

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 2022 | | | | |
| List no: | 8287 | | | | |
| Head or Main Office address: | Hamilton House | | | | |
| | Mabledon Place | | | | |
| | London | | | | |
| | | | | | |
| | | | | | |
| Postcode | EC1H 9BD | | | | |
| Website address (if available) | NEU.Org.UK | | | | |
| 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 811 811 | | | | |
| Contact name for queries regarding the completion of this return | Mr T Nandhra | | | | |
| Telephone Number: | 0345 811 811 | | | | |
| 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:

returns@certoffice.org

Contents

| | |
|---|--------|
| Trade Union's details..... | 1 |
| Return of members..... | 2 |
| Change of officers..... | 2 |
| Officers in post..... | 2a |
| General fund..... | 3 |
| Analysis of income from federation and other bodies and other income..... | 4 |
| Analysis of benefit expenditure shown at general fund..... | 5 |
| Accounts other than the revenue account/general fund..... | 6-8a |
| Political fund account..... | 9-9vii |
| Analysis of administrative expenses | 10 |
| Analysis of officials' salaries and benefits..... | 11 |
| Analysis of investment income..... | 12 |
| Balance sheet as at..... | 13 |
| Fixed assets account..... | 14 |
| Analysis of investments..... | 15 |
| Analysis of investment income (controlling interests)..... | 16 |
| Summary Sheet..... | 17 |
| Summary sheet (Only for Incorporated Bodies)..... | 17a |
| Information on Industrial action ballots..... | 18-19 |
| Information on Industrial action..... | 20-21 |
| Notes to the accounts..... | 22 |
| Accounting policies..... | 23 |
| Signatures to the annual return..... | 23 |
| Checklist..... | 23 |
| Checklist for auditor's report..... | 24 |
| Auditor's report (continued)..... | 25 |
| Membership audit certificate..... | i-iii |
| Guidance on completion..... | 26 |

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 |
| | 440,823 | 3,045 | 20 | 1,713 | 445,601 |
| Total | 440,823 | 3,045 | 20 | 1,713 | A 445,601 |

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

418,609

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

714

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 | Robin Bevan | Daniel Kebede | 01 September 2021 |
| Senior Vice President | Daniel Kebede | Louise Atkinson | 01 September 2021 |
| Junior Vice President | Louise Atkinson | Emma Rose | 01 September 2021 |
| Ex President | Amanda Martin | Robin Bevan | 01 September 2021 |
| | | | |
| | | | |

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 and date elected |
|----------------------|---|
| Daniel Kebede | President (1 September 2021) |
| Louise Atkinson | Junior Vice President (1 September 2021) |
| Hazel Danson | Treasurer (1 September 2020) |
| Louise Regan | Membership & Equalities Officer (1 Sept 2020) |
| | |
| Members of Executive | See Appendix |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

| Name: | Position: | Date Elected: | Date Left (If Applicable): |
|----------------------|-----------------------|-------------------------|-----------------------------------|
| Louise Atkinson | President | 01/09/2022 | |
| Emma Rose | Senior Vice President | 01/09/2022 | |
| Phil Clarke | Junior Vice President | 01/09/2022 | |
| Hazel Danson | Treasurer | 01/09/2022 | |
| Louise Regan | M&E Officer | 01/09/2022 | |
| Daniel Kebede | Past President | 01/09/2020 | |
| Susan Amatiello | Executive Member | 16/07/2022 | |
| Debra Beale | Executive Member | Re-elected - 01/09/2021 | |
| Mehreen Begg | Executive Member | 01/09/2021 | |
| Duncan Blackie | Executive Member | 01/09/2021 | |
| Dominic Byrne | Executive Member | Re-elected - 01/09/2021 | |
| Sheila Caffrey | Executive Member | 01/09/2021 | |
| Mairead Canavan | Executive Member | Re-elected - 01/09/2021 | |
| Sarah Carter | Executive Member | Re-elected - 01/09/2021 | |
| Warren Chambers | Executive Member | Re-elected - 01/09/2021 | |
| Abdul Choudhury | Executive Member | 01/09/2020 | |
| Simon Clarkson | Executive Member | Re-elected - 01/09/2021 | |
| Siobhan Collingwood | Executive Member | 01/09/2021 | |
| Jenny Cooper | Executive Member | 01/09/2021 | |
| Dominic Coughlin | Executive Member | Re-elected - 01/09/2021 | |
| Allison Cranmer | Executive Member | Re-elected - 01/09/2021 | |
| Andrea Croce | Executive Member | Re-elected - 01/09/2021 | |
| Louise Cuffaro | Executive Member | 01/09/2021 | |
| Kacey de Groot | Executive Member | 01/09/2020 | |
| Christopher Denson | Executive Member | Re-elected - 01/09/2021 | |
| Nicky Downes | Executive Member | Re-elected - 01/09/2021 | |
| Chris Dutton | Executive Member | Re-elected - 01/09/2021 | |
| Jessica Edwards | Executive Member | Re-elected - 01/09/2021 | |
| Trish Fay | Executive Member | 01/09/2021 | |
| Joanne Amy Fleet | Executive Member | 01/09/2021 | |
| Peter Glover | Executive Member | Re-elected - 01/09/2021 | |
| Deborah Gwynn | Executive Member | Re-elected - 01/09/2021 | |
| Wendy Hardy | Executive Member | Re-elected - 01/09/2021 | |
| Ed Harlow | Executive Member | 01/09/2021 | |
| Nicola Sarah Hawkins | Executive Member | 01/09/2021 | |
| Robin Head | Executive Member | Re-elected - 01/09/2021 | |
| Denise S Henry | Executive Member | 01/09/2021 | |
| Julie Huckstep | Executive Member | Re-elected - 01/09/2021 | |
| Colleen Johnson | Executive Member | Re-elected - 01/09/2021 | |
| Shelagh Kavanagh | Executive Member | 01/04/2022 | 01/02/2023 |
| Phillipa Kearns | Executive Member | Re-elected - 01/09/2021 | |
| Alex Kenny | Executive Member | Re-elected - 01/09/2021 | |
| Susan Kent | Executive Member | 18/03/2021 | |
| Amy Kilpatrick | Executive Member | 01/09/2021 | |
| Sarah Kilpatrick | Executive Member | 01/09/2021 | |
| Louise Lewis | Executive Member | 01/09/2021 | |
| Christopher Lilley | Executive Member | 01/09/2022 | |
| Gawain Little | Executive Member | Re-elected - 01/09/2021 | 27/01/2023 |
| Sean McCauley | Executive Member | 12/05/2021 | |
| Heather McKenzie | Executive Member | Re-elected - 01/09/2021 | |
| Elizabeth Ann McLean | Executive Member | 01/09/2021 | |
| Brian Metcalf | Executive Member | 01/09/2021 | |
| David Mingay | Executive Member | 01/04/2022 | |
| Simon Murch | Executive Member | Re-elected - 01/09/2021 | |
| Deidre Murphy | Executive Member | Re-elected - 01/09/2021 | |
| Patrick Murphy | Executive Member | Re-elected - 01/09/2021 | |
| Hannah O'Neill | Executive Member | 01/09/2020 | |
| Emma Parker | Executive Member | 01/09/2020 | |
| Shirley Perry | Executive Member | 01/09/2021 | |
| Jon Reddiford | Executive Member | Re-elected - 01/09/2021 | |
| Helen Reeder | Executive Member | 01/09/2021 | |
| Murray Sackwild | Executive Member | Re-elected - 01/09/2021 | |
| Steve Scott | Executive Member | 01/09/2021 | |
| Leigh Seedhouse | Executive Member | 01/09/2022 | |

| | | |
|------------------------|------------------|-------------------------|
| Stefan Simms | Executive Member | Re-elected - 01/09/2021 |
| Carly Slingsby | Executive Member | 04/07/2022 |
| Dawn Taylor | Executive Member | Re-elected - 01/09/2021 |
| Georgia-Blue Townshend | Executive Member | 01/09/2021 |
| Ian Watkinson | Executive Member | Re-elected - 01/09/2021 |
| Sheena Wheatley | Executive Member | Re-elected - 01/09/2021 |
| Gordon White | Executive Member | Re-elected - 01/09/2021 |
| Nick Wigmore | Executive Member | Re-elected - 01/09/2021 |
| Holly Williams | Executive Member | 13/06/2022 |
| Karen C M Williams | Executive Member | Re-elected - 01/09/2021 |
| Iain Windeatt | Executive Member | Re-elected - 01/09/2021 |

