

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	Educational Institute of Scotland		
Year ended:	31 August 2023		
List no:			
Head or Main Office address:	46 Moray Place		
	Edinburgh		
Postcode	EH3 6BH		
Website address (if available)	www.eis.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:	Andrea Bradley		
Telephone Number:	0131 225 6244		
Contact name for queries regarding the completion of this return	John McLeod		
Telephone Number:	0131 225 6244		
E-mail:	jmcleod@eis.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

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Return of Members

(see notes 10 and 11)

Number of members at the end of the year					
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	Totals
	59,117				59,117
Total	59,117				A 59,117

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

57,504

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

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	Andrene Bamford	Paula McEwan	08 June 2023
Vice President	Paula McEwan	Allan Crosbie	08 June 2023
Ex-President	Heather Hughes	Andrene Bamford	08 June 2023

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:

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	
Commissions	237
Realised and unrealised gains on investments	500,734
Movement on pension schemes' liability/ asset	471,000
Total other sources	971,971
Total of all other income	971,971

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	1,113,552
Legal fees for members	774,725	Advisory Services	
		Legal Helpline	11,300
Representation – Non Employment Related Issues		Other Cash Payments	
		Members' Insurance Arrangements	59,422
		Education and Training services	
Communications			
Scottish Educational Journal	279,865		
Members' Diaries	58,962		
		Negotiated Discount Services	
		EIS Extra Scheme	48,547
Dispute Benefits			
		Other Benefits and Grants (specify)	
		Donations to EIS Benevolent Funds	132,650
carried forward	1,113,552	Total (should agree with figure in General Fund)	1,365,471

(See notes 21 and 23)

Fund 2		Fund Account	
Name:	Professional Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		336,936
	Other income (specify)		
	Deferred tax credit		265,636
	Net (decrease) in value of investments		-190,418
		Total other income as specified	75,218
		Total Income	412,154
		Interfund Transfers IN	
Expenditure			
	Benefits to members		2,203,303
	Administrative expenses and other expenditure (as at page 10)		47,887
		Total Expenditure	2,251,190
		Interfund Transfers OUT	1,057,000
		Surplus (Deficit) for the year	-1,839,036
		Amount of fund at beginning of year	20,228,921
		Amount of fund at the end of year (as Balance Sheet)	17,332,885
		Number of members contributing at end of year	

Fund 3		Fund Account	
Name:	Local Associations (Consolidated)	£	£
Income			
	From members		938,548
	Investment income (as at page 12)		14,152
	Other income (specify)		
	Unrealised loss on investments		-108
		Total other income as specified	-108
		Total Income	952,592
		Interfund Transfers IN	
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		888,933
		Total Expenditure	888,933
		Interfund Transfers OUT	
		Surplus (Deficit) for the year	63,659
		Amount of fund at beginning of year	3,860,403
		Amount of fund at the end of year (as Balance Sheet)	3,924,062
		Number of members contributing at end of year	52,858

(See notes 21 and 23)

Fund 4		Fund Account	
Name:	EIS University Lecturers Association General Fund	£	£
Income			
	From members		14,523
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		14,523
	Interfund Transfers IN		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		6,979
	Total Expenditure		6,979
	Interfund Transfers OUT		10,262
	Surplus (Deficit) for the year		7,544
	Amount of fund at beginning of year		48,495
	Amount of fund at the end of year (as Balance Sheet)		45,777
	Number of members contributing at end of year		1,483

Fund 5		Fund Account	
Name:	EIS University Lecturers Association Special Fund	£	£
Income			
	From members		12,021
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		12,021
	Interfund Transfers IN		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		2,618
	Total Expenditure		2,618
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		9,403
	Amount of fund at beginning of year		293,183
	Amount of fund at the end of year (as Balance Sheet)		302,586
	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		57,024
	Investment income (as at page 12)		63,516
	Other income (specify) <input style="width: 80%;" type="text"/>		
	Decrease in deferred tax provision	37,881	
	Total other income as specified		37,881
		Total income	158,421
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)		18,391
	Expenditure F (as at page vi)		
	Non-political expenditure (as at page vii)		181,549
		Total expenditure	199,940
		Surplus (deficit) for year	-41,519
		Amount of political fund at beginning of year	3,181,045
		Amount of political fund at the end of year (as <u>Balance Sheet</u>)	3,139,526
		Number of members at end of year contributing to the political fund	31,680
		Number of members at end of the year not contributing to the political fund	27,437
		Number of members at end of year who have completed an exemption notice and do not contribute to the political fund	25,824
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) <input style="width: 80%;" type="text"/>		
	<input style="width: 80%;" type="text"/>		
	<input style="width: 80%;" type="text"/>		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify) <input style="width: 80%;" type="text"/>		
	<input style="width: 80%;" type="text"/>		
	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	

