

**STATEMENT TO MEMBERS AS REQUIRED BY THE TRADE UNION AND LABOUR RELATIONS
(CONSOLIDATION) ACT 1992 (AMENDED) FOR YEAR ENDED 30 SEPTEMBER 2021**

**SUMMARY FINANCIAL INFORMATION
EXTRACTED FROM THE FULL FINANCIAL STATEMENTS**

<u>SUMMARY INCOME AND EXPENDITURE ACCOUNT</u>	<u>2021</u>	<u>2020</u>
	£	£
Subscription income	243,549	218,504
Other income	162,322	62,909
	<hr/>	<hr/>
Total income	405,871	281,413
Total expenditure	(279,988)	(241,086)
	<hr/>	<hr/>
Result for the year before taxation	125,883	40,327
Tax charge for the year	(2,300)	-
	<hr/>	<hr/>
Result and comprehensive result for the year	<u>123,583</u>	<u>40,327</u>
<u>SUMMARY BALANCE SHEET</u>	<u>2021</u>	<u>2020</u>
	£	£
Fixed assets	2,248	231,301
Current assets	272,371	79,249
Current liabilities	(56,853)	(90,725)
Non-current liabilities	-	(125,642)
	<hr/>	<hr/>
	<u>217,766</u>	<u>94,183</u>
Reserves	217,766	94,183
	<hr/>	<hr/>
	<u>217,766</u>	<u>94,183</u>



**STATEMENT TO MEMBERS AS REQUIRED BY THE TRADE UNION AND LABOUR RELATIONS
(CONSOLIDATION) ACT 1992 (AMENDED) FOR YEAR ENDED 30 SEPTEMBER 2021**

SUMMARY OF SALARIES AND BENEFITS PROVIDED

<u>Name</u>	<u>Position</u>	<u>Details</u>	<u>Amount</u>
M Gregson	General Secretary	Salary Pension contributions	£44,178 £1,191

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.

STATUTORY DECLARATION

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

"A member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concerns with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice."

Any member of the Society who wishes to obtain a copy of the full accounts for the year ended 30 September 2021 should contact the General Secretary at the National Society for Education in Art & Design, 3 Masons Wharf, Potley Lane, Corsham, Wiltshire, SN13 9FY, or by telephone on 01225 810134.



**STATEMENT TO MEMBERS AS REQUIRED BY THE TRADE UNION AND LABOUR RELATIONS
(CONSOLIDATION) ACT 1992 (AMENDED) FOR YEAR ENDED 30 SEPTEMBER 2021**

REPORT OF THE INDEPENDENT AUDITORS

Set out below is the report of the independent auditors to the members as contained in the financial statements of the Society for the year ended 30 September 2021:

Opinion

We have audited the financial statements of The National Society for Education in Art & Design (the 'Society') for the year ended 30 September 2021 which comprise the Income and Expenditure Account, the Balance Sheet and notes to the financial statements, including 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 2021 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 our 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

In auditing the financial statement, we have concluded that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt about the Society's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Society with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council is responsible for the other information contained within the annual report. Our opinion of the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.



**STATEMENT TO MEMBERS AS REQUIRED BY THE TRADE UNION AND LABOUR RELATIONS
(CONSOLIDATION) ACT 1992 (AMENDED) FOR YEAR ENDED 30 SEPTEMBER 2021**

REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

We have nothing to report in this regard.

Responsibilities of The 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our planning process:

- We enquired of management the systems and controls the union has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The union did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the union. We determined that the following were most relevant: FRS 102 and the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended).
- We considered the incentives and opportunities that exist in the union, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the union, together with the discussions held with the union at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.



**STATEMENT TO MEMBERS AS REQUIRED BY THE TRADE UNION AND LABOUR RELATIONS
(CONSOLIDATION) ACT 1992 (AMENDED) FOR YEAR ENDED 30 SEPTEMBER 2021**

REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

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

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

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

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

Use of our report to the members of The Society

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 LLP
Chartered Accountants
Statutory Auditor**

Date: 8 March 2022

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