

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	National Society for Education Art and Design		
Year ended:	30 September 2019		
List no:	680T		
Head or Main Office address:	3 Mason's Wharf		
	Corsham		
	Wiltshire		
Postcode	SN13 9FY		
Website address (if available)	www.nsead.org		
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:	Michele Gregson		
Telephone Number:	01225 810 134		
Contact name for queries regarding the completion of this return	Michele Gregson		
Telephone Number:	01225 810 314		
E-mail:	michelegregson@nsead.org		

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					
Female					
Other	1,796	12	7	42	1,857
Total	1,796	12	7	42	A 1,857

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

1,544

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

12

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	Dr P Gregory	Dr R Payne	01 January 2019
President-Elect	Dr R Payne	N/A	01 January 2019
Past President	N/A	Dr P Gregory	01 January 2019
Vice President	L Macfarlane	L Macfarlane	01 January 2019
Vice President	P Brown & N Jardine	P Brown & E Hall	01 January 2019
Honorary Treasurer	J Childs	J Childs	01 January 2019

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
Rachel Payne	President
Peter Gergory	Past President
Liz Macfarlane	Vice President
Patricia Brown	Vice President
Emese Hall	Vice President
John Childs	Honorary Treasurer
Ged Gast	TU Adviser
Michele Gregson	General Secretary
Sophie Leach	Deputy General Secretary

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	
Sale of publications	2,414
CPD	15,376
AD magazine	1,438
iJADE	26,077
Miscellaneous income	1,696
Rent received	8,725
Total other sources	55,726
Total of all other income	55,726

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	28,522
		Advisory Services	
Representation – Non Employment Related Issues		Other Cash Payments	
		Education and Training services	
Communications Membership activity and Communication costs	28,522		
		Negotiated Discount Services	
Dispute Benefits			
		Other Benefits and Grants (specify)	
carried forward	28,522	Total (should agree with figure in General Fund)	28,522

(See notes 21 and 23)

Fund 6		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 7		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		

(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		
	Investment income (as at page 12)		
Other income (specify)			
	Total other income as specified		
	Total income		
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)		
	Expenditure F (as at page vi)		
	Non-political expenditure (as at page vii)		
	Total expenditure		
	Surplus (deficit) for year		
	Amount of political fund at beginning of year		
	Amount of political fund at the end of year (as <u>Balance Sheet</u>)		
	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 contribute to the political fund		
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

£

Total expenditure

£

(c) the total amount of all other money expended

Total expenditure

Total of all expenditures

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		114,350
Salaries and Wages included in above	110,521	
Auditors' fees		13,800
Legal and Professional fees		
Occupancy costs		23,217
Stationery, printing, postage, telephone, etc.		8,757
Expenses of Executive Committee (Head Office)		
Expenses of conferences		
Other administrative expenses (specify)		
Bank charges		2,282
Sundry expenses		3,000
Pension administration		108
Other Outgoings		
Interest payable: bank loans		4,585
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Publications		1,668
CPD		10,485
AD Magazine		17,993
iJade		6,165
Miscellaneous		14,852
Total		221,262
Charged to:	General Fund (Page 3)	221,262
Total		221,262

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		290,486	34,925			325,411
Additions						
Disposals			-3,626			-3,626
Revaluation/Transfers						
At end of year		290,486	31,299			321,785
Accumulated Depreciation						
At start of year		49,085	32,812			81,897
Charges for year		5,810	1,549			7,359
Disposals			-3,626			-3,626
Revaluation/Transfers						
At end of year		54,895	30,735			85,630
Net book value at end of year		235,591	564			236,155
Net book value at end of previous year		241,401	2,113			243,514

Analysis of investments

(see notes 58 and 59)

	All Funds Except Political Funds £	Political Fund £
Quoted		
Equities (e.g. Shares)		
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)		
Market Value of Quoted Investment		
Unquoted		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)		
Market Value of Unquoted Investments		

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	194,084		194,084
From Investments			
Other Income (including increases by revaluation of assets)	55,726		55,726
Total Income	249,810		249,810
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	249,784		249,784
Funds at beginning of year (including reserves)	53,830		53,830
Funds at end of year (including reserves)	53,856		53,856
Assets			
Fixed Assets			236,155
Investment Assets			
Other Assets			35,553
		Total Assets	271,708
Liabilities		Total Liabilities	217,852
Net Assets (Total Assets less Total Liabilities)			53,856

