	14	13	10	3	0	Yes	Yes	Yes	
12	91	64	61	3	0	Yes	Yes	Yes	
13	12	7	7	0	0	Yes	Yes	Yes	
14	28	23	18	5	0	Yes	Yes	Yes	
15	41	19	18	1	0	No	Yes	Yes	
16	17	16	14	2	0	Yes	Yes	Yes	

17	13	10	10	0	0	Yes	Yes	Yes
18	45	28	24	4	0	Yes	Yes	Yes
19	23	15	13	2	0	Yes	Yes	Yes
20	13	8	6	2	0	Yes	Yes	Yes
21	13	12	12	0	0	Yes	Yes	Yes
22	26	16	8	8	0	Yes	Yes	No
23	149	87	72	15	0	Yes	Yes	Yes
24	84	65	58	7	0	Yes	Yes	Yes
25	20	13	13	0	0	Yes	Yes	Yes
26	34	21	14	7	0	Yes	Yes	Yes
27	44	31	18	13	0	Yes	Yes	Yes
28	59	41	38	3	0	Yes	Yes	Yes
29	19	18	18	0	0	Yes	Yes	Yes
30	85	57	53	4	0	Yes	Yes	Yes
31	51	24	22	2	0	No	Yes	Yes
32	36	29	27	2	0	Yes	Yes	Yes
33	33	21	14	7	0	Yes	Yes	Yes
34	54	34	30	4	0	Yes	Yes	Yes
35	59	42	41	1	0	Yes	Yes	Yes
36	58	39	37	2	0	Yes	Yes	Yes
37	88	75	70	5	0	Yes	Yes	Yes
38	91	58	45	13	0	Yes	Yes	Yes
39	101	27	19	8	0	No	Yes	No
40	30	17	10	7	0	Yes	Yes	No
41	14	11	5	6	0	Yes	Yes	No
42	31	27	27	0	0	Yes	Yes	Yes
43	142	122	111	11	0	Yes	Yes	Yes
44	28	15	8	7	0	Yes	Yes	No
45	29	25	23	2	0	Yes	Yes	Yes
46	28	15	15	0	0	Yes	Yes	Yes
47	63	53	42	11	0	Yes	Yes	Yes
48	105	68	51	17	0	Yes	Yes	Yes
49	14	11	10	1	0	Yes	Yes	Yes

50	62	42	35	7	0	Yes	Yes	Yes
51	38	21	19	2	0	Yes	Yes	Yes
52	15	13	13	0	0	Yes	Yes	Yes
53	3	3	3	0	0	Yes	Yes	Yes
54	17	12	9	3	0	Yes	Yes	Yes
55	11	7	7	0	0	Yes	Yes	Yes
56	27	15	15	0	0	Yes	Yes	Yes
57	16	12	9	3	0	Yes	Yes	Yes
58	10	4	4	0	0	No	Yes	Yes
59	17	15	10	5	0	Yes	Yes	Yes
60	17	15	10	5	0	Yes	Yes	Yes

Information on Industrial Action

Name of Organisation:		National Education Union		Reporting Period	31/08/20-01/09/21
Did Union members take industrial action during the return period in response to any inducement on the part of the union?			<u>Yes</u>	If YES, for each industrial action taken please complete the information below	
Industrial Action	Nature of the trade dispute for which action was taken	Dates of the industrial action taken	Number of days of industrial action	Nature of industrial action	Categories of nature of Trade Dispute
1	A	12/11/2020-13/01/2021	10	Strike Action	<p>A: Terms and conditions of employment, or the physical conditions in which any workers are required to work</p> <p>B: Engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers</p> <p>C: Allocation of work or the duties of employment between workers or groups of workers</p> <p>D: Matters of discipline</p> <p>E: A worker's membership or non-membership of a trade union</p> <p>F: Facilities for officials of trade unions</p> <p>G: Machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such</p>
2	B	26/11/2020-10/12/2020	6	Strike Action	
3	A	09/12/2020	1	Strike Action	
4	A	24/03/2021	1	Strike Action	
5	A	03/12/2020-24/02/2021	8	Strike Action	
6	A	12/01/2021-14/01/2021	3	Strike Action	
7	A	10/12/2020	1	Strike Action	
8	A	02/03/2021-10/03/2021	3	Strike Action	
9	A	24/02/2021	1	Strike Action	
10	A	26/01/2021-28/01/2021	2	Strike Action	
11	B	24/02/2021-17/06/2021	32	Strike Action	
12	A	10/02/2021-12/02/2021	3	Strike Action	
13	A	11/02/2021	1	Strike Action	
14	A	06/07/2021-15/07/2021	6	Strike Action	
15	A	24/03/2021-29/04/2021	9	Strike Action	
16	A	17/03/2021-19/05/2021	15	Strike Action	
17	A	15/04/2021	1	Strike Action	

18	A	05/05/2021-25/05/2021	2	Strike Action
19	A	20/04/2021-29/04/2021	5	Strike Action
20	B	29/04/2021	1	Strike Action
21	A	21/04/2021-29/04/2021	3	Strike Action
22	A	22/04/2021-06/05/2021	6	Strike Action
23	A	12/05/2021-27/05/2021	6	Strike Action
24	B	28/04/2021-06/05/2021	4	Strike Action
25	A	11/05/2021-18/05/2021	2	Strike Action

negotiation or consultation or in the carrying out of such procedures

Notes to the accounts

(see notes 82 and 83)

All notes to the accounts must be entered on or attached to this part of the return.