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 | |
| Donations | |
| Union Magazine Advertising | 227,463 |
| Commissions | 57,493 |
| Legal Income (Net of Associated Legal Costs) | 123,373 |
| Other Income | 179,345 |
| Gain on disposal of investments | 180,082 |
| Revaluation Investment Property | 150,000 |
| Total other sources | 917,756 |
| Total of all other income | 917,756 |

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

| | | | £ |
|---|-----------|---|------------|
| Representation – Employment Related Issues | | brought forward | 2,691,085 |
| | | Advisory Services | |
| | | | |
| Representation – Non Employment Related Issues | | Other Cash Payments | |
| | | | |
| | | Education and Training services | |
| | | Training | 708,424 |
| | | | |
| Communications | | | |
| Union Magazines | 2,475,092 | | |
| Website | 215,993 | | |
| | | | |
| | | Negotiated Discount Services | |
| | | | |
| Dispute Benefits | | | |
| | | Other Benefits and Grants (specify) | |
| | | Branch & Other Grants | 36,737 |
| | | Staff Costs | 19,976,530 |
| | | Insurance | 279,686 |
| | | Travel & Subsistence | 428,431 |
| | | Members discount scheme | 25,965 |
| | | | |
| carried forward | 2,691,085 | Total (should agree with figure in General Fund) | 24,146,858 |

(See notes 21 and 23)

| Fund 2 | | Fund Account | |
|--------------------|---|--------------|-----------|
| Name: | Sustentation Fund | £ | £ |
| Income | | | |
| | From members | | 563,940 |
| | Investment income (as at page 12) | | 109,437 |
| | Other income (specify) | | |
| | | | |
| | | | |
| | Total other income as specified | | |
| | Total Income | | 673,377 |
| | Interfund Transfers IN | | |
| Expenditure | | | |
| | Benefits to members | | 649,923 |
| | Administrative expenses and other expenditure (as at page 10) | | 846,989 |
| | Total Expenditure | | 1,496,912 |
| | Interfund Transfers OUT | | |
| | | | |
| | Surplus (Deficit) for the year | | -823,535 |
| | Amount of fund at beginning of year | | 9,185,851 |
| | Amount of fund at the end of year (as Balance Sheet) | | 8,362,316 |
| | | | |
| | Number of members contributing at end of year | | 418,609 |

| Fund 3 | | Fund Account | |
|--------------------|---|--------------|---------|
| Name: | International | £ | £ |
| Income | | | |
| | From members | | 688,859 |
| | Investment income (as at page 12) | | |
| | Other income (specify) | | |
| | | | |
| | | | |
| | Total other income as specified | | |
| | Total Income | | 688,859 |
| | Interfund Transfers IN | | |
| Expenditure | | | |
| | Benefits to members | | |
| | Administrative expenses and other expenditure (as at page 10) | | 376,946 |
| | Total Expenditure | | 376,946 |
| | Interfund Transfers OUT | | |
| | | | |
| | Surplus (Deficit) for the year | | 311,913 |
| | Amount of fund at beginning of year | | 522,359 |
| | Amount of fund at the end of year (as Balance Sheet) | | 834,272 |
| | | | |
| | Number of members contributing at end of year | | |

(See notes 21 and 23)

| Fund 4 | | Fund Account | |
|--------------------|---|---|------------|
| Name: | District Fund | £ | £ |
| Income | | | |
| | From members | | 5,906,393 |
| | Investment income (as at page 12) | | |
| | Other income (specify) | | |
| | Other Income | | 122,187 |
| | | | |
| | | Total other income as specified | 122,187 |
| | | Total Income | 6,028,580 |
| | | Interfund Transfers IN | |
| Expenditure | | | |
| | Benefits to members | | 4,446,337 |
| | Administrative expenses and other expenditure (as at page 10) | | |
| | | Total Expenditure | 4,446,337 |
| | | Interfund Transfers OUT | |
| | | | |
| | | Surplus (Deficit) for the year | 1,582,243 |
| | | Amount of fund at beginning of year | 13,472,788 |
| | | Amount of fund at the end of year (as Balance Sheet) | 15,055,031 |
| | | | |
| | | Number of members contributing at end of year | 418,609 |

| Fund 5 | | 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 6 | | Fund Account | |
|--------------------|---|--------------|---------|
| Name: | Hardship (covid 19) Fund | £ | £ |
| Income | | | |
| | From members | | |
| | Investment income (as at page 12) | | |
| | Other income (specify) | | |
| | Donations | | 15,100 |
| | Total other income as specified | | 15,100 |
| | Total Income | | 15,100 |
| | Interfund Transfers IN | | |
| Expenditure | | | |
| | Benefits to members | | 90,074 |
| | Administrative expenses and other expenditure (as at page 10) | | |
| | Total Expenditure | | 90,074 |
| | Interfund Transfers OUT | | |
| | Surplus (Deficit) for the year | | -74,974 |
| | Amount of fund at beginning of year | | 74,974 |
| | Amount of fund at the end of year (as Balance Sheet) | | |
| | 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) | | |
| | Actuarial gains on defined benefit pension scheme | | 56,862,000 |
| | Total other income as specified | | 56,862,000 |
| | Total Income | | 56,862,000 |
| | Interfund Transfers IN | | 7,336,000 |
| Expenditure | | | |
| | Benefits to members | | 7,832,560 |
| | Administrative expenses and other expenditure (as at page 10) | | 4,003,440 |
| | Total Expenditure | | 11,836,000 |
| | Interfund Transfers OUT | | |
| | Surplus (Deficit) for the year | | 45,026,000 |
| | Amount of fund at beginning of year | | -61,186,000 |
| | Amount of fund at the end of year (as Balance Sheet) | | -8,824,000 |
| | 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 | 510,436 |
| | | Investment income (as at page 12) | |
| | Other income (specify) | | |
| | | | |
| | | | |
| | | Total other income as specified | |
| | | Total income | 510,436 |
| 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) | | 108,731 |
| | Expenditure F (as at page vi) | | 101,000 |
| | Non-political expenditure (as at page vii) | | 44,175 |
| | | Total expenditure | 253,906 |
| | | Surplus (deficit) for year | 256,530 |
| | | Amount of political fund at beginning of year | 623,344 |
| | | Amount of political fund at the end of year (as <u>Balance Sheet</u>) | 879,874 |
| | | Number of members at end of year contributing to the political fund | 249,455 |
| | | Number of members at end of the year not contributing to the political fund | 196,146 |
| | | Number of members at end of year who have completed an exemption notice and do not contribute to the political fund | 33,199 |
| 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 | |

Political fund account expenditure (c)

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

| Expenditure in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office | | | |
|--|--------------------------------------|--|---|
| Title and Date of election | Name of political party/organisation | Name of candidate, organisation or political party (see 33(iii)) | £ |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total | | | |

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 | £ |
|--|--------|
| Solutions | 41,760 |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

Total expenditure 41,760

| (c) the total amount of all other money expended | £ |
|--|-------|
| Staff Expenses | 2,415 |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

Total expenditure 2,415

Total of all expenditures **44,175**

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 | 8,781,818 | 10,084,710 |
| Auditors' fees | | 77,847 |
| Legal and Professional fees | | 690,230 |
| Occupancy costs | | 2,530,045 |
| Stationery, printing, postage, telephone, etc. | | 938,373 |
| Expenses of Executive Committee (Head Office) | | |
| Expenses of conferences | | 845,320 |
| Other administrative expenses (specify) | | |
| Campaigns & Action | | 2,822,258 |
| Member Recruitment | | 68,158 |
| Research Fees | | 342,800 |
| Staff Recruitment & Training | | 545,637 |
| Computer Support & Systems Maintenance | | 1,610,733 |
| Other Member Services | | 135,909 |
| Other Admin Costs | | 127,341 |
| Books & Publications | | 95,221 |
| Executive Costs | | 672,594 |
| Office Expenses | | 123,145 |
| Other Outgoings | | |
| Bank Charges | | 171,604 |
| Depreciation & Impairment | | 1,451,168 |
| Loss on disposal of fixed asset | | 113,888 |
| Bad debt write off | | -8,017 |
| Unrealised loss on revaluation of investments - General Fund | | 2,874,869 |
| Unrealised loss on revaluation of investments - Sustentation Fund | | 846,898 |
| Outgoings on land and buildings (specify) | | |
| Other outgoings (specify) | | |
| Pension Running Costs | | 460,000 |
| Pension Interest Expense | | 1,070,000 |
| Total | | 28,690,731 |
| Charged to: | General Fund (Page 3) | 23,463,356 |
| | Sustentation Fund | 846,989 |
| | International | 376,946 |
| | District Fund | |
| | Hardship (covid 19) Fund | |
| | Pension Reserve | 4,003,440 |
| Total | | 28,690,731 |