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		4,162,208
Salaries and Wages included in above	3,144,447	
Auditors' fees		39,000
Legal and Professional fees		212,296
Occupancy costs		416,050
Stationery, printing, postage, telephone, etc.		297,587
Expenses of Executive Committee (Head Office)		130,007
Expenses of conferences		231,875
Other administrative expenses (specify)		
IT Costs		179,122
Local Association Expenditure		486,082
General Insurance		52,579
Repairs & Maintenance		16,417
Learning Representatives' Costs		9,652
Certification Officer Levy		4,255
Campaign Costs		1,055,607
Other miscellaneous costs		245,568
Other Outgoings		
Depreciation and gains / losses on asset disposals		279,801
Net decrease in the carrying value of investments		
Loan Interest		31,563
Taxation on overseas dividends		32,190
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Total		7,881,859
Charged to:		
General Fund (Page 3)		6,881,505
Professional Fund		47,887
Local Associations (Consolidated)		888,933
EIS University Lecturers Association General Fund		6,979
EIS University Lecturers Association Special Fund		2,618
EIS FELA General Fund		10,709
Property Repair Fund		33,228
International Aid Fund		10,000
Total		7,881,859

Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			91,950
Dividends (gross) from:			
Equities (e.g. shares)	63,516		800,538
Interest (gross) from:			
Government securities (Gilts)			14,152
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
	63,516		906,640
		Total investment income	970,156
		Credited to:	
		General Fund (Page 3)	543,531
		Professional Fund	336,936
		Local Associations (Consolidated)	14,152
		EIS University Lecturers Association General Fund	
		EIS University Lecturers Association Special Fund	12,021
		EIS FELA General Fund	
		Property Repair Fund	
		International Aid Fund	
		Political Fund	63,516
		Total Investment Funds	970,156

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	4,941,500		1,361,506	269,619	1,575,000	8,147,625
Additions	187,555		154,235	165,524		507,314
Disposals			-356,572	-66,880		-423,452
Revaluation/Transfers						
At end of year	5,129,055		1,159,169	368,263	1,575,000	8,231,487
Accumulated Depreciation						
At start of year			992,940	126,161		1,119,101
Charges for year	125,329		117,978	51,297		294,604
Disposals			-356,572	-55,866		-412,438
Revaluation/Transfers						
At end of year	125,329		754,346	121,592		1,001,267
Net book value at end of year	5,003,726		404,823	246,671	1,575,000	7,230,220
Net book value at end of previous year	5,049,653		336,678	86,922	800,000	6,273,253

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Shares and pooled funds	47,480,559	1,949,751
Government Securities (Gilts)		
Bond Fund	211,731	
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	47,692,290	1,949,751
Market Value of Quoted Investment	47,692,290	
Unquoted		
Equities		
Unquoted shares at cost	217,375	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)	217,375	
Market Value of Unquoted Investments		

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	8,551,303	57,024	8,608,327
From Investments	906,640	63,516	970,156
Other Income (including increases by revaluation of assets)	1,047,081	37,881	1,084,962
Total Income	10,505,024	158,421	10,663,445
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	12,053,935	199,940	12,253,875
Funds at beginning of year (including reserves)	64,036,338	3,181,045	67,217,383
Funds at end of year (including reserves)	62,487,427	3,139,526	65,626,953
Assets			
	Fixed Assets		7,230,220
	Investment Assets		47,909,665
	Other Assets		14,358,203
	Total Assets		69,498,088
Liabilities		Total Liabilities	3,871,135
Net Assets (Total Assets less Total Liabilities)			65,626,953

Summary sheet

(see notes 62 to 73)