See attachment



National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

2 Subscription Income

	Year to 31 August 2021	Year to 31 August 2020
	£	£
National subscriptions	56,707,917	52,950,915
Local District/Associations subscriptions	6,023,988	5,671,464
Total Subscriptions from members	62,731,905	58,622,379

3 Investment Income

	Year to 31 August 2021	Year to 31 August 2020
	£	£
General Fund	528,793	558,412
Sustentation Fund	95,853	142,410
Profit on the sale of investments	492,969	227,579
Total investment income	1,117,615	928,401

4 Donations

	Year to 31 August 2021	Year to 31 August 2020
	£	£
General Fund donations	-	11,257
Hardship Fund donations	130,196	110,528
	130,196	121,785

5 Other Income

	Year to 31 August 2021	Year to 31 August 2020
	£	£
Union Magazine advertising	259,026	115,797
Commissions	27,573	39,480
Legal income, net of associated costs	(70,138)	(3,611)
Other income	125,401	191,374
Local District Income generated	70,288	501,212
	412,150	844,252

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (*continued*)

6 Staff Costs

	Year to 31 August 2021	Year to 31 August 2020
	£	£
Salaries	24,262,481	23,918,629
Social security costs	2,544,668	2,500,225
Childcare vouchers	40,226	29,399
Superannuation contributions (note 30)		
- current service cost	8,464,000	6,532,000
	<u>35,311,375</u>	<u>32,980,253</u>

Average number of employees 559 561

Key personnel compensation 577,060 561,567

(During the period from 1 September 2020 to 31 August 2021 five staff were considered key management).

7 Grants

	Year to 31 August 2021	Year to 31 August 2020
	£	£
Division grants	2,064	75,635
Membership Grants (sustentation)	252,660	508,935
Membership Grants (hardship and other)	124,750	41,000
Other Grants	1,500	750
	<u>380,974</u>	<u>626,320</u>

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2021 (continued)

8 Property Costs

	Headquarters Year to August 2021 £	Nations/ Regions Year to August 2021 £	Total Year to August 2021 £	Total Year to August 2020 £
Consultants' fees	100,157	-	100,157	24,866
Heating, lighting and water	164,784	87,458	252,242	338,403
Repairs, maintenance and decorations	432,255	56,265	488,520	462,556
Rates	411,230	243,175	654,405	1,042,001
Insurance	251,539	-	251,539	253,584
Telephone	118,731	14,823	133,554	186,896
Cleaning, laundry and sundries	225,380	168,413	393,793	443,536
Rent	-	376,176	376,176	430,097
	<u>1,704,076</u>	<u>946,310</u>	<u>2,650,386</u>	<u>3,181,939</u>

9 Subscriptions and donations

	Year to 31 August 2021 £	Year to 31 August 2020 £
TUC	1,310,509	1,292,360
EI/ETUCE	671,238	745,992
Other subscriptions and donations	1,489,492	613,563
	<u>3,471,239</u>	<u>2,651,915</u>

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

10 Campaigns and Action

	Year to 31 August 2021 £	Year to 31 August 2020 £
Publicity, projects and campaign expenditure	1,677,736	1,740,633
Merchandise	136,026	121,972
Other Expenditure	597,705	701,490
	<u>2,411,467</u>	<u>2,564,094</u>

11 Publications

	Year to 31 August 2021 £	Year to 31 August 2020 £
Union Magazines	2,284,650	1,956,492

12 Travel and Subsistence

	Year to 31 August 2021 £	Year to 31 August 2020 £
Conferences	72,431	119,875
Executive travel	51,162	371,789
Regional/Nations and Headquarters	42,159	760,386
Secretaries	6,475	32,913
Car Costs	667,414	618,022
Regional council cost	-	506
	<u>839,641</u>	<u>1,903,492</u>

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

13 Other Members' Services

	Year to 31 August 2021	Year to 31 August 2020
	£	£
Training	593,309	1,141,201
Insurance for members	284,688	112,286
Recruitment	111,183	50,752
Conferences	2,286	78,637
Discount cards	-	45,000
Projects & Research fees	415,697	302,373
Printing, postage and stationery	424,545	456,306
Web site	504,542	200,094
Other Costs	71,917	45,997
	<u>2,408,167</u>	<u>2,432,645</u>

14 Other Administration Costs

	Year to 31 August 2021	Year to 31 August 2020
	£	£
Audit and accountancy	119,667	68,483
Actuarial and other professional fees	1,005,922	716,438
	<u>1,125,589</u>	<u>784,921</u>
Staff recruitment and training	612,989	508,192
Computer support and systems maintenance	942,804	1,779,266
Office expenditure	63,643	78,822
Printing, postage and stationery	275,998	559,259
Books and publications	73,535	59,679
Conference expenditure	162,777	140,872
Health and Safety	15,966	-
Executive costs	55,655	256,399
Other Costs	123,234	245,323
Bad Debt Write off	316,177	-
Net Interest Cost on pension funds	1,008,000	819,000
	<u>4,776,367</u>	<u>5,231,733</u>

Auditors' remuneration is £61,000 (2020: £60,733) for audit services, £7,750 (2020: £7,750) for tax compliance and £6,500 (2019: £Nil) for additional fees on 2020 audit. Figures quoted exclude VAT.

Fees paid to the auditor in the year for non-audit services totalled £22,860 (2020:£nil).