Analysis of investment income

(see notes 47 and 48)

| | Political Fund £ | | Other Fund(s) £ |
|-----------------------------------|------------------------|--------------------------|-----------------------|
| Rent from land and buildings | | | 682,763 |
| Dividends (gross) from: | | | |
| Equities (e.g. shares) | | | 587,323 |
| Interest (gross) from: | | | |
| Government securities (Gilts) | | | |
| Mortgages | | | |
| Local Authority Bonds | | | |
| Bank and Building Societies | | | |
| Other investment income (specify) | | | |
| | | | 1,270,086 |
| | | Total investment income | 1,270,086 |
| | | Credited to: | |
| | | General Fund (Page 3) | 1,160,649 |
| | | Sustentation Fund | 109,437 |
| | | International | |
| | | District Fund | |
| | | Hardship (covid 19) Fund | |
| | | Pension Reserve | |
| | | Political Fund | |
| | | Total Investment Funds | 1,270,086 |

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 | 48,678,366 | 4,500,858 | 3,350,952 | | | 56,530,176 |
| Additions | 664,269 | | 305,287 | | | 969,556 |
| Disposals | -10,063,453 | | | | | -10,063,453 |
| Revaluation/Transfers | 150,000 | | | | | 150,000 |
| At end of year | 39,429,182 | 4,500,858 | 3,656,239 | | | 47,586,279 |
| Accumulated Depreciation | | | | | | |
| At start of year | 3,620,778 | 1,102,274 | 1,394,412 | | | 6,117,464 |
| Charges for year | 677,701 | 157,943 | 615,524 | | | 1,451,168 |
| Disposals | -565,750 | | | | | -565,750 |
| Revaluation/Transfers | | | | | | |
| At end of year | 3,732,729 | 1,260,217 | 2,009,936 | | | 7,002,882 |
| Net book value at end of year | 35,696,453 | 3,240,641 | 1,646,303 | | | 40,583,397 |
| Net book value at end of previous year | 45,057,588 | 3,398,584 | 1,956,540 | | | 50,412,712 |

Analysis of investments

(see notes 58 and 59)

| Quoted | All Funds Except Political Funds £ | Political Fund £ |
|--|--|---------------------|
| Equities (e.g. Shares) | 5,883,234 | |
| Government Securities (Gilts) | 304,376 | |
| Other quoted securities (to be specified) | | |
| Funds | 18,912,924 | |
| Bonds | 1,174,769 | |
| Total quoted (as Balance Sheet) | 26,275,303 | |
| Market Value of Quoted Investment | 26,275,303 | |
| 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 | | |

Analysis of investment income (controlling interests)

(see notes 60 and 61)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?

Yes

No

If YES name the relevant companies:

Company name

Company registration number (if not registered in England & Wales, state where registered)

Teachers Publishing Company

102549

Are the shares which are controlled by the union registered in the names of the union's trustees?

Yes

No

If NO, state the names of the persons in whom the shares controlled by the union are registered.

Company name

Names of shareholders

Summary sheet

(see notes 62 to 73)

| | All funds except Political Funds | Political Funds £ | Total Funds £ |
|--|---|----------------------------------|------------------------------|
| Income | | | |
| From Members | 62,655,634 | 510,436 | 63,166,070 |
| From Investments | 1,270,086 | | 1,270,086 |
| Other Income (including increases by revaluation of assets) | 57,917,043 | | 57,917,043 |
| Total Income | 121,842,763 | 510,436 | 122,353,199 |
| Expenditure (including decreases by revaluation of assets) | | | |
| Total Expenditure | 67,874,207 | 253,906 | 68,128,113 |
| Funds at beginning of year (including reserves) | 50,560,356 | 623,344 | 51,183,700 |
| Funds at end of year (including reserves) | 104,528,912 | 879,874 | 105,408,786 |
| Assets | | | |
| Fixed Assets | | | 40,583,397 |
| Investment Assets | | | 26,880,425 |
| Other Assets | | | 56,465,660 |
| | | Total Assets | 123,929,482 |
| Liabilities | | Total Liabilities | 18,520,696 |
| Net Assets (Total Assets less Total Liabilities) | | | 105,408,786 |

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"/> | |
| 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

Information on Industrial Action Ballots

| Name of Organisation: | | NEU | | | Reporting Period | 31/8/21-1/9/22 | | | |
|--|---|------------------------------------|---|--|---|--|--|--|--|
| 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>47</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 | 11 | 8 | 7 | 1 | 0 | Yes | Yes | Yes | |
| 2 | 49 | 45 | 44 | 1 | 0 | Yes | Yes | Yes | |
| 3 | 91 | 71 | 69 | 2 | 0 | Yes | Yes | Yes | |
| 4 | 35 | 31 | 30 | 1 | 0 | Yes | Yes | Yes | |
| 5 | 30 | 11 | 8 | 3 | 0 | No | Yes | No | |
| 6 | 50 | 46 | 46 | 0 | 0 | Yes | Yes | Yes | |
| 7 | 29 | 13 | 10 | 3 | 0 | No | Yes | No | |
| 8 | 87 | 50 | 46 | 4 | 0 | Yes | Yes | Yes | |
| 9 | 85 | 72 | 65 | 7 | 0 | Yes | Yes | Yes | |
| 10 | 1436 | 1208 | 1147 | 61 | 0 | Yes | Yes | Yes | |
| 11 | 40 | 25 | 25 | 0 | 0 | Yes | Yes | Yes | |
| 12 | 54 | 51 | 48 | 3 | 0 | Yes | Yes | Yes | |
| 13 | 37 | 25 | 20 | 5 | 0 | Yes | Yes | Yes | |
| 14 | 41 | 26 | 20 | 6 | 0 | Yes | Yes | Yes | |
| 15 | 109 | 96 | 93 | 3 | 0 | Yes | Yes | Yes | |
| 16 | 20 | 11 | 11 | 0 | 0 | Yes | Yes | Yes | |

| | | | | | | | | |
|----|------|-----|-----|----|---|-----|-----|-----|
| 17 | 16 | 13 | 10 | 3 | 0 | Yes | Yes | Yes |
| 18 | 10 | 9 | 9 | 0 | 0 | Yes | Yes | Yes |
| 19 | 78 | 40 | 31 | 9 | 0 | Yes | Yes | No |
| 20 | 87 | 35 | 27 | 8 | 0 | No | Yes | No |
| 21 | 32 | 21 | 14 | 7 | 0 | Yes | Yes | Yes |
| 22 | 10 | 3 | 2 | 1 | 0 | No | Yes | No |
| 23 | 14 | 12 | 10 | 2 | 0 | Yes | Yes | Yes |
| 24 | 7 | 7 | 7 | 0 | 0 | Yes | Yes | Yes |
| 25 | 52 | 38 | 27 | 11 | 0 | Yes | Yes | Yes |
| 26 | 16 | 14 | 10 | 4 | 0 | Yes | Yes | Yes |
| 27 | 50 | 29 | 28 | 1 | 0 | Yes | Yes | Yes |
| 28 | 67 | 51 | 46 | 5 | 0 | Yes | Yes | Yes |
| 29 | 44 | 34 | 29 | 5 | 0 | Yes | Yes | Yes |
| 30 | 56 | 33 | 32 | 1 | 0 | Yes | Yes | Yes |
| 31 | 67 | 43 | 42 | 1 | 0 | Yes | Yes | Yes |
| 32 | 37 | 25 | 25 | 0 | 0 | Yes | Yes | Yes |
| 33 | 21 | 13 | 13 | 0 | 0 | Yes | Yes | Yes |
| 34 | 49 | 39 | 35 | 4 | 0 | Yes | Yes | Yes |
| 35 | 24 | 18 | 18 | 0 | 0 | Yes | Yes | Yes |
| 36 | 51 | 40 | 32 | 8 | 0 | Yes | Yes | Yes |
| 37 | 72 | 45 | 41 | 4 | 0 | Yes | Yes | Yes |
| 38 | 9 | 7 | 7 | 0 | 0 | Yes | Yes | Yes |
| 39 | 1366 | 522 | 488 | 33 | 1 | No | Yes | No |
| 40 | 13 | 10 | 10 | 0 | 0 | Yes | Yes | Yes |
| 41 | 55 | 18 | 15 | 3 | 0 | No | Yes | No |
| 42 | 74 | 54 | 53 | 1 | 0 | Yes | Yes | Yes |
| 43 | 54 | 31 | 24 | 7 | 0 | Yes | Yes | Yes |
| 44 | 59 | 38 | 34 | 4 | 0 | Yes | Yes | Yes |
| 45 | 21 | 13 | 9 | 4 | 0 | Yes | Yes | Yes |
| 46 | 29 | 16 | 5 | 11 | 0 | Yes | Yes | No |
| 47 | 56 | 36 | 34 | 2 | 0 | Yes | Yes | Yes |
| 48 | | | | | 0 | Yes | | |
| 49 | | | | | 0 | Yes | | |

| | | | | | | | | |
|----|--|--|--|--|---|-----|--|--|
| 50 | | | | | 0 | Yes | | |
| 51 | | | | | 0 | Yes | | |
| 52 | | | | | 0 | Yes | | |
| 53 | | | | | 0 | Yes | | |
| 54 | | | | | 0 | Yes | | |
| 55 | | | | | 0 | Yes | | |
| 56 | | | | | 0 | Yes | | |
| 57 | | | | | 0 | Yes | | |
| 58 | | | | | 0 | Yes | | |
| 59 | | | | | 0 | Yes | | |