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?	<input type="text" value="No"/>
If Yes How many ballots were held: <input style="width: 50px;" type="text"/>	
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"/>

Ballot 4

Number of individual who were entitled to vote in the ballot	<input type="text"/>
Number of votes cast in the ballot	<input type="text"/>
Number of Individuals answering "Yes" to the question	<input type="text"/> 1
Number of individuals answering "No" to the question	<input type="text"/> 2
Number of invalid or otherwise spoiled voting papers returned	<input 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

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	<input type="text"/>
Number of votes cast in the ballot	<input type="text"/>
Number of Individuals answering "Yes" to the question	<input type="text"/> 1
Number of individuals answering "No" to the question	<input type="text"/> 2
Number of invalid or otherwise spoiled voting papers returned	<input 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

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	<input type="text"/>
Number of votes cast in the ballot	<input type="text"/>
Number of Individuals answering "Yes" to the question	<input type="text"/> 1
Number of individuals answering "No" to the question	<input type="text"/> 2
Number of invalid or otherwise spoiled voting papers returned	<input 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

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

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

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.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2019

1 INFORMATION IN RESPECT OF THE SOCIETY

The National Society For Education In Art & Design is a trade union registered in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 with its head office at 3 Masons Wharf, Potley Lane, Corsham, Wiltshire, SN13 9FY.

2 ACCOUNTING FRAMEWORK

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"). The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

In accordance with FRS102, the format of these accounts is based on those contained in the Regulations to the Companies Act 2006, notwithstanding that the Society does not report under that Act. The formats have been adapted, as required by Part 1 of Schedule 1 of the Regulations, in order that they give a true and fair view of the Society's activities.

3 PRESENTATION CURRENCY

The financial statements are presented in pounds sterling and rounded to the nearest pound.

4 GOING CONCERN

The Society has net current liabilities as at the year end. The net current liabilities include deferred membership income of £17k, which represents income received in advance rather than sum of money to be paid out by the Society and £18k held on behalf of the Athene Trust, which we the Society fully anticipates receiving as income in the current financial year. Subject to the successful legal process being completed, this will reduce the Society's current liabilities to £12k.

In addition, the Athene Trust is in receipt of a bequest of £62k. The trustees have formally agreed that this will be distributed to the Society, subject to the approval of the Charity Commission.

The Society continues to pursue a robust marketing strategy, including the launch of a new website, which is driving a significant uplift in membership subscription. Changes to governance meeting and other expenses will significantly reduce costs this year.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2019

4 GOING CONCERN (Continued)

Council and Forum are fully engaged in this work and are confident that by year end they will be able to restore the Society's position to one of positive net current assets which is supported by the positive post year- end actual results. On this basis, the Council expects the Society to have adequate resources to continue in operational existence for the foreseeable future and have prepared the financial statements on a going concern basis.

The Council considers that there are no material uncertainties about the Society's ability to continue as a going concern.

As stated in note 21, the Council has considered the effect of the Covid-19 outbreak. The Council considers that the outbreak is likely to cause some disruption to the Society's business but does not believe that this will be significant. The Council has a reasonable expectation that the Society can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with the specific accounting policies set out below.

(a) Subscription income

Member subscriptions are accounted for on an accruals basis.

(b) Expenditure

Expenditure in the accounts is presented inclusive of VAT where applicable.

(c) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from result for the year as reported in the income and expenditure account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Society's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 30 SEPTEMBER 2019

(c) Taxation (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the results reported in the income and expenditure account.

5 SIGNIFICANT ACCOUNTING POLICIES

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to reserves, in which case the deferred tax is also dealt with in reserves. Deferred tax assets and liabilities are offset when the Society has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

(d) Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses. At each reporting date, the Society reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Impairment losses are recognised in the income and expenditure account.