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2021 (continued)

15 Financial Expenses	Year to 31 August 2021 £	Year to 31 August 2020 £
Bank charges	155,514	157,717
16 Taxation	Year to 31 August 2021 £	Year to 31 August 2020 £
Corporation tax		
Adjustments and payments made	94,869	17,225
Deferred tax		
Deferred tax on the fair value of investments	1,874,000	(162,000)
Deferred tax on revalued investment property	293,000	(319,000)
Deferred tax on revalued freehold property	1,729,000	158,000
Tax charge/(credit)	<u>3,990,869</u>	<u>(305,775)</u>

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

17(a) Tangible Fixed Assets	Asset under	Freehold	Investment	Leasehold	Plant and	Furniture	Total
	construction	properties	Property	properties	Machinery	and office equipment	
	£	£	£	£	£	£	£
Cost / deemed cost							
At 1 September 2020	2,122,685	32,974,409	16,000,000	4,744,404	361,492	1,603,505	57,806,495
Additions	461,523	9,378	-	-	-	873,655	1,344,556
Impairment	-	(1,100,147)	-	(243,546)	-	-	(1,343,693)
Disposals	-	(1,789,482)	-	-	-	-	(1,789,482)
At 31 August 2021	2,584,208	30,094,158	16,000,000	4,500,858	361,492	2,477,160	56,017,876
Depreciation							
At 1 September 2020	-	4,224,715	-	937,370	162,488	796,153	6,120,726
Charge for the period	-	723,599	-	164,904	37,163	398,608	1,324,274
Disposals	-	(1,327,536)	-	-	-	-	(1,327,536)
At 31 August 2021	-	3,620,778	-	1,102,274	199,651	1,194,761	6,117,464
Net book value							
At 31 August 2021	2,584,208	26,473,380	16,000,000	3,398,584	161,841	1,282,399	49,900,412
At 31 August 2020	2,122,685	28,749,694	16,000,000	3,807,034	199,004	807,352	51,685,769

The NEU headquarters is disclosed at deemed cost. The freehold and leasehold properties of the ATL were transferred at fair value on the amalgamation of the NUT and ATL in September 2017. These properties were valued by CBRE and Wells McFarlane in June 2017. All other freehold and leasehold properties are disclosed at original cost less impairment. Impairments have been recognised in the year for properties where formal property valuations prepared as at 31 August 2021 have indicated that the value is less than the book cost. The most significant adjustment relates to the Northumberland Street office which has been sold post year end. Refer to Note 35 for further detail.

The freehold property used as Union Headquarters is subject to a first legal charge in favour of the National Education Union Pension Fund. Details of the current scheme position is shown in note 30. The open market value of this property in existing use was last assessed as at 31 January 2020 and amounted to £52.5m.

The investment property represents the proportion of the NEU headquarters which is rented to third parties and is valued to fair value at each balance sheet date, determined by an independent, professionally qualified RICs valuer. The last valuation was performed by Knight Frank LLP as at 31 August 2021. The valuation was in accordance with the requirements of the RICS Valuation – Global Standards, January 2020 (incorporating the IVSC International Valuation Standards) and the UK national supplement (the “Red Book”). Refer to the accounting policies for further detail in respect of the basis of the valuation. If investment property had been accounted for under the historic cost accounting rules, the property would have a NBV of £8,307,134, being cost of £10,478,000 and accumulated depreciation of £2,370,866.

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2021 (*continued*)

17(b) Intangible Assets	Total £
Cost	
At 1 September 2020	
Additions	512,300
At 31 August 2021	512,300
Amortisation	
At 1 September 2020	-
Charge for the period	-
At 31 August 2021	-
Net book value	
At 31 August 2021	512,300
At 31 August 2020	-

Intangible assets represent costs incurred in the development of the NEU's Case Management system, CiviCase. Amortisation will commence when CiviCase is in use.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 *(continued)*

18 Investments

	2021	2020
	£	£
Listed investments at market value	30,399,315	27,188,967
Other investments at cost	605,122	605,122
	31,004,437	27,794,089

Listed Investments at Fair Value - Sustentation Fund

Brought forward	4,629,187	4,372,846
Additions	1,012,746	1,181,499
Disposal proceeds	(877,896)	(1,026,262)
Realised gain on disposals	256,267	101,107
Unrealised gain on revaluation	851,690	-
Carried forward	5,871,994	4,629,190
Listed investments at historic cost	4,417,492	4,224,861

Listed Investments at Fair Value - General Fund

Brought forward	22,559,777	21,217,742
Additions	1,680,486	2,603,748
Disposal proceeds	(2,965,830)	(2,347,861)
Realised gain on disposals	236,702	126,472
Unrealised gain on revaluation	3,016,186	959,676
Carried forward	24,527,321	22,559,777
Listed investments at historic cost	17,206,440	21,404,395

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

18 Investments (continued)

Unquoted Investments at Cost - General Fund

	2021 £	2020 £
Unquoted securities at cost as at 1 September 2020 and 31 August 2021	605,122	605,122
Investment in subsidiaries as at 1 September 2020 and 31 August 2021: -	1	1
The Teacher Publishing Co. Ltd (i)	1	1
Stoke Rochford Management Ltd (ii)	1	1

(i) The Teacher Publishing Co. Limited has been dormant for several years and has no net assets. (Company no. 00102549 – Reg. office Hamilton House, Mabledon Place, London, EC1H 9BD).

(ii) The holding in Stoke Rochford Management Limited represents a 100% beneficial holding in the Company at 31 August 2020. Stoke Rochford Management Limited did not trade in the accounting period represented by these financial statements. (Company no. 01361390 – Reg. office Hamilton House, Mabledon Place, London, EC1H 9BD). The Directors of Stoke Rochford entered the company into voluntary solvent liquidation on 10 September 2021, with any potential future liabilities indemnified by the NEU and all inter-group liabilities written off by the NEU.

Stoke Rochford Management Limited and The Teacher Publishing Company Limited are both incorporated in England.