Information on Industrial Action

| Name of Organisation: | | NEU | | Reporting Period | 31/08/21-01/09/2022 |
|--|--|--------------------------------------|-------------------------------------|---|--|
| 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 |
| 2 | A | 04/11/2021 | | 1 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</p> |
| 3 | A | 16/10/2021-18/10/2021 | | 3 Strike Action | |
| 4 | A | 01/12/2021-27/01/2022 | | 12 Strike Action | |
| 5 | A | 07/12/2021-27/01/2022 | | 13 Strike Action | |
| 6 | A | 09/12/2021-27/04/2022 | | 16 Strike Action | |
| 7 | A | 23/02/2022-10/03/2022 | | 4 Strike Action | |
| 8 | A | 10/02/2022-03/03/2022 | | 6 Strike Action | |
| 9 | A | 01/03/2022-09/03/2022 | | 3 Strike Action | |
| 10 | A | 22/03/2022-05/05/2022 | | 5 Strike Action | |
| 11 | A | 10/03/2022-23/03/2022 | | 6 Strike Action | |
| 12 | A | 24/03/2022-26/05/2022 | | 17 Strike Action | |
| 13 | A | 20/04/2022-28/04/2022 | | 5 Strike Action | |
| 14 | A | 27/04/2022-30/06/2022 | | 6 Strike Action | |
| 15 | A | 28/04/2022-12/05/2022 | | 6 Strike Action | |

| | | | | |
|----|---|-----------------------|----|---------------|
| 16 | A | 18/05/2022-30/06/2022 | 12 | Strike Action |
| 17 | A | 17/05/2022-20/10/2022 | 31 | Strike Action |
| 18 | A | 07/05/2022-16/06/2022 | 4 | Strike Action |
| 19 | A | 12/07/2022-20/07/2022 | 5 | Strike Action |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | | | | |
| 25 | | | | |

trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

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

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 Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022

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.

Trade Unions are governed by the Trade Union and Labour Relations (Consolidation Act) 1992. Under that Act the accounts of Trade Unions are required to give a true and fair view. Therefore, the accounts of Trade Unions are prepared under FRS102. However, as a Trade Union is not a company the Regulations that form the basis of disclosures under FRS102 have been adapted as considered necessary to ensure the accounts give a true and fair view to the members of the Trade Union.

The Union is a public benefit entity.

The financial statements have been prepared in sterling, which is the functional currency of the Union. The monetary amounts of these financial statements are rounded to the nearest pounds.

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. 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 30).

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.

Pension scheme assets are measured using market values; quoted securities are valued at current bid price. Pension scheme liabilities are measured using a projected unit method, and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022

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 2023 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 public health measures in the earlier part of the financial year, has resulted in an increased cash balance for the Union which was further increased during the year following the completion of the sale of the Northumberland Street office.

(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**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. 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.

Tangible fixed assets are reviewed at each year end date, or where there are changes in the circumstances which indicate that the carrying amount may not be recoverable. 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.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022

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% |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

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) Financial instruments

The Union only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors and creditors.

Debt instruments that are payable or receivable within one year, typically other creditors or debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised within the operating surplus or loss. The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, current asset investments and balances with banks. Where applicable, cash and cash equivalents are revalued based on the relevant exchange rates at the reporting date. This includes amounts held in short term deposit accounts with a maturity period of less than 90 days.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022

(m) 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.

Key sources of estimation uncertainty are as follows:

- Tangible fixed assets (see note 18) - 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 19) - 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 33) - 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 20) - quoted investments are disclosed at mid-market values at the Statement of Financial Position date.

Accounting policies

(see notes 84 and 85)



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: | | Chairman's Signature: | |
| | | | <small>(or other official whose position should be stated)</small> |
| Name: | Kevin Courtney (Joint General Secretary) | Name: | Mary Boustek (Joint General Secretary) |
| Date: | 07 March 2023 | Date: | 07 March 2023 |

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 2022 (*continued*)

2 Subscription Income

| | Year to 31 August 2022 | Year to 31 August 2021 |
|---|------------------------------|------------------------------|
| | £ | £ |
| National subscriptions | 57,259,677 | 56,707,917 |
| Local District/Associations subscriptions | 5,906,393 | 6,023,988 |
| Total Subscriptions from members | 63,166,070 | 62,731,905 |

3 Investment Income

| | Year to 31 August 2022 | Year to 31 August 2021 |
|-----------------------------------|------------------------------|------------------------------|
| | £ | £ |
| General Fund | 477,886 | 528,793 |
| Sustentation Fund | 109,437 | 95,853 |
| Profit on the sale of investments | 180,082 | 492,969 |
| Total Investment Income | 767,405 | 1,117,615 |

4 Donations

| | Year to 31 August 2022 | Year to 31 August 2021 |
|-------------------------|------------------------------|------------------------------|
| | £ | £ |
| Hardship Fund donations | 15,100 | 130,196 |
| Total Donations | 15,100 | 130,196 |

5 Other Income

| | Year to 31 August 2022 | Year to 31 August 2021 |
|---------------------------------|------------------------------|------------------------------|
| | £ | £ |
| Union Magazine advertising | 227,463 | 259,026 |
| Commissions | 57,493 | 27,573 |
| Legal income | 123,372 | (70,138) |
| Other income | 179,345 | 125,401 |
| Local District Income generated | 122,187 | 70,288 |
| Total Other Income | 709,860 | 412,150 |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

6 Staff Costs

| | Year to 31 August 2022 £ | Year to 31 August 2021 £ |
|---|-----------------------------------|-----------------------------------|
| Salaries | 23,467,774 | 24,262,481 |
| Social security costs | 2,768,414 | 2,544,668 |
| Childcare vouchers | 48,720 | 40,226 |
| Superannuation contributions (note 33) - current service cost | 10,306,000 | 8,464,000 |
| | 36,590,908 | 35,311,375 |
| Average number of employees | 551 | 559 |
| Key personnel compensation (During the year, 5 staff were considered key management) | £606,623 | £577,060 |

7 Grants

| | Year to 31 August 2022 £ | Year to 31 August 2021 £ |
|--|-----------------------------------|-----------------------------------|
| Division grants | 35,487 | 2,064 |
| Membership grants (sustentation) | 649,923 | 252,660 |
| Membership grants (hardship and other) | 5,500 | 124,750 |
| Other grants | 1,250 | 1,500 |
| | 692,160 | 380,974 |

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2022 (*continued*)

8 Property Costs

| | Headquarters | Nations/ Regions | Total | Total |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | Year to 31 August | Year to 31 August | Year to 31 August | Year to 31 August |
| | 2022 | 2022 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Consultants' fees | 69,589 | - | 69,589 | 100,157 |
| Heating, lighting and water | 159,706 | 104,857 | 264,563 | 252,242 |
| Repairs, maintenance and decorations | 379,360 | 55,473 | 434,833 | 488,520 |
| Rates | 531,209 | 271,641 | 802,850 | 654,404 |
| Insurance | 207,312 | - | 207,312 | 251,539 |
| Telephone | 108,475 | 14,833 | 123,308 | 133,554 |
| Cleaning, laundry and sundries | 195,436 | 179,589 | 375,025 | 393,793 |
| Rent | - | 375,873 | 375,873 | 376,177 |
| | 1,651,087 | 1,002,266 | 2,653,353 | 2,650,386 |