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

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

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?		<input type="text" value="Yes"/>
If Yes How many ballots were held: <input style="width: 50px;" type="text" value="5"/>		
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: 50px;" type="text" value="1,247"/>	
Number of votes cast in the ballot	<input style="width: 50px;" type="text" value="516"/>	
Number of Individuals answering "Yes" to the question	<input <sup="" style="width: 50px;" type="text" value="415"/> 1	
Number of individuals answering "No" to the question	<input <sup="" style="width: 50px;" type="text" value="99"/> 2	
Number of invalid or otherwise spoiled voting papers returned	<input <sup="" style="width: 50px;" type="text" value="2"/> 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 type="text" value="No"/>	
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input type="text" value="No"/>	
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 type="text"/>	
Ballot 2		
Number of individual who were entitled to vote in the ballot	<input style="width: 50px;" type="text" value="531"/>	
Number of votes cast in the ballot	<input style="width: 50px;" type="text" value="316"/>	
Number of Individuals answering "Yes" to the question	<input <sup="" style="width: 50px;" type="text" value="257"/> 1	
Number of individuals answering "No" to the question	<input <sup="" style="width: 50px;" type="text" value="59"/> 2	
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 50px;" type="text"/>	
		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 type="text" value="Yes"/>	
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input type="text" value="No"/>	
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 type="text"/>	
Ballot 3		
Number of individual who were entitled to vote in the ballot	<input style="width: 50px;" type="text" value="395"/>	
Number of votes cast in the ballot	<input style="width: 50px;" type="text" value="230"/>	
Number of Individuals answering "Yes" to the question	<input <sup="" style="width: 50px;" type="text" value="207"/> 1	
Number of individuals answering "No" to the question	<input <sup="" style="width: 50px;" type="text" value="23"/> 2	
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 50px;" type="text"/>	
		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 type="text" value="Yes"/>	
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input type="text" value="No"/>	
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 type="text"/>	

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

Ballot 4

Number of individual who were entitled to vote in the ballot	4,364
Number of votes cast in the ballot	2,306
Number of Individuals answering "Yes" to the question	1,795 ¹
Number of individuals answering "No" to the question	502 ²
Number of invalid or otherwise spoiled voting papers returned	9 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	49,307
Number of votes cast in the ballot	34,842
Number of Individuals answering "Yes" to the question	33,357 ¹
Number of individuals answering "No" to the question	1,472 ²
Number of invalid or otherwise spoiled voting papers returned	13 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	
Number of individuals answering "No" to the question	
Number of invalid or otherwise spoiled voting papers returned	

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: 24 November 2022 to 01 March 2023

3. Number of days of industrial action: 24

4. Nature of industrial action. Strike 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: 19 May 2023 to 21 June 2023

3. Number of days of industrial action: 4

4. Nature of industrial action. Strike 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: 02 May 2023 to 31 August 2023

3. Number of days of industrial action: 122

4. Nature of industrial action. Action Short of a Strike

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: 26 June 2023 to 31 August 2023

3. Number of days of industrial action: 8

4. Nature of industrial action. Strike 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: 30 May 2023 to 31 August 2023

3. Number of days of industrial action: 19

4. Nature of industrial action. Strike 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.

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

1 Accounting Policies

a) Background

The Educational Institute of Scotland is a body incorporated under Royal Charter with a principal place of business at 46 Moray Place, Edinburgh.

During the year, the Institute has continued to operate as a Trade Union and Professional Association for Teachers, Lecturers and associated professionals working in Scotland.

b) Basis of preparing the financial statements

These financial statements reflect the transactions of the Educational Institute of Scotland, as an entity, including those of its Local Associations for the year ended 31 August 2023 and the financial position of the Institute as at that date.

Transactions and balances are presented in £ sterling.

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

The financial statements have been prepared on a going concern basis and, having considered the Institute's current financial position and its expected future income and expenditure for the period to 31 August 2024, the Executive Committee consider that there are no material uncertainties about the Institute's ability to continue as a going concern.

c) Designated Funds

Reserves which are earmarked by the Institute for specific purposes are termed Designated Reserves. Movements and the components of the year end balances are set out in notes 25 and 27. Details of the specific purposes of designated funds are also disclosed within note 25.

All income and expenditure is credited or charged to the statement of comprehensive income. Transfers to or from designated funds are made in relation to cash transactions undertaken through General Fund bank accounts and for specific donations, where relevant.