19 Receivables

	2021 £	2020 £
Teacher Publishing Co. Limited		
Loan	206,200	206,200
Provision	(206,199)	(206,199)
	1	1
Prepayments and accrued income	834,951	654,115
Sundry Receivables	1,171,804	826,737
	2,006,756	1,480,853

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

20 Short Term Loans

	At 1 Sep 2020	Loans Granted	Interest	Repaid in year	At 31 Aug 2021
	£	£	£	£	£
Season ticket loans	27,906	22,744		(44,392)	6,258
Car and cycle loans	56,785	42,439		(48,990)	50,234
House deposit & removal loans	11,730	292		(5,857)	6,165
Other employee loans	3,127	11,681		(7,218)	7,590
	<u>99,548</u>	<u>77,156</u>	<u>-</u>	<u>(106,457)</u>	<u>70,247</u>

No interest is charged on short terms loans to employees.

21 Short term deposit/cash at bank and in hand

	2021	2020
	£	£
Short term deposits	14,407,817	14,821,100

Short term deposits consist of high interest deposits, which mature several months after the statement of financial position date whilst the balance matures within one month of that date.

Cash at bank and in hand

Bank balances	11,912,988	10,801,939
Cash in hand	23,783	30,606
	<u>11,936,771</u>	<u>10,832,545</u>

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

22	Creditors: Amounts Falling Due within One Year	2021	2020
		£	£
	Trade creditors	1,342,919	1,726,097
	Taxation and social security	212,318	681,856
	Other creditors and accruals	1,023,548	1,231,754
		2,578,785	3,639,707
23	Deferred Income	2021	2020
		£	£
	Rent and other sales received in advance	227,884	65,214
		227,884	65,214
24	Provisions for Liabilities and Charges	2021	2020
		£	£
	Deferred tax liability	7,974,000	4,078,000
	Unfunded pension	141,159	214,125
		8,115,159	4,292,125

The Union has provided for unfunded pension costs payable to certain employees and former employees, where the Union has agreed to fund the differential between the pension payable under either the Association of Teachers & Lecturers pension scheme and the NUT Superannuation Scheme. Note that these schemes have been merged in the year, further detail of which is provided in Note 30.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

Deferred tax liability	At 1 September 2020	Charged/ (released)	At 31 Aug 2021
	£	£	£
Provision relating to the uplift in the fair value of freehold property on transition to FRS 102	1,358,000	1,729,000	3,087,000
Provision relating to the increase in fair value of the investment property	2,481,000	293,000	2,774,000
Provision relating to the increase in the fair value of investments	239,000	1,874,000	2,113,000
	<u>4,078,000</u>	<u>3,896,000</u>	<u>7,974,000</u>

Full provision has been made in respect of all material reversing timing differences which impact on the statement of comprehensive income.

25 Operating Leases

Motor Vehicles, Furniture and Equipment, Plant and Machinery

The Union is committed to the following payments under operating leases

	Property 2021	Other 2021	Property 2020	Other 2020
Expiry:				
Within one year	231,600	480,166	203,932	411,280
Between one and two years	30,898	342,729	145,932	302,698
Between two and five years	-	300,389	18,873	264,590
Over five years	-	-		
	<u>262,498</u>	<u>1,123,284</u>	<u>368,737</u>	<u>978,568</u>

26 Financial Commitments

The Union has entered into a commitment to refurbish Hamilton House for £345,489 (2020: £902,876). Both values are excluding VAT.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

27 Designated Reserves	International					District Funds	Total
	Sustentation Fund	Solidarity Fund	Political Fund	Hardship Fund			
	£	£	£	£	£	£	£
Balance at 1 Sep 2020	7,707,461	341,789	341,575	69,528	10,485,050		18,945,403
From Subscription Income	557,590	339,472	537,201	-	6,023,988		7,458,250
Donation	-	-	-	130,196	-		130,196
Investment Income	95,853						95,853
Other Income	-	-	-	-	70,288		70,288
Investment Movement	1,082,576	-	-	-	-		1,082,576
Campaign expenditure	(4,969)	(158,902)	(255,432)	-	-		(419,303)
Grants	(252,660)	-	-	(124,750)	-		(377,410)
Assoc./District Expenditure	-	-	-	-	(3,106,538)		(3,106,538)
							-
Net transfer from Income Statement	1,478,390	180,570	281,769	5,446	2,987,738		4,933,913
Balance at 31 August 2021	9,185,851	522,359	623,344	74,974	13,472,788		23,879,316

The Sustentation Fund, under the Rules of the Union, may be utilised to make sustentation payments to members involved in industrial action. It may also be utilised to defray the costs of certain campaigns undertaken by the Union to protect the salaries and conditions of service of members. The NEU contributes 1% of membership income towards this Fund with investment income also contributing.

The International Solidarity Fund was established to allow the Union to fund future international solidarity work.

The Political Fund was established to allow the Union to undertake campaigning of a political nature and is funded by voluntary member contribution.

The Hardship Fund was created as a direct response to the current COVID-19 pandemic. Members could apply for financial support should certain eligibility criteria be met. The Hardship Fund will be wound down in due course.

The District Fund represents the sum of funds held by local districts for local union work.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

28 Reconciliation of Movement in Total Funds	2021	2020
	£	£
General Fund deficit for the year	(736,121)	(75,360)
Designated funds surplus for the year	4,933,913	3,857,604
Other recognised gains and losses relating to the year: Actuarial (loss) on Pension Schemes	(4,119,000)	(14,119,000)
Net movement in funds	<u>78,792</u>	<u>(10,336,756)</u>
Funds as at 1 September	51,104,908	61,441,664
Funds as at 31 August	<u>51,183,700</u>	<u>51,104,908</u>

29 Related Party Transactions

There were no related party transactions for the year to 31 August 2021 (2020: nil).