9 Subscriptions and donations

| | Year to 31 August | Year to 31 August |
|-----------------------------------|----------------------|----------------------|
| | 2022 | 2021 |
| | £ | £ |
| TUC | 1,359,973 | 1,310,509 |
| EI/ETUCE | 699,756 | 671,238 |
| Other subscriptions and donations | 938,569 | 1,489,492 |
| | 2,998,298 | 3,471,239 |

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2022 (*continued*)

10 Campaigns and action

| | Year to 31 August 2022 £ | Year to 31 August 2021 £ |
|--|-----------------------------------|-----------------------------------|
| Publicity, projects and campaign expenditure | 1,472,390 | 1,677,736 |
| Merchandise | 159,290 | 136,026 |
| Other Expenditure | 1,444,484 | 597,705 |
| | 3,076,164 | 2,411,467 |

11 Publications

| | Year to 31 August 2022 £ | Year to 31 August 2021 £ |
|-----------------|-----------------------------------|-----------------------------------|
| Union Magazines | 2,475,092 | 2,284,650 |

12 Travel and subsistence

| | Year to 31 August 2022 £ | Year to 31 August 2021 £ |
|-----------------------------------|-----------------------------------|-----------------------------------|
| Conferences | 272,249 | 72,431 |
| Executive travel | 428,431 | 51,162 |
| Regional/Nations and Headquarters | 650,839 | 42,159 |
| Secretaries | 20,633 | 6,475 |
| Car Costs | 631,420 | 667,414 |
| | 2,003,572 | 839,641 |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

| 13 Other members' services | Year to 31 August 2022 | Year to 31 August 2021 |
|--|---------------------------------------|---------------------------------------|
| | £ | £ |
| Training | 708,424 | 593,309 |
| Insurance for members | 279,686 | 284,688 |
| Recruitment | 68,158 | 111,183 |
| Conferences | 7,169 | 2,286 |
| Discount cards | 25,965 | - |
| Projects & Research fees | 342,800 | 415,697 |
| Printing, postage and stationery | 512,171 | 424,545 |
| Web site | 215,993 | 504,542 |
| Other Costs | 135,909 | 71,917 |
| | 2,296,275 | 2,408,167 |
| | | |
| 14 Other administration costs | Year to 31 August 2022 | Year to 31 August 2021 |
| | £ | £ |
| Audit and accountancy | 77,847 | 119,667 |
| Actuarial and other professional fees | 1,150,230 | 1,005,922 |
| | 1,228,077 | 1,125,589 |
| | | |
| Staff recruitment and training | 545,637 | 612,989 |
| Computer support and systems maintenance | 1,610,733 | 942,804 |
| Office expenditure | 98,213 | 63,643 |
| Printing, postage and stationery | 302,895 | 275,998 |
| Books and publications | 95,221 | 73,535 |
| Conference expenditure | 565,900 | 162,777 |
| Health and Safety | 24,932 | 15,966 |
| Executive costs | 672,594 | 55,655 |
| Other Costs | 127,341 | 123,234 |
| Bad debt provision | (8,017) | 316,177 |
| Net Interest Cost on pension funds (Note 33) | 1,070,000 | 1,008,000 |
| | 6,333,526 | 4,776,367 |

Auditors' remuneration is £68,000 (2021: £61,000) for audit services, £8,900 (2021: £7,750) for tax compliance (which includes £3,000 relating to 2020) and £nil (2021: £6,500) for additional fees on the 2020 or 2021 audits. Figures quoted exclude VAT.

Fees paid to the auditor in the year for non-audit services including tax compliance totalled £9,900 (2021: £22,860).

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

15 Financial expenses

| | Year to 31 August 2022 £ | Year to 31 August 2021 £ |
|--------------|-----------------------------------|-----------------------------------|
| Bank charges | 171,604 | 155,513 |

16 Taxation

| | Year to 31 August 2022 £ | Year to 31 August 2021 £ |
|---|-----------------------------------|-----------------------------------|
| Corporation tax | | |
| UK Corporation tax at 19% | - | 94,869 |
| Tax on chargeable gains | 1,030,000 | - |
| Deferred tax | | |
| Deferred tax on the fair value of investments | (881,000) | 1,874,000 |
| Deferred tax on revalued investment property | 38,000 | 293,000 |
| Deferred tax on revalued freehold property | - | 1,729,000 |
| Reversal of previously recognised deferred tax on disposal of freehold property | (1,083,000) | - |
| | (1,926,000) | 3,896,000 |
| Tax (credit)/charge | (896,000) | 3,990,869 |

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2022 (*continued*)

17 Intangible Fixed Assets

| | As at 31 August 2022 £ |
|--------------------------|---------------------------------|
| Cost | |
| At 31 August 2021 | 512,300 |
| Additions | 25,600 |
| At 31 August 2022 | 537,900 |
| Amortisation | |
| At 31 August 2021 | - |
| Charge for the year | 104,347 |
| At 31 August 2022 | 104,347 |
| Net book value | |
| At 31 August 2022 | 433,553 |
| At 31 August 2021 | 512,300 |

Intangible assets represent costs incurred in the development of the NEU's Case Management system, CiviCase. No amortisation was charged in 2021 as the product was not yet in use. Amortisation commenced in the 2022 financial year.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

18 Tangible fixed assets

| | Asset under construction | Freehold properties | Leasehold properties | Plant and Machinery | Furniture and office Equipment | Total |
|--|-----------------------------|------------------------|-------------------------|------------------------|--------------------------------------|---------------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 31 August 2021 | 2,584,208 | 30,094,158 | 4,500,858 | 361,492 | 2,477,160 | 40,017,876 |
| Additions | 664,269 | | | 29,676 | 250,011 | 943,956 |
| Revaluation | - | - | - | - | - | - |
| Disposals | - | (10,063,453) | - | - | - | (10,063,453) |
| Transfer from Assets Under Construction | (2,688,504) | 2,688,504 | - | - | - | - |
| At 31 August 2022 | 559,973 | 22,719,209 | 4,500,858 | 391,168 | 2,727,171 | 30,898,379 |
| Depreciation | | | | | | |
| At 31 August 2021 | - | 3,620,778 | 1,102,274 | 199,651 | 1,194,761 | 6,117,464 |
| Charge for the year | - | 677,701 | 157,943 | 37,649 | 473,528 | 1,346,821 |
| Disposals | - | (565,750) | - | - | - | (565,750) |
| At 31 August 2022 | - | 3,732,729 | 1,260,217 | 237,300 | 1,668,289 | 6,898,535 |
| At 31 August 2022 | 559,973 | 18,986,480 | 3,240,641 | 153,868 | 1,058,882 | 23,999,844 |
| At 31 August 2021 | 2,584,208 | 26,473,380 | 3,398,584 | 161,841 | 1,282,399 | 33,900,412 |

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. During the year, the Union sold its former ATL office, 7 Northumberland Street, which resulted in a loss on disposal of £114k.

The freehold property used as Union Headquarters is subject to a first legal charge in favour of the NEU Pension Scheme. 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 2022 and amounted to £56m.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

| 19 Investment property | As at 31 August 2022 £ |
|-------------------------------|---|
| Cost/revaluation | |
| At 31 August 2021 | 16,000,000 |
| Revaluation | 150,000 |
| At 31 August 2022 | <u>16,150,000</u> |
| Net book value | |
| At 31 August 2022 | <u>16,150,000</u> |
| At 31 August 2021 | <u>16,000,000</u> |

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 2022. 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 the investment property had been accounted for under the historic cost accounting rules, the property would have a NBV of £7,897,574, being cost of £10,478,000 and accumulated depreciation of £2,580,426.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 *(continued)*

| 20 | Investments | As at 31 August 2022 £ | As at 31 August 2021 £ |
|---|---|---------------------------------|---------------------------------|
| | Listed investments at market value (see 20a) | 26,275,303 | 30,399,315 |
| | Other investments at cost (see 20b) | 605,122 | 605,122 |
| | | 26,880,425 | 31,004,437 |
| 20a Listed Investments at Fair Value - Sustentation Fund | | | |
| | At 1 September | 5,871,994 | 4,629,187 |
| | Additions | 752,616 | 1,012,746 |
| | Disposal proceeds | (921,082) | (877,896) |
| | Realised gain on disposals | 137,408 | 256,267 |
| | Unrealised (loss)/gain in revaluation | (846,898) | 851,690 |
| | At 31 August | 4,994,038 | 5,871,994 |
| | Listed investments at historic cost | 4,387,598 | 4,417,492 |
| Listed Investments at Fair Value - General Fund | | | |
| | At 1 September | 24,527,321 | 22,559,777 |
| | Additions | 1,823,999 | 1,680,486 |
| | Disposal proceeds | (2,237,861) | (2,965,830) |
| | Realised gain/(loss) on disposal | 42,675 | 236,702 |
| | Unrealised (loss)/gain on revaluation | (2,874,869) | 3,016,186 |
| | At 31 August | 21,281,265 | 24,527,321 |
| | Listed investments at historic cost | 17,299,319 | 17,206,440 |
| | Total listed investments at market value | 26,275,303 | 30,399,315 |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

| 20b Other Investments at Fair Value - General Fund | As at 31 August 2022 | As at 31 August 2021 |
|---|-------------------------------------|----------------------------|
| | £ | £ |
| Unquoted securities at cost | 605,122 | 605,122 |
| Investment in subsidiaries | | |
| The Teacher Publishing Co. Ltd (i) | 1 | 1 |
| Stoke Rochford Management Ltd (ii) | - | 1 |
| | 1 | 2 |

- (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.