Depreciation is provided on all tangible fixed assets to write off the cost, less estimated residual value, on a straight line basis over the estimated useful lives of the assets. The rates applied are as follows:

Land and buildings (long leasehold)	2% straight line
Computer equipment -	33% per annum
Office furniture & equipment -	10% per annum

The gain or loss arising on the disposal of a tangible fixed asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income and expenditure account.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 30 SEPTEMBER 2019

(e) Financial assets and liabilities

The Society applies sections 11 and 12 of FRS102 to all of its financial instruments. Financial assets and *Basic financial assets*

Basic financial assets include cash and bank balances and trade and other debtors. Basic financial assets are initially measured at transaction price and subsequently measured at cost less any impairment losses.

Impairment of financial assets

At each reporting date, the Society reviews the carrying amounts of all financial assets carried at cost to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Impairment losses are recognised in the income and expenditure account.

Basic financial liabilities

Basic financial liabilities include trade and other creditors and bank loans. Basic financial liabilities are initially measured at transaction price and subsequently measured at cost. Debt instruments repayable in more than one year, including bank loans, are subsequently measured at amortised cost using the effective interest method, in order to systematically allocate the interest expense over the expected repayment period of the debt.

6 Critical accounting estimates and judgements

In the application of the company's accounting policies, the council is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements in applying the company's accounting policies

There are no critical judgements that have been applied.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 30 SEPTEMBER 2019

6 Critical accounting estimates and judgements (continued)

Key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2019

7 OTHER OPERATING INCOME	2019	2018
	£	£
Sale of publications	2,414	1,949
CPD	15,376	18,856
AD magazine	1,438	525
iJADE	26,077	24,115
	<u>45,305</u>	<u>45,445</u>

8 EMPLOYEES

The average monthly number of persons (including officers) employed by the society during the year was:

	2019	2018
	Number	Number
Total	<u>5</u>	<u>5</u>

9 MEMBERSHIP ACTIVITY AND COMMUNICATION COSTS

	2019	2018
	£	£
Legal fees	6,131	9,639
F & GP and Council expenses	12,053	12,881
General Secretary's expenses	1,846	5,541
Assistant General Secretary's expenses	482	572
Staff expenses	104	-
Printing, postage and stationery	-	-
Telephone, fax and email	3,125	3,806
Website costs	4,264	953
All-Party Parliamentary Group expenses	268	573
PGCE Visit Expense	249	693
	<u>28,522</u>	<u>34,658</u>

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2019

10 PREMISES AND EQUIPMENT COSTS

	2019	2018
	£	£
Rates, gas and electricity	2,801	3,429
Insurance	1,406	1,619
Equipment hire	1,625	1,992
Repairs and maintenance	8,593	9,029
Depreciation	7,359	7,359
Waste Disposal	936	711
Fire protection	497	566
	<u>23,217</u>	<u>24,705</u>

11 ADMINISTRATION EXPENSES

	2019	2018
	£	£
Printing, postage and stationery	8,757	5,046
Audit and accountancy	13,800	13,319
Bank charges	2,282	2,018
Pension administration	108	108
Sundry expenses	3,000	4,892
	<u>27,947</u>	<u>25,383</u>

12 OTHER OPERATING EXPENDITURE

	2019	2018
	£	£
Publications	1,668	1,881
CPD	10,485	19,457
AD magazine expenses	17,993	22,562
ijADE	6,165	6,933
	<u>36,311</u>	<u>50,833</u>

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2019

13 OTHER (EXPENDITURE)/INCOME

	2019	2018
	£	£
Miscellaneous (expenditure)/income	(14,852)	(13,163)
Solar panels	1,696	1,573
Rent received	8,725	8,600
	<u>(4,431)</u>	<u>(2,990)</u>

14 TANGIBLE FIXED ASSETS

	Land and buildings (long leasehold)	Computer Equipment	Office furniture and equipment	Total
	£	£	£	£
Cost				
As at 1 October 2018	290,486	3,626	31,299	325,411
Additions	-	-	-	-
Disposals	-	(3,626)	-	(3,626)
As at 30 September 2019	<u>290,486</u>	<u>-</u>	<u>31,299</u>	<u>321,785</u>
Depreciation				
As at 1 October 2018	49,085	3,626	29,186	81,897
Charge for year	5,810	-	1,549	7,359
Disposal	-	(3,626)	-	(3,626)
As at 30 September 2019	<u>54,895</u>	<u>-</u>	<u>30,735</u>	<u>85,630</u>
Net book value				
As at 30 September 2019	<u>235,591</u>	<u>-</u>	<u>564</u>	<u>236,155</u>
As at 30 September 2018	<u>241,401</u>	<u>-</u>	<u>2,113</u>	<u>243,514</u>