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (*continued*)

30 Employers' Pension Costs

Defined Benefit Pension Schemes

Until 1 July 2021, the Union operated two final salary pension schemes, National Union of Teachers Staff Superannuation Fund (NUTSSF) and the ATL Pension Scheme (ATLPS). Both schemes were open to new entrants. With effect from the 1 November 2018, new joiners were auto enrolled into the ATL Pension Scheme and provided with the option to elect to join the National Union of Teachers Staff Superannuation Fund.

On 2 July 2021, all assets and liabilities of the National Union of Teachers Staff Superannuation Fund were bulk transferred into the ATL Pension Scheme and the ATL Pension Scheme was renamed the NEU Pension Scheme.

The NEU Pension Scheme is a UK registered trust based pension scheme that provides defined benefits. Pension benefits accrued before 2 July 2021 are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The scheme is administered by Trustees and is independent of the Union's finances. Contributions are paid to the schemes in accordance with the Schedule of Contributions agreed between the Trustees and the employers at each actuarial valuation. The funding target is for the schemes to hold assets equal in value to the accrued benefits based on projected salaries. If there is a shortfall against the target, then the Union and Trustees agree on deficit contributions to meet the deficit over a period.

The Trustees are responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustees of the Scheme are required to act in the best interests of the beneficiaries of the Scheme.

There are three categories of pension scheme members:

- Active members: currently employed by the NEU
- Deferred members: former active members of the Scheme
- and not yet in receipt of a pension
- Pensioner members: in receipt of pension.

The most recent actuarial valuation of the National Union of Teachers Staff Superannuation Fund was carried out as at 31 December 2017 and revealed a funding deficit of £8.8m. The Union agreed to pay 8.5% of pensionable salaries per annum from 1 January 2019 in respect of the deficit.

As part of the merger of the NUTSSF and ATLPS, the NEU agreed to continue these deficit contributions, at a rate of £1.1million pa, payable in quarterly instalments and also made a one-off contribution of £5m in July 2021. The NEU has now agreed to pay annual contributions of 26.1% of members' pensionable salaries into the NEU Pension Scheme from July 2021 onwards less contributions paid by members, in addition to the £1.1m pa deficit payments mentioned above. In total, the NEU expects to pay approximately £6.9million less member contributions to the Scheme during the accounting year beginning 1 September 2021.

The most recent actuarial valuation of the ATL Pension Scheme was carried out as at 30 September 2019 and revealed a funding surplus of £2.0m. The funding rate until 31 December 2020 was 24.5% (employee & employer), following the latest valuations the employer rate was increased by 1% from 1 January 2021 to a total contribution rate of 25.5%.

The actuarial valuations have been updated to 31 August 2021 by an independent qualified actuary in accordance with FRS102. As required by FRS102, the value of the defined benefit liabilities has been measured using the project unit method. The deficit has increased compared to the combined position at the previous year end, in part due to increased inflation assumptions. This increase is partly offset by the NEU's £5m contribution and better than expected return on investment assets.

The key FRS 102 assumptions used for the schemes are set out below along with the fair value of the assets, a breakdown of the assets into the main asset classes, the present value of the FRS 102 liabilities and the deficit of assets below the FRS 102 liabilities (the net pension liability).

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2021 (*continued*)

30 Employers' Pension Costs (continued)

The principal assumptions used by the actuaries to calculate the present value of the Scheme's liabilities were:

	At 31 August 2021 (per annum)	At 31 August 2020 (per annum)
Rate of increase in salaries	3.20%	2.80%
Rate of increase of pensions in payment	2.70%	2.30%
Discount rate	1.70%	1.70%
Retail Price Inflation assumption	3.30%	2.80%
Consumer Price Inflation assumption	2.70%	2.30%
	NEU PS 31 Aug 2021 £'000	Total 31 Aug 2020 £'000
Present value of funded obligations	217,396	193,932
Fair value of Scheme assets	(156,210)	(135,855)
Net liability	<u>61,186</u>	<u>58,077</u>
	NEU PS 31 Aug 2021 £'000	Total 31 Aug 2020 £'000
Change in the present value of the defined benefit obligation		
Opening defined benefit obligations	193,932	176,420
Employer part of current service cost	8,464	6,532
Interest on obligation	3,340	3,386
Member contributions	1,469	341
Actuarial losses	15,043	11,161
Benefits paid	(4,852)	(3,908)
Closing defined benefit obligation	<u>217,396</u>	<u>193,932</u>

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2021 (continued)

30 Employers' Pension Costs (continued)

The current allocation of the schemes' assets are as follows:

	NEU PS Value at 31 Aug 2021		Total Value at 31 Aug 2020	
	£'000	%	£'000	%
Diversified growth	118,560	76	103,812	76
Liability Driven Investments	26,336	17	26,788	20
Private Equity	5,476	3	4,626	3
Cash	5,838	4	629	1
Total value of assets	156,210	100	135,855	100

	NEU PS 31 Aug 2021 £'000	Total 31 Aug 2020 £'000
Change in the Fair Value of Plan Assets		
Opening fair value of plan assets	135,855	133,374
Interest on scheme assets	2,332	2,567
Actuarial gains/(losses)	10,924	(2,958)
Contributions by employer	10,704	6,609
Running costs	(222)	(170)
Contributions by employees	1,469	341
Benefits paid	(4,852)	(3,908)
Closing fair value of plan assets	156,210	135,855