The unquoted securities held at cost represent shares held in Unity bank. They were last traded in June 2022, with this trade only being open only to existing shareholders. The NEU did not purchase or sell any shares. If these shares were valued at the last traded price, they would be valued at £1,348,277.

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

| 21 Receivables | As at 31 August 2022 | As at 31 August 2021 |
|---------------------------------------|-------------------------------------|----------------------------|
| | £ | £ |
| Teacher Publishing Co. Limited | | |
| Loan | 206,200 | 206,200 |
| Provision | (206,199) | (206,199) |
| | 1 | 1 |
| Prepayments and accrued income | 1,022,546 | 834,951 |
| Sundry Receivables | 455,105 | 1,171,804 |
| | 1,477,652 | 2,006,756 |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 *(continued)*

22 Short term loans

| | As at 1 September 2021 | Loans Granted | Interest | Repaid in year | As at 31 August 2022 |
|-------------------------------|------------------------------|------------------|----------|-------------------|----------------------------|
| Season ticket loans | 6,258 | 27,696 | | (22,555) | 11,399 |
| Car and cycle loans | 50,235 | 21,042 | | (38,274) | 33,003 |
| House deposit & removal loans | 6,164 | | | (3,374) | 2,791 |
| Other employee loans | 7,590 | 4,850 | | (7,719) | 4,721 |
| | 70,247 | 53,588 | - | (71,922) | 51,914 |

No interest is charged on short terms loans to employees.

23 Cash and cash equivalents

23a Short term deposits

| | As at 31 August 2022 £ | As at 31 August 2021 £ |
|---------------------|---------------------------------|---------------------------------|
| Short term deposits | 15,253,318 | 14,407,817 |

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.

23b Cash at bank and in hand

| | As at 31 August 2022 £ | As at 31 August 2021 £ |
|---------------|---------------------------------|---------------------------------|
| Bank balances | 24,627,470 | 11,912,988 |
| Cash in hand | 20,275 | 23,783 |
| | 24,647,745 | 11,936,771 |

23c Local districts

| | As at 31 August 2022 £ | As at 31 August 2021 £ |
|---------------|---------------------------------|---------------------------------|
| Bank balances | 15,035,031 | 13,452,788 |
| | 15,035,031 | 13,452,788 |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

| 24 | Creditors: Amounts Falling Due within One Year | As at 31 August 2022 £ | As at 31 August 2021 £ |
|----|--|---------------------------------|---------------------------------|
| | Trade creditors | 1,097,935 | 1,342,919 |
| | Corporation tax payable | 1,006,661 | - |
| | Taxation and social security | 360,567 | 212,318 |
| | Other creditors and accruals | 1,007,120 | 1,023,548 |
| | | 3,472,283 | 2,578,785 |
| 25 | Deferred Income | As at 31 August 2022 £ | As at 31 August 2021 £ |
| | Rent and other sales received in advance | 43,458 | 227,884 |
| 26 | Provisions for Liabilities and Charges | As at 31 August 2022 £ | As at 31 August 2021 £ |
| | Deferred tax liability (see note 27) | 6,048,000 | 7,974,000 |
| | Unfunded pension | 132,955 | 141,159 |
| | | 6,180,955 | 8,115,159 |

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 were merged in the prior year, further detail of which is provided in Note 33.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (continued)

27 Deferred tax liability

| | As at 1 September 2021 £ | (Released)/ charged £ | As at 31 August 2022 £ |
|---|-----------------------------------|-----------------------------|---------------------------------|
| Accelerated capital allowances | | | |
| Ex ATL premises | 1,083,000 | (1,083,000) | - |
| Provision relating to the increase in fair value of the investment property | 2,774,000 | 38,000 | 2,812,000 |
| Provision relating to freehold property | 2,004,000 | | 2,004,000 |
| Provision relating to the change in the fair value of Investments | 2,113,000 | (881,000) | 1,232,000 |
| | <u>7,974,000</u> | <u>(1,926,000)</u> | <u>6,048,000</u> |

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

28 Operating Leases

Motor Vehicles, Furniture and Equipment, Plant and Machinery

The Union is committed to the following payments under operating leases

| | Property 2022 | Other 2022 | Property 2021 | Other 2021 |
|--------------------------|----------------------|-------------------------|------------------|------------------|
| Expiry | | | | |
| Within one year | 30,898 | 447,302 | 231,600 | 480,166 |
| Between one & two years | - | 528,462 | 30,898 | 342,729 |
| Between two & five years | - | 101,254 | - | - |
| Over five years | - | 11,877 | - | 300,189 |
| Total | <u>30,898</u> | <u>1,088,895</u> | <u>262,498</u> | <u>1,123,084</u> |

29 Financial Commitments

The Union has entered into commitments to purchase a new property in the North West region, as well as reconfiguring Hamilton House and extending the Eastern region property. While contracts had not been finalised by the balance sheet date, the Union has intended capital commitments at 31 August 2022 of £1,706,000, excluding VAT (2021: £345,489).

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 *(continued)*

30 Designated Reserves

| | International | | | | | District Funds £ | Total £ |
|-------------------------------------|---------------------------|-------------------------|------------------------|-----------------------------|-------------------|------------------------|--------------------|
| | Sustentation Fund £ | Solidarity Fund £ | Political Fund £ | Hardship (C19) Fund £ | | | |
| At 31 August 2021 | 9,185,851 | 522,359 | 623,344 | 74,974 | 13,472,788 | | 23,879,316 |
| From Subscription Income | 563,940 | 688,859 | 510,436 | - | 5,906,393 | | 7,669,628 |
| Donation | | - | - | 15,100 | - | | 15,100 |
| Investment Income | 109,437 | - | - | - | - | | 109,437 |
| Other Income | - | - | - | - | 122,187 | | 122,187 |
| Investment Movement | (846,898) | - | - | - | - | | (846,898) |
| Campaign expenditure | (91) | (376,946) | (253,906) | - | - | | (630,943) |
| Grants & Donations | (649,923) | - | - | (90,074) | - | | (739,997) |
| Assoc/District Expenditure | - | - | - | - | (4,446,337) | | (4,446,337) |
| Transfer (to)/from Income Statement | (823,535) | 311,913 | 256,530 | (74,974) | 1,582,243 | | 1,252,177 |
| At 31 August 2022 | 8,362,316 | 834,272 | 879,874 | - | 15,055,031 | | 25,131,493 |

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 has been closed and remaining funds transferred to the NEU Trust Fund, which is a separate charity.

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

National Education Union

Notes forming part of the Financial Statements
for the year ended 31 August 2022 *(continued)*

31 Reconciliation of Movement in Total Funds

| | As at 31 August 2022 | As at 31 August 2021 |
|--|-------------------------------------|----------------------------|
| | £ | £ |
| General Fund (deficit) for the year | (3,889,091) | (736,121) |
| Designated funds surplus for the year | 1,252,177 | 4,933,913 |
| Other recognised gains and losses relating to the year: | | |
| Actuarial gain/(loss) on defined benefit pension scheme | 56,862,000 | (4,119,000) |
| Net increase in funds | 54,225,086 | 78,792 |
| Funds at 1 September | 51,183,700 | 51,104,908 |
| Funds at 31 August | 105,408,786 | 51,183,700 |

32 Related Party Transactions

There were no related party transactions for the year to 31 August 2022 (2021: nil).