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2019

15 DEBTORS AND PREPAYMENTS

	2019	2018
Amounts falling due within one year:	£	£
Trade debtors	2,969	3,317
Other debtors	51	51
Prepayments and accrued income	4,473	20,293
	7,493	23,661
	7,493	23,661

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans & overdrafts	11,635	13,380
Trade creditors	8,072	11,523
Other taxes and social security costs	5,539	3,183
Other creditors	27,238	21,930
Accruals	13,821	15,277
Subscriptions in advance	16,534	12,634
	82,839	77,927
	82,839	77,927

17 CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR

	2019	2018
	£	£
Bank loans	135,013	146,673
	135,013	146,673
	135,013	146,673

18 BORROWINGS

	2019	2018
Bank loan maturity analysis	£	£
Repayable by instalments which fall due as follows:		
Within one year	11,635	11,287
Between two and five years	48,371	47,990
In greater than five years	86,642	98,683
	146,648	157,960
	146,648	157,960

The bank loan is secured by way of a fixed charge over the Society's Land and Buildings. It is repayable in monthly instalments over a period of 20 years. Interest is payable at 2.5% above the Unity Trust Bank base rate.

NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2019

19 FINANCIAL COMMITMENTS

At the balance sheet date the Society had outstanding commitments for future payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Office equipment		
Within one year	1,577	1,577
Between two and five years	4,336	5,913
	<u>5,913</u>	<u>7,490</u>

20 RELATED PARTY TRANSACTIONS

The President and the members of the Council do not receive any salary from the Society or any benefits. The President and the members of the Council are reimbursed for any expenditure incurred by them in the performance of their duties on behalf of the Society, as is the General Secretary. Separately, due to the specialist skills and experience held by the Society's Council members, the Society will, when the need arises, engage these individuals to perform work on its behalf.

In 2017, the Society received a one-off donation of £17,837 from The Athene Trust, a registered charity of which the Society's former general secretary was one of the trustees, upon the closure of said charity. This amount was included within other income.

During the prior year, the Society and former trustees of The Athene Trust became aware that a legacy was bequeathed to The Athene Trust of £62,769, which could not be transferred before the Trust was dissolved. After receiving legal advice, the former Trustees took action to re-establish the Athene Trust in order to receive the legacy, with a view to then permanently dissolve the Trust and transfer its net assets to the Society. At year end, 30 September 2019, the Trust was still dissolved therefore NSEAD was entitled to the £17,837 which is included in reserves. However, as the Trust was restored again in 21 October 2019, so that net assets could be transferred to the Society, the amount should remain in creditors as this legally no longer belongs to them. The Trustees have made representation to the Charity Commission to confirm that the distribution of all funds to the Society is in order, and await that approval.

21 POST BALANCE SHEET EVENTS

The Council has considered the effect of the Covid-19 outbreak that has been spreading throughout the world during 2020 on the Society's activities. Although the outbreak is likely to cause some disruption to the Society's business, the Council does not believe that this will be significant. The reason is that the Council will take action in relation to expenditure to mitigate the risk and the Council is confident of the stability of its membership income. The Council has a reasonable expectation that the Society has adequate resources to continue in operation for twelve months from the date of approval of these financial statements

Accounting policies



(see notes 84 and 85)

See attached notes to the financial statements

Signatures to the annual return

(see notes 86 & 87)

Including the accounts and balance sheet contained in the return. Please send the return with the original signatures. Copies will not be accepted.

Secretary's Signature:  <hr/> Name: Michele Gregson <hr/> Date: 14 th October 2020	Chairman's Signature:  (or other official whose position should be stated) <hr/> Name: Rachel Payne <hr/> Date: 20 th October 2020
--	--

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	<input checked="" type="checkbox"/>	To follow	
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	

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.