	NEU PS 31 Aug 2021 £'000	Total 31 Aug 2020 £'000
The following amounts have been included within operating surplus under FRS102:		
Current service cost	8,464	6,532
Running costs	222	170
Interest expense	1,008	819
Pension cost	9,694	7,521

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 *(continued)*

The following amounts have been recognised in other comprehensive income	NEU PS 31 Aug 2021 £'000	Total 31 Aug 2020 £'000
Losses on defined benefit obligations	(15,043)	(11,161)
Return on assets less interest	10,924	(2,958)
	(4,119)	(14,119)
Amounts recognised in other comprehensive income	(4,119)	(14,119)

The deficit under FRS 102 has moved as follows during the period:	NEU PS 2021 £'000	Total 2020 £'000
Deficit in the scheme at 1 September	(58,077)	(43,046)
Expense included in the profit & loss	(9,694)	(7,521)
Contribution by the employer	10,704	6,609
Actuarial loss	(4,119)	(14,119)
	(61,186)	(58,077)
Deficit in Schemes as at 31 August	(61,186)	(58,077)

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (*continued*)

31 Reconciliation of Operating Surplus to Net Cash Flow from Operating Activities

	Year to 31 August 2021	Year to 31 August 2020
	£	£
Surplus before taxation	8,188,661	3,476,469
Cash Flows Disclosed Separately		
Less: Investment income	(1,117,615)	(928,401)
Add: Financial expenses	155,514	157,717
Non-cash items:		
Depreciation charges and impairment	2,667,967	1,440,267
Revaluation of investment property	-	1,560,252
(Increase) in the fair value of investments	(3,867,876)	(959,676)
Loss/(profit) on disposal of fixed assets	461,946	(251,469)
Interest on net pension scheme liabilities	1,008,000	819,000
Employer's current pension service costs	8,464,000	6,532,000
Pension scheme running costs	222,000	170,000
Cash Flow Not Recognised in the Income Statement		
Payments to the Pension Scheme	(10,704,000)	(6,609,000)
Movement in Working Capital		
Decrease/ (increase) in receivables	(525,903)	(48,245)
Decrease in short term loans	29,301	72,096
Increase/ (decrease) in creditors	(1,060,918)	1,598,260
Increase / (decrease) in deferred income	162,670	(17,476)
(Decrease) in provision for liabilities	(72,966)	(30,036)
Cash used in operations	4,010,781	6,981,758

32 Cash and cash equivalents

	2020 £	Movement £	2021 £
Cash at bank and in hand	10,832,545	1,104,226	11,936,771
Short term deposits	14,821,100	(413,283)	14,407,817
Local Districts/Branches	10,465,050	2,987,738	13,452,788
	36,118,695	3,678,681	39,797,376
	36,118,695	3,678,681	39,797,376

National Education Union
Notes forming part of the Financial Statements
for the year ended 31 August 2020 (continued)

33 Analysis of Net Assets by Fund	General Fund £	Sustentation Fund £	International Solidarity Fund £	Political Fund £	Hardship C19 Fund £	District Fund £	Total 2021
Fixed assets							
- Tangible assets	49,880,412	-	-	-	-	20,000	49,900,412
- Intangible assets	512,300	-	-	-	-	-	512,300
- Investments	25,132,440	5,871,997	-	-	-	-	31,005,437
Net current assets	21,080,390	3,313,854	522,359	623,344	74,974	13,452,788	39,067,710
Pension liability	(61,186,000)	-	-	-	-	-	(61,186,000)
Provisions for liabilities and charges	(8,115,159)	-	-	-	-	-	(8,115,159)
	<u>27,304,384</u>	<u>9,185,851</u>	<u>522,359</u>	<u>623,344</u>	<u>74,974</u>	<u>13,472,788</u>	<u>51,183,700</u>

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (continued)

34 Local structures income and expenditure

	Year ending 31 August 2021	Year ending 31 August 2020
	£	£
Subscription income	6,023,988	5,671,464
Non-subscription income which consists of:		
Interest received	7,775	10,850
Donations	21,739	38,879
Equipment disposals	0	1,219
Transfer from legacy NUT/ATL	26,604	300,792
Transfer from Hardship Fund	0	35,500
Other income	14,170	113,973
Total non-subscription income	70,288	501,212
Total income	6,094,276	6,172,676
Expenditure		
Office and administration	680,783	647,223
Equipment	178,351	111,382
Financial administration	24,427	23,821
Conferences	(14,078)	443,542
Meetings and functions	403,465	926,993
Campaigns	321,990	74,158
Subscription and donations	369,016	146,766
Payments to Members	339,365	268,189
Local admin - employees	333,273	320,898
Balance sheet movements	469,946	(121,662)
Total expenditure	3,106,538	2,841,310

35 Post Balance sheet events

In November 2021, contracts were exchanged for the sale of the Northumberland Street office, which is recognised as a property asset under Note 17 using the historic cost method. An adjustment has been made to the Net Book Value to reflect the difference between the book value and estimated fair value. The estimated fair value is deemed to be the sale price. The book value was higher than the sale price achieved, which resulted in a write down in value by £884k. The disposal will be reflected in the financial statements for the year ending 31 August 2022.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021 (*continued*)

36. Help a Child to Learn

In recognition of the challenges faced by schools in England and Wales during the COVID-19 pandemic, the National Education Union and the Daily Mirror launched an appeal to supply learning materials for those pupils who do not have these remote learning essentials in their homes. This campaign was launched during the financial year ending 31 August 2021, and all schools expected to spend their vouchers by this year end, although there were some amounts spent after this date. In order to supply items to schools, the NEU contracted Viking and Hope Education to provide learning materials in the form of vouchers.