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (continued)

33 Defined benefit pension scheme

The NEU operates the NEU Pension Scheme (the Scheme), a year end registered trust-based pension scheme that provides defined benefits. The NEU Pension Scheme was formerly called the ATL Pension Scheme. In July 2021, the NUT Staff Superannuation Fund's ("NUTSSF") assets and liabilities were bulk transferred into the NEU Pension Scheme.

Pension benefits accrued before 2 July 2021 are linked to members' final pensionable salaries and service at their retirement (or date of leaving if earlier). From 2 July 2021, pension benefits are built up on a Career Averaged Revalued Earnings (CARE) basis, where benefits are linked to members' salaries each year and increased to retirement broadly in line with inflation up to 2.5% per year. 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 interest 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.

Future funding obligation

The Trustees are required to carry out an actuarial valuation every 3 years. The last actuarial valuation of the ATL Pension Scheme revealed a funding surplus of £2 million. The last actuarial valuation of the NUTSSF was performed by the Scheme actuary as at 31 December 2017. This valuation revealed a shortfall of £8.8 million. In respect of this shortfall, the NEU agreed to pay contributions of 8.5% of members' pensionable salaries per annum from 1 January 2019. As part of the merger of the NUTSSF and ATL Pension Scheme, the NEU agreed to continue these deficit contributions, at a rate of £1.1 million per annum paid quarterly. An actuarial valuation of the NEU Pension Scheme, being the combined scheme, will be undertaken as at 30 September 2022.

The NEU has 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 £7.1 million less member contributions to the Scheme during the accounting year beginning 1 September 2022.

Market volatility

The Trustees sets a long-term investment strategy for the Scheme, after consulting the NEU and taking advice from its investment advisers. The Trustees aim to invest the Scheme's assets to generate an appropriate level of investment return over the long term, while limiting the scope for adverse performance in the short term. To achieve this aim, the Trustees invest in a combination of 'growth assets' and 'matching assets'. Growth assets (such as equities) are those that are expected to perform well over the longer term but may involve a higher risk in the short term.

Matching assets are those that are expected to go up and down in value in line with the Scheme's liabilities, for example government or corporate bonds. Matching assets therefore help protect the funding position of the Scheme, because the value of these assets and the value of the liabilities move in a similar way. Matching assets are generally expected to produce lower returns than growth assets over the long term. A particular type of matching asset is Liability Driven Investments (LDI).

The Scheme invests in LDI as part of its matching asset portfolio. Since the previous year end, government bond yields have risen significantly and the value of the Scheme's LDI funds has fallen significantly. However, this also means the liabilities will have fallen significantly on the Scheme's cash funding basis, which will be formally assessed at the 30 September 2022 actuarial valuation. This is the basis that will be used to determine the contributions required by the NEU to the Scheme.

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (continued)

33 Defined benefit pension scheme (continued)

Corporate bond yields, which are used to measure the liabilities (or defined benefit obligation) for the NEU's financial statements, have also risen significantly since the previous year end. This has resulted in a material reduction in the defined benefit obligation, more so than the reduction in Scheme assets, resulting in a significantly lower net pension liability recognised in the NEU's financial statements at this year-end.

Government and corporate bonds yields have continued to be volatile at the year-end.

Assumptions

The results of the most recent formal actuarial valuations of the ATL Pension Scheme as at 30 September 2019 and NUTSSF as at 31 December 2017 have been updated to 31 August 2022 by a qualified independent actuary. The assumptions used were as follows:

| | At 31 August 2022 (per annum) | At 31 August 2021 (per annum) |
|---|--|--|
| Rate of increase in salaries | 3.40% | 3.20% |
| Rate of increase of pensions in payment | 2.90% | 2.70% |
| Discount rate | 4.30% | 1.70% |
| Retail Price Inflation assumption | 3.30% | 2.80% |
| Consumer Price Inflation assumption | 2.90% | 2.70% |

| | 31 August 2022 £'000 | 31 August 2021 £'000 |
|-------------------------------------|----------------------------|----------------------------|
| Present value of funded obligations | (142,135) | (217,396) |
| Fair value of Scheme assets | 133,311 | 156,210 |
| Net liability | <u>(8,824)</u> | <u>(61,186)</u> |

| | 31 August 2022 £'000 | 31 August 2021 £'000 |
|--|----------------------------|----------------------------|
|--|----------------------------|----------------------------|

Change in the present value of the defined benefit obligation

| | | |
|---------------------------------------|----------------|----------------|
| Opening defined benefit obligations | 217,396 | 193,932 |
| Employer part of current service cost | 10,306 | 8,464 |
| Interest on obligation | 3,745 | 3,340 |
| Member contributions | 372 | 1,469 |
| Actuarial losses | (84,768) | 15,043 |
| Benefits paid | (4,916) | (4,852) |
| Closing defined benefit obligation | <u>142,135</u> | <u>217,396</u> |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (continued)

33 Defined benefit pension scheme (continued)

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

| | Value at 31 Aug 2022 | | Value at 31 Aug 2021 | |
|------------------------------|-------------------------|------------|-------------------------|------------|
| | £'000 | % | £'000 | % |
| Diversified growth | 111,364 | 84 | 118,560 | 76 |
| Liability Driven Investments | 14,210 | 11 | 26,336 | 17 |
| Private Equity | 5,829 | 4 | 5,476 | 3 |
| Cash | 1,908 | 1 | 5,838 | 4 |
| Total value of assets | 133,311 | 100 | 156,210 | 100 |

| | 31 August 2022 £'000 | 31 August 2021 £'000 |
|--|----------------------------|----------------------------|
| Change in the Fair Value of Plan Assets | | |
| Opening fair value of plan assets | 156,210 | 135,855 |
| Interest on scheme assets | 2,675 | 2,332 |
| Actuarial (losses)/gains | (27,906) | 10,924 |
| Contributions by employer | 7,336 | 10,704 |
| Running costs | (460) | (222) |
| Contributions by employees | 372 | 1,469 |
| Benefits paid | (4,916) | (4,852) |
| Closing fair value of plan assets | 133,311 | 156,210 |

The following amounts have been included within the operating surplus under FRS 102:

| | 31 August 2022 £'000 | 31 August 2021 £'000 |
|----------------------|----------------------------|----------------------------|
| Current service cost | 10,306 | 8,464 |
| Running costs | 460 | 222 |
| Interest expense | 1,070 | 1,008 |
| Pension cost | 11,836 | 9,694 |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (*continued*)

33 Defined benefit pension scheme (continued)

The following amounts have been recognised in other comprehensive income:

| | 31 August 2022 £'000 | 31 August 2021 £'000 |
|--|-------------------------------------|----------------------------|
| Gains/(losses) on defined benefit obligations | 84,768 | (15,043) |
| Return on assets less interest | (27,906) | 10,924 |
| Amounts recognised in other comprehensive income | <u>56,862</u> | <u>(4,119)</u> |

| | 31 August 2022 £'000 | 31 August 2021 £'000 |
|--|-------------------------------------|----------------------------|
| The deficit under FRS 102 has moved as follows during the period: | | |
| Deficit in the scheme at 1 September | (61,186) | (58,077) |
| Expense included in the Statement of Comprehensive Income | (11,836) | (9,694) |
| Contribution by the employer | 7,336 | 10,704 |
| Actuarial gain/(loss) | 56,862 | (4,119) |
| Deficit in Schemes as at 31 August | <u>(8,824)</u> | <u>(61,186)</u> |

National Education Union

Notes forming part of the Financial Statements

for the year ended 31 August _____

34 Reconciliation of Operating (Deficit) / Surplus to Net Cash Flow from Operating Activities

| | | As at 31 August 2022 £ | As at 31 August 2021 £ |
|---|-------|---------------------------------|---------------------------------|
| (Deficit) / surplus before taxation | | (3,532,914) | 8,188,661 |
| Cash Flows Disclosed Separately | | | |
| Less: Investment income | 3 | (767,405) | (1,117,615) |
| Add: Financial expenses | 15 | 171,604 | 155,513 |
| Charges/(Credits) not Involving Cash Flows | | | |
| Depreciation, amortisation and impairment | 17/18 | 1,451,168 | 2,667,967 |
| Revaluation of investment property | 19 | (150,000) | - |
| Change in the fair value of investments | 20a | 3,721,767 | (3,867,876) |
| Profit on sale of property | 18 | 113,888 | 461,946 |
| Interest on net pension scheme liabilities | 33 | 1,070,000 | 1,008,000 |
| Employer's current pension service costs | 33 | 10,306,000 | 8,464,000 |
| Pension scheme running costs | 33 | 460,000 | 222,000 |
| Cash Flow Not Recognised in the Income Statement | | | |
| Payments to the Pension Scheme | | (7,336,000) | (10,704,000) |
| Movement in Working Capital | | | |
| Change in receivables | | 456,822 | (525,903) |
| Change in short term loans | | 18,333 | 29,301 |
| Change in creditors | | (113,163) | (1,060,918) |
| Change in deferred income | | (184,426) | 162,670 |
| Change in provision for liabilities | | (8,204) | (72,966) |
| | | 5,677,470 | 4,010,781 |