Subscribing members, who have not opted out, contribute £1.80 per annum to the Political Fund. Expenditure in connection with the political activities of the Institute must be charged against this fund.

d) Income Recognition

Subscription income and investment income are accounted for on a receivables basis.

Grants receivable for specific purposes are credited to the Statement of Comprehensive Income to match the expenditure incurred on these projects to date.

1 Accounting Policies (Continued)

e) Fixed Assets and Depreciation

Fixed assets are initially recognised at cost.

Furniture and Equipment are depreciated on the straight-line basis over the period of their estimated useful lives which is considered to be between 5 and 10 years.

Motor cars are depreciated on the reducing balance basis at the rate of 25% per year.

Heritable property held for use by the Institute (including the underlying value of related freehold land) is carried at open market value, based on periodic reports from independent, qualified surveyors, and is depreciated on a straight-line basis at the rate of 2.5% per year. Where a material element of a single heritable property meets the definition of investment property as described in FRS102, that property is deemed to be a mixed-use property and the carrying value is apportioned between heritable property and investment property based on an approximation of floor area. No depreciation is charged on the investment property element of mixed-use property.

f) Investments

Listed investments are disclosed at bid value at the balance sheet date. Pooled investments are valued at fair value in accordance with information supplied by investment managers. Investments in the share capital of unquoted companies are valued at cost.

Realised and unrealised gains and losses are reflected in the Statement of Comprehensive Income and allocated to the appropriate designated fund.

Realised gains and losses on the disposal of investments are calculated with reference to the carrying value of these investments at the previous balance sheet date.

g) Financial Instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the body becomes a party to the contractual provisions of the instrument. All financial instruments are classified as "basic" in accordance with FRS102. Discounting is not applied to short-term receivables and payables, where the effect is immaterial.

Financial assets at cost comprise cash, and trade and other debtors. Financial liabilities comprise bank loans and overdrafts, trade creditors, accruals and other creditors.

h) Pension Schemes

Defined Benefit Scheme

In accordance with FRS102, the net deficit arising on the Institute's defined benefit pension scheme and on the unfunded arrangement are disclosed on the Balance Sheet within Long term Liabilities.

1 Accounting Policies (Continued)

The unfunded arrangement stems from a decision taken by the Institute in 1994 to augment, out of its own resources, the benefits provided by the pension scheme to the extent that pensions in payment are increased by an additional 1.5% per annum. The unfunded arrangement will not apply for Institute employees taking up post after 1 September 2007 and changes have also been introduced for pensioners, deferred members and employees in post at 31 August 2007 which restricts the benefits payable. These benefits are paid from the Institute's own resources from time to time and are not pre-funded.

Movements on the pension scheme and unfunded arrangement liabilities are reflected through the General Fund to the extent that they relate either to the 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 Finance Costs.)

Defined Contribution Scheme

Pension contributions in respect of employees who are not eligible for membership of the Defined Benefit Pension Scheme are made to a defined contribution scheme as required by the auto-enrolment rules set out in UK law.

Contributions to the defined contribution scheme are recognised in the accounts as the employees' rights to the contributions is accrued.

i) Operating Leases

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

j) Corporation Taxation

As a body incorporated under Royal Charter, the Educational Institute of Scotland is liable to Corporation Tax on its investment income and realized gains on investments sold. As a trade union, relief is available in respect of provident benefits expenditure, as defined in law.

k) Deferred Taxation

Deferred tax is provided on all material reversing timing differences which arise from transactions reflected through the statement of comprehensive income including unrealised gains on investments and property carried at a valuation above carrying value on a historic cost basis.

l) Significant judgements and estimates

In preparing the financial statements, the Executive Committee of the Institute make estimates or assumptions which affect reported results, financial position and the disclosure of contingencies. Use of available information and the application of judgement are inherent in the formation of such estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances.

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

1 Accounting Policies (Continued)

In the Executive Committee's opinion, the main areas in which judgements and estimates are applied, which require to be disclosed for a proper understanding of these accounts are as follows.

- Heritable Property – the appropriateness of assumptions used by professional valuers and the assumption that property values have not materially changed between the dates of professional valuations and the balance sheet date.
- Defined Benefit Pension Arrangements – the appropriateness of actuarial assumptions used in calculating the scheme assets and liabilities.