A total of £1.27 million was donated to the campaign by the NEU, NEU local structures, the public and private corporations. The donations were passed on to Viking and Hope Education to issue to eligible schools in the form of vouchers. The table below shows how £1.09m was spent by schools who used their vouchers. £179k of unspent funds were donated to the Save the Children charity, as agreed by the NEU Executive.

	£
Postage	15,945
Catering Products	30,272
Technology	72,714
SEN and Sports Equipment	16,842
Stationery	959,101
Total	1,094,877

Accounting policies

(see notes 84 and 85)

See attachment

Signatures to the annual return

(see notes 86 & 87)

Including the accounts and balance sheet contained in the return. Please copy and paste your electronic signature here

Secretary's Signature:	<i>Kevin Courtney</i>	Chairman's Signature:	<i>Mary W. Boustead</i>
			(or other official whose position should be stated)
Name:	Kevin Courtney (Joint General Secretary)	Name:	Mary Boustead (Joint General Secretary)
Date:	03 March 2022	Date:	03 March 2022

Checklist

(see notes 88 to 89)

(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2 and Note 12)	Yes	<input checked="" type="checkbox"/>	No	
Has the list of officers in post been completed? (see Page 2 and Note 12)	Yes	<input checked="" type="checkbox"/>	No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes	<input checked="" type="checkbox"/>	No	
Has the auditor's report been completed? (see Pages 20 and 21 and Notes 2 and 77)	Yes	<input checked="" type="checkbox"/>	No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes	<input checked="" type="checkbox"/>	No	
A member statement is: (see Note 80)	Enclosed		To follow	<input checked="" type="checkbox"/>
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	<input checked="" type="checkbox"/>	To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes	<input checked="" type="checkbox"/>	No	

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021

1 Accounting Policies

(a) Basis of preparation of financial statements

The National Education Union was formed on the 1 September 2017 following the amalgamation of the National Union of Teachers and the Association of Teachers and Lecturers. The assets and liabilities of the two unions were transferred to the National Education Union to form the opening position for the National Education Union. The Union's activities of the former unions have continued without interruption. The financial statements have therefore been prepared on a going concern basis and the Executive Committee consider that there are no material uncertainties about the Union's ability to continue as a going concern. Refer to 1(e) below.

The financial statements have been prepared under the historical cost convention, as modified by revaluation of fixed assets investments, and in accordance with Financial Reporting Standard 102.

(b) Income recognition

The financial statements are prepared on an accruals basis, whilst commissions are accounted for when the Union is notified of the sum due. Grants receivable for specific purposes are credited to the income statement to match the expenditure incurred on these projects to date. The balance is deferred into the following accounting period. Subscription income is accounted for on a receivable basis for the current year. All investment and rental income is credited to the general fund when receivable.

(c) Designated funds

All income and expenditure is credited/(charged) to the statement of comprehensive income. Transfers to/(from) designated funds are made for investment income earned on each fund's assets together with specific donations and, where relevant, apportionment of subscription income due to the funds net of any expenditure attributable to the funds. Reserves which are earmarked by the Union for specific purposes are termed Designated Reserves (note 27).

Subscribing members, who have opted in, contribute 1% of the full subscription fee to the Political Fund. Expenditure in connection with Political activities must be charged against this Fund.

(d) Defined benefit pension scheme

The surplus or deficit arising on the Union's defined benefit Pension Scheme is disclosed on the Union's statement of financial position. Movements on the Pension Scheme, asset or liability, are reflected through the statement of comprehensive income to the extent that they relate to employer's current service costs (which is reflected as a component of Staff Costs) or movements arising from expected returns on Pension Scheme assets net of interest on Pension Scheme liabilities which is disclosed as a component of Other Income). Movements arising from changes in actuarial assumptions, including differences between the actual returns on Scheme assets and the expected returns and experience gains/ (losses) arising on the Scheme's liabilities are reflected through the statement of comprehensive income.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021

1 Accounting Policies *(continued)*

(e) Going Concern

The officers of the Union have considered their obligation to prepare these financial statements on an appropriate basis, having regard to the Union's financial position as at the year end and with reference to budgets and forecasts for the 2022 financial year, extended for the 12 month period from the anticipated date of signing the accounts. Management are confident that the accounts should be prepared as a going concern, taking into account estimated subscription income based on a review of membership numbers, projected expenditure and reserve levels. Despite the difficulties facing many organisations during the COVID-19 Pandemic, the NEU has maintained its income and increased its membership numbers through our continued support of members. This, coupled with the reduced expenditure due to lockdowns, has resulted in an increased cash balance for the Union which will be further increased after the year end following the completion of the sale of the Northumberland Street office.

The Union has complete its pension scheme review, in order to better manage the ongoing costs and liabilities. Further details are provided in the Pension note.

(f) Corporation taxation

As an unincorporated association, the National Education Union is liable to Corporation Tax on its investment income and realised gains on investments sold. As a trade union, relief is available in respect of provident benefits expenditure, as statutorily defined.

(g) Deferred tax

Deferred tax is provided on all material reversing timing differences which arise from transactions reflected through the statement of comprehensive income. Deferred income tax is determined based on the rates expected to apply at the date of reversal, using tax rates and laws that have been enacted or substantively enacted by the reporting date.

(h) Operating leases

Rentals payable on operating leases are reflected in their entirety through the statement of comprehensive income.