35 Analysis of changes in net debt

| | | 2021 £ | Movement £ | 2022 £ |
|------------------------------|-----|-------------------|-------------------|-------------------|
| Short term deposits | 23a | 14,407,817 | 845,501 | 15,253,318 |
| Cash at bank and in hand | 23b | 11,936,771 | 12,710,974 | 24,647,745 |
| Local Associations/Districts | 23c | 13,452,788 | 1,582,243 | 15,035,031 |
| | | 39,797,376 | 15,138,718 | 54,936,094 |

National Education Union
Notes forming part of the Financial Statements
for the year ended 31 August 2022 *(continued)*

36 Analysis of Net Assets by Fund

| | General Fund £ | Sustentation Fund £ | International Solidarity Fund £ | Political Fund £ | District Fund £ | Total £ |
|--|----------------------|---------------------------|--|------------------------|-----------------------|--------------------|
| Fixed assets | | | | | | |
| - Intangible assets | 433,553 | | | | | 433,553 |
| - Tangible assets | 23,979,844 | - | - | - | 20,000 | 23,999,844 |
| - Investment property | 16,150,000 | - | - | - | - | 16,150,000 |
| - Investments | 21,886,388 | 4,994,037 | - | - | - | 26,880,425 |
| Net current assets | 32,832,463 | 3,368,279 | 834,272 | 879,874 | 15,035,031 | 52,949,919 |
| Provisions for liabilities and charges | (6,180,955) | | | | | (6,180,955) |
| Pension liability | (8,824,000) | | | | | (8,824,000) |
| Net assets | 80,277,293 | 8,362,316 | 834,272 | 879,874 | 15,055,031 | 105,408,786 |

National Education Union

Notes forming part of the Financial Statements for the year ended 31 August 2022 (continued)

37 Local structures income and expenditure

| | Year ending 31 August 2022 £ | Year ending 31 August 2021 £ |
|--|---------------------------------------|---------------------------------------|
| Subscription income | 5,906,393 | 6,023,988 |
| Non-subscription income which consists of: | | |
| Interest received | 6,871 | 7,775 |
| Donations | 53,675 | 21,739 |
| Equipment disposals | 100 | - |
| Legacy funds received | 6,036 | 26,604 |
| Other | 55,505 | 14,170 |
| Total income | 6,028,580 | 6,094,276 |
| Office and administration | 763,391 | 680,783 |
| Equipment | 162,488 | 178,351 |
| Financial administration | 22,075 | 24,427 |
| NEU Conferences | 736,116 | (14,078) |
| Meetings and functions | 1,210,073 | 403,465 |
| Campaigns | 268,220 | 321,990 |
| Subscriptions and donations | 457,199 | 369,016 |
| Payments to members | 363,601 | 339,365 |
| Local admin employee costs | 340,076 | 333,273 |
| Balance sheet movements | 123,098 | 469,946 |
| Total expenditure | 4,446,337 | 3,106,538 |
| Net surplus | 1,582,243 | 2,987,738 |

38 Post Balance sheet events

There were no post balance sheet events during the year.

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)

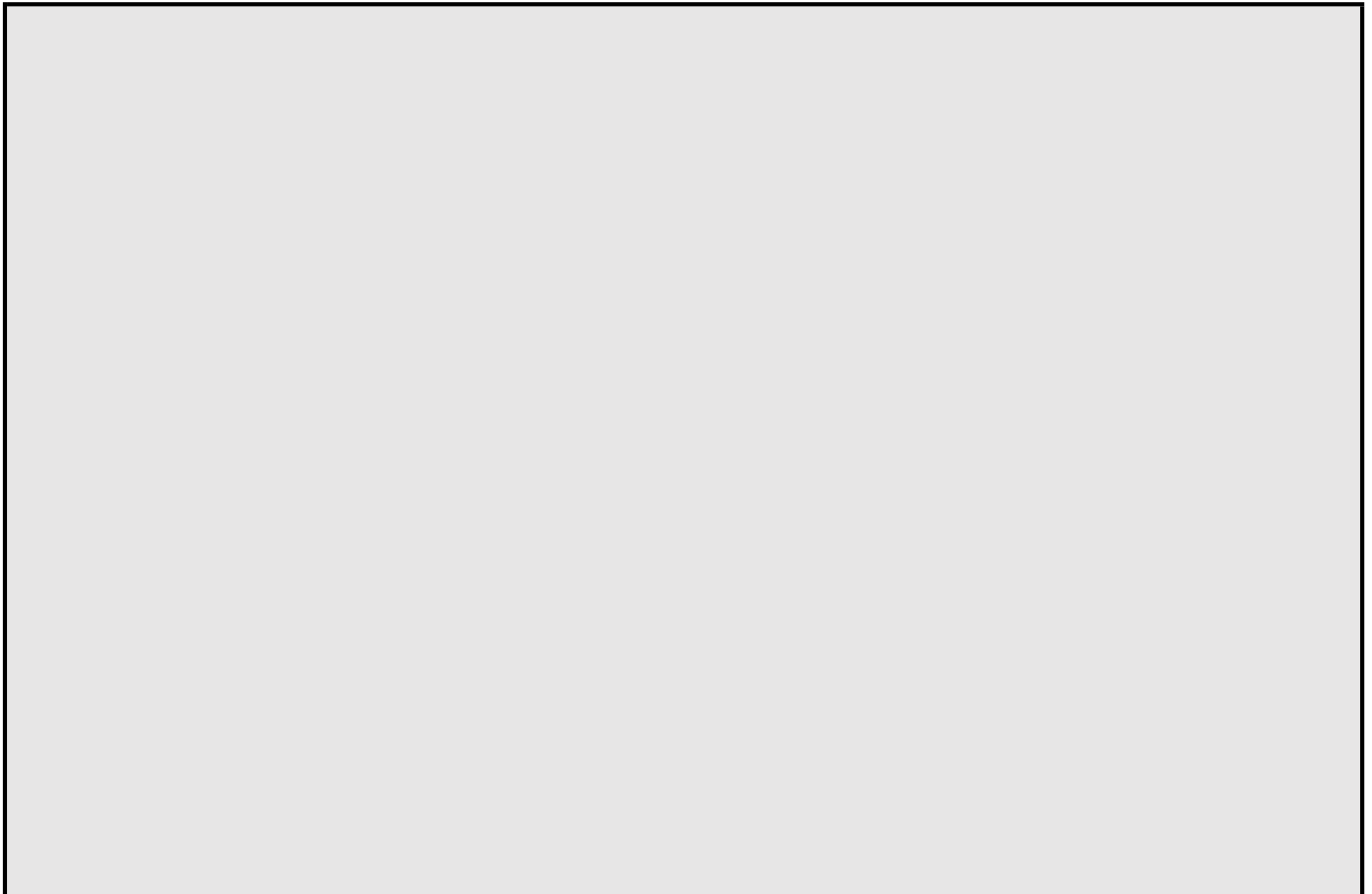
Please explain in your report overleaf or attached

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)



| | | |
|--|---------------------------------|----------------------|
| Signature(s) of auditor or auditors: | <input type="text"/> | <input type="text"/> |
| Name(s): | BDO LLP | <input type="text"/> |
| Profession(s) or Calling(s): | Statutory Auditor | <input type="text"/> |
| Address(es): | 55 Baker Street | <input type="text"/> |
| | London | <input type="text"/> |
| | <input type="text"/> | <input type="text"/> |
| | <input type="text"/> | <input type="text"/> |
| Postcode | W1U 7EU | <input type="text"/> |
| Date | 08-Mar-23 | <input type="text"/> |
| Contact name for inquiries and telephone number: | Gareth M Jones 020 7468 5888 | <input type="text"/> |

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 2022 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 2022 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:

AF9E71C5233D451...
BDO LLP, statutory auditor
London, UK

Date 08 March 2023

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 | 44911 |
| 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:

[Large greyed-out area for explanation]

| | |
|-------------|--|
| Signature | |
| Name | |
| Office held | |
| Date | |