2 Members' Dues

	2023	2022
	£	£
National Subscriptions	7,551,576	7,110,034
Local Association Subscriptions	938,548	912,552
Self-Governing Association Subscriptions	61,179	63,148
Political Fund Contributions	57,024	65,455
	<u>8,608,327</u>	<u>8,151,189</u>

3 Investment Income

	2023	2022
	£	£
General Fund	451,581	459,673
Professional Fund	336,936	252,465
Political Fund	63,516	68,632
EIS ULA – Special Fund	12,021	9,909
Local Associations	14,152	7,553
	<u>878,206</u>	<u>798,232</u>

4 Other Income

	2023	2022
	£	£
Commissions Received	237	157
	<u>237</u>	<u>157</u>

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

5	Scottish Educational Journal		
		2023	2022
		£	£
	Design, paper and printing	104,519	88,960
	Postage	175,076	153,458
	Online costs	2,400	2,645
	Less: Advertising and contributions	<u>(2,130)</u>	<u>(1,004)</u>
		<u>279,865</u>	<u>244,059</u>
6	International Relations		
		2023	2022
		£	£
	Affiliation fees	103,037	111,876
	Other expenses	4,358	-
	International aid (See note 25)	<u>10,000</u>	<u>53,000</u>
		<u>117,395</u>	<u>164,876</u>
7	Campaigns and Action		
		2023	2022
		£	£
	Salaries campaign	993,860	10,020
	Stand up for quality education campaign	51,355	-
	COP 26 costs	-	8,488
	Self-governing association costs	10,392	4,876
	Strike pay/ hardship payments	<u>2,203,053</u>	<u>231,479</u>
		<u>3,258,660</u>	<u>254,863</u>
8	Other Organisation Expenses		
		2023	2022
		£	£
	Conferences – Education	11,013	-
	Conferences – Equality	3,617	1,100
	Conferences – FELA & ULA	159	-
	Secretaries Meetings	-	-
	Expenses of Delegates to Conferences	10,134	4,668
	Training Courses for Elected Representatives	10,789	8,550
	Miscellaneous Organisation Costs	<u>1,580</u>	<u>243</u>
		<u>37,292</u>	<u>14,561</u>

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

9 Staffing Costs

	2023	2022
	£	£
Officer Group - Salaries	2,110,633	1,853,902
Officer Group – National Insurance	267,628	242,662
Officer Group – Pension Costs	477,832	1,161,215
Staff Group - Salaries and Overtime	1,019,621	873,009
Staff Group – National Insurance	107,819	86,276
Staff Group – Pension Costs	193,455	435,843
Unfunded Pensions - Current Service Cost	14,000	28,000
Pension Scheme administration costs	74,000	64,000
Unfunded Pensions – Interest Cost	69,000	40,000
Pension Scheme – Interest Cost	(350,000)	18,000
Secondments	52,157	-
Expenses and Training	84,758	60,961
Travel and Vehicles	41,305	35,480
	<u>4,162,208</u>	<u>4,899,348</u>

The current service cost for the Superannuation Scheme of £665,000 (2022: £1,592,000), as disclosed in note 24, represents the pension costs of the Officer Group and the Staff Group disclosed above, less contributions of £6,287 (2022: £5,058) paid to a third party defined contribution scheme in respect of those employees not eligible for membership of the Superannuation Scheme.

10 Office and Property Costs

	2023	2022
	£	£
Office rent and rates	138,966	139,165
Office Insurance	6,442	6,000
Office Heat, Light and Cleaning	152,868	92,267
Building Repairs	33,228	46,061
Local Association property costs	74,731	68,255
Let property costs	9,815	8,159
	<u>416,050</u>	<u>359,907</u>

11 Information Technology Costs

	2023	2022
	£	£
Website Development and Licencing	282	4,305
Software Licencing and Maintenance Agreements	56,595	69,094
Development	11,770	5,910
IT Support Costs	95,272	81,620
Other IT costs	8,109	3,853
Local Association IT costs	7,094	7,261
	<u>179,122</u>	<u>172,043</u>