SEE 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

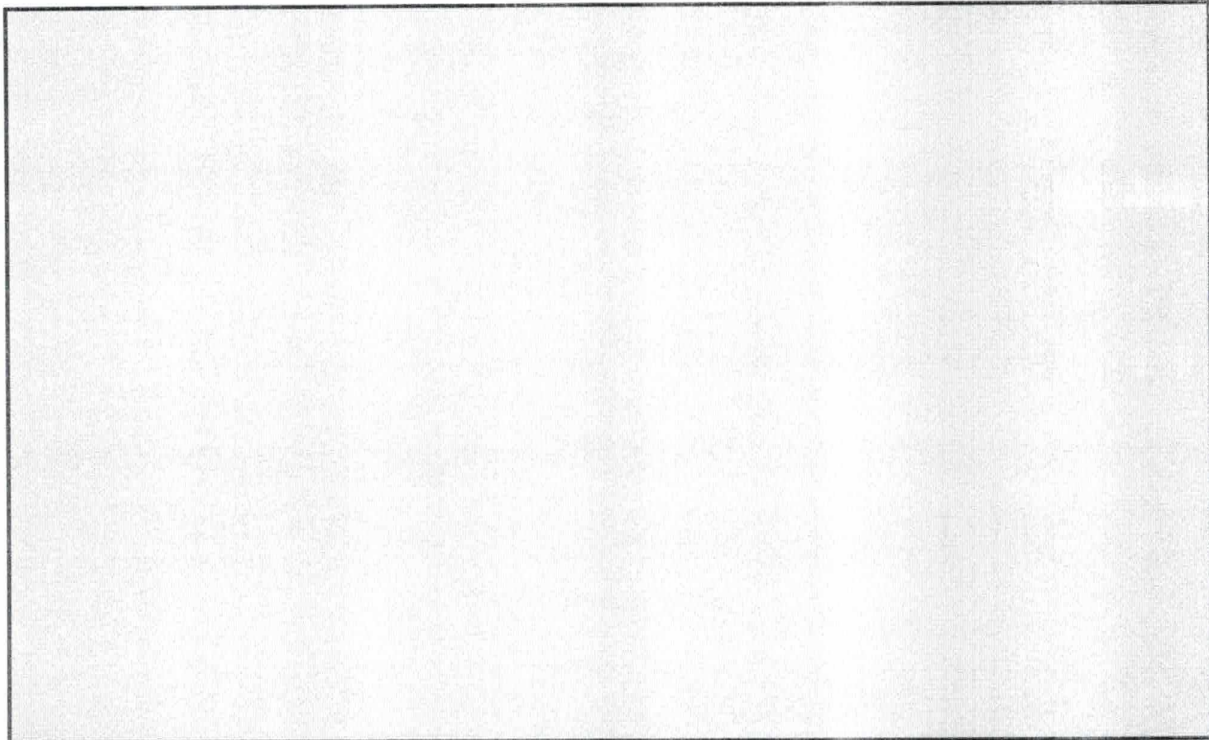
SEE ATTACHED

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)



Signature(s) of auditor or auditors:

HW Fisher

Name(s):

HW Fisher

Profession(s) or Calling(s):

Chartered Accountants

Address(es):

Acre House

11- 15 William Road

London

Postcode

NW1 3ER

Date

15 October 2020

Contact name for inquiries and telephone number:

Sailesh Mehta
020 7388 7000

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN

Opinion

We have audited the financial statements of The National Society for Education in Art & Design (the 'Society') for the year ended 30 September 2019 which comprise the Income and Expenditure Account, the Balance Sheet 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Society's affairs as at 30 September 2019 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Society's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Council is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE NATIONAL SOCIETY FOR EDUCATION IN ART & DESIGN (Continued)

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

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

We have nothing to report in this regard.

Responsibilities of The Council

As explained more fully in the Statement of Responsibilities of the Council, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the Society'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 Council either intends to liquidate the Society 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.



HW FISHER
Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road

London, NW1 3ER

Dated: 14-Oct-20

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 /No

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 / No

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

Yes / No

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	
Address	
Date	
Contact name and telephone number	

Membership audit certificate

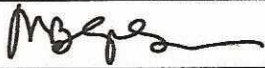
Section two

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 reasonably practicable, that the entries in the register are accurate and up-to-date?

Yes

If "No" Please explain below:

Signature	
Name	Michele Gregson
Office held	General Secretary
Date	14th October 2020