(i) Fixed assets

Fixed assets are initially recognised at cost. Items over £1,000 either individually or purchased in bulk, which meet the definition of a fixed asset are capitalised. Depreciation is calculated to write down the cost of fixed assets to estimated realisable values on a straight-line basis over the expected useful lives of the assets concerned.

The principal annual rates are:

Freehold property	-	2% on cost excluding land
Leasehold improvements	-	Over the balance of the property's expected useful life
Leasehold property	-	Over the period of the lease (or 50 years if shorter)
Plant and machinery	-	10%
Furniture and office equipment	-	At varying rates of between 10% and 33⅓%

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021

The proportion of the NEU's headquarters which is rented out to third parties is held at fair value at the balance sheet date in accordance with FRS 102. Fair value is reviewed annually by external valuers on the basis of a collation and analysis of appropriate comparable investment and rental transactions, together with evidence of demand within the vicinity of the subject property. No depreciation is charged. The value of the investment property is provided as an accounting estimate.

(j) **Intangible assets**

Significant expenditure on computer software is capitalised as an intangible asset and stated at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over the estimated useful economic life of the software of 5 years and charged to administration expenses. Amortisation is only charged once the software has been brought into use.

(k) **Investments**

Listed investments are disclosed at mid-market values at the statement of financial position date. Unquoted investments are disclosed at fair value. Realised and unrealised gains or losses on listed investments are reflected in the Professional Sustentation Fund or the General Fund as appropriate. Realised gains or losses on disposals of investments are calculated by reference to the carrying value of those investments reflected at the amalgamation date.

(l) **Critical accounting assumptions and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable. Revision to accounting estimates are recognised in the period in which the estimates are revised, and any future period affected.

In preparing these financial statements, the Union has made the following judgements:

- Determine whether leases entered by the Union either as lessor or a lessee are operating lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are any indicators of impairment of the Union's tangible fixed assets or investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2021

(l) Critical accounting assumptions and judgements

Key sources of estimation uncertainty are as follows:

- Tangible fixed assets (see note 17) - the basis of calculation and assumption used to perform revaluation and useful economic life of assets used in calculating depreciation. The Union reviews non-current assets each year for impairment, in line with accounting standards.

Investment property (see note 17(a)) - investment properties are professionally valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

- Pension Costs (see note 30) - the cost of each of the defined benefit pension schemes is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates.
- Investments (see note 18) - quoted investments are disclosed at mid-market values at the Statement of Financial Position date.

Checklist for auditor's report

(see notes 90 and 96)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they related? (See section 36(1) and (2) of the 1992 Act and notes 92 and 93)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances. (See section 36(4) of the 1992 Act set out in note 92)

Please explain in your report overleaf or attached

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- **give a true and fair view of the matters to which they relate to.**
- **have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.**

Auditor's report (continued)

See attached audit report

Signature(s) of auditor or auditors:

BDO LLP

Name(s):

BDO LLP

Profession(s) or Calling(s):

Chartered Accountants

Address(es):

55 Baker Street

London

Postcode

W1U 7EU

Date

03-Mar-22

Contact name for inquiries and telephone number:

Ben Courts
+44 (0)20 3219 4597

N.B. When notes to the account are referred to in the auditor's report a copy of those notes must accompany this return.

National Education Union

Independent auditor's report

Independent Auditor's Report to the National Education Union

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 August 2021 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 National Education Union (the 'Union') for the year ended 31 August 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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.

Independence

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.

Conclusions relating to going concern

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

Other information

The Executive Committee is responsible for the other information. The other information comprises the information included in the Report of the Senior Deputy General Secretary, 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.

National Education Union

Independent auditor's report (*continued*)

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 Executive Committee

As explained more fully in the Statement of Executive Committee's Responsibilities, 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 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 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 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. 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 & Labour Relations Act 1992 and UK tax legislation.

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

National Education Union

Independent auditor's report (*continued*)

We also completed the following procedures:

- Performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- In addressing the risk of fraud through management override of controls, we tested journal entries and other adjustments for inappropriate or unusual journals outside of our expectations, as well as for any significant transactions outside the normal course of business, taking into consideration the scope for management to manipulate financial results through more complex areas of the financial statements;
- Assessed the appropriateness of key estimates and judgements made by management and challenged the assumptions used in accounting estimates. We considered the key estimates to be the valuation of the defined benefit pension scheme liability and the carrying value of debtor balances.

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

Use of our report

This report is made solely to the National Education Union, 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.

DocuSigned by:

Ben Courts

372696D9984421
BDO LLP, Statutory auditor
London, UK

Date 17 February 2022

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

Membership audit certificate

made in accordance with section 24ZD of the Trade Union and Labour Relations (Consolidation) Act 1992

(See notes 97 to 103)

At the end of the reportign period proceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

Yes

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21

Membership audit certificate

Section one

For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer

- 1 In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

Yes


- 2 In the opinion of the assurer has he/she obtained the inforamation and explanations necessary for the performance of his/her functions?

Yes

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.

Membership audit certificate (continued)

Signature of assurer	
Name	Simon Hearn
Address	Civica Election Services, 33 Clarendon Road, London N8 0NW
Date	06/12/2021
Contact name and telephone number	Simon Hearn, Managing Director 020 8365 8909

Membership audit certificate

Section two

For a trade union with no **more than 10,000 members** at the end of the reporting period preceding the one to which this audit relates.

To the best of your knowledge and belief has the trade union during this reporting period complied with its duty to compile and maintain a register of the names and addresses of its members and secured, so far as is reasonably practicable, that the entries in the register are accurate and up-to-date?

Yes / No

If "No" Please explain below:

Signature	
Name	
Office held	
Date	

Double-click on icon to open guidance