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

12 Professional Services

	2023	2022
	£	£
Auditor's Remuneration	39,000	36,033
Accounting and Taxation Fees	4,000	8,610
Other Legal and Professional Fees	208,296	154,068
	<u>251,296</u>	<u>198,711</u>

13 Affiliation Fees, Research Grants, Subscriptions and Donations

	2023	2022
	£	£
Sponsorship of the Arts	36,950	35,600
Other Affiliations and Donations	86,079	54,592
Donations to EIS Benevolent Funds	194,750	173,275
	<u>317,779</u>	<u>263,467</u>

14 (Loss)/ Gain on Sale of Investments

	2023	2022
	£	£
General Fund – (Loss)/ Gain on sale of Listed Investments	188,889	(330,717)
General Fund – (Loss)/ Gain on sale of Investment Fund	(308,732)	(95)
Professional Fund – (Loss)/ Gain on sale of Listed Investments	(29,166)	(26,679)
Political Fund – (Loss)/ Gain on sale of Listed Investments	-	(23,534)
	<u>(149,009)</u>	<u>(381,025)</u>

15 Unrealised Gains/ (Losses) in the Fair Value of Investments

	2023	2022
	£	£
General Fund	620,577	(1,586,491)
Professional Fund	(161,252)	(3,309,098)
Political Fund	(176,506)	(446,184)
Local Associations	(108)	(99,583)
	<u>282,711</u>	<u>(5,441,356)</u>

Notes to the Accounts

Year Ended 31 August 2023

16 Taxation

	2023	2022
	£	£
Corporation Tax		
UK Corporation tax at 19%	-	-
Overseas Tax		
Tax retained from overseas dividends	32,190	27,589
Deferred Tax		
Deferred tax on revalued investments	(158,000)	(1,688,784)
Deferred tax on revalued heritable property	(31,000)	87,500
Tax charge (credit) for the year	<u>(156,810)</u>	<u>(1,573,695)</u>
Reconciliation of tax charge	2023	2022
	£	£
(Deficit)/ Surplus before taxation	<u>(2,218,240)</u>	<u>(5,557,453)</u>
Tax on (deficit)/ surplus on ordinary activities at standard CT rate of 19%	(421,466)	(1,055,916)
Effect of:		
Income not chargeable to taxation and expenditure not deductible for tax purposes	264,656	(517,779)
Change in applicable rates for deferred taxation	-	-
	<u>(156,810)</u>	<u>(1,573,695)</u>

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

17 Tangible Fixed Assets

	Investment Property £	Heritable Property £	Furniture & Equipment £	Motor Vehicles £	Total £
Cost or valuation					
At 1 September 2022	1,575,000	4,941,500	1,361,506	269,619	8,147,625
Additions	-	187,555	154,235	165,524	507,314
Disposals	-	-	(356,572)	(66,880)	(423,452)
Revaluation	-	-	-	-	-
At 31 August 2023	<u>1,575,000</u>	<u>5,129,055</u>	<u>1,159,169</u>	<u>368,263</u>	<u>8,231,487</u>
Depreciation					
At 1 September 2022	-	-	992,940	126,161	1,119,101
Charge for the year	-	125,329	117,978	51,297	294,604
On disposals	-	-	(356,572)	(55,866)	(412,438)
Revaluation	-	-	-	-	-
At 31 August 2023	<u>-</u>	<u>125,329</u>	<u>754,346</u>	<u>121,592</u>	<u>1,001,267</u>
Net Book Value					
At 31 August 2023	<u>1,575,000</u>	<u>5,003,726</u>	<u>404,823</u>	<u>246,671</u>	<u>7,230,220</u>
At 31 August 2022	<u>1,575,000</u>	<u>4,941,500</u>	<u>368,566</u>	<u>143,458</u>	<u>7,028,524</u>

Investment Property represents an element of the value of the Institute's Edinburgh property, which comprises residential flats let to third parties. Under FRS102, the property is classed as a mixed-use property and is therefore required to be accounted for in this manner.

A valuation of the Institute's Edinburgh property was undertaken by J & E Shepherd, Chartered Surveyors of 3 Chester Street, Edinburgh on 3 January 2023 and valued the property at £5,700,000. The report was prepared on the basis of vacant possession and in accordance with RICS Global Standards 2022 incorporating IVSC International Valuation Standards. The revalued property is being depreciated over its remaining working life. The market value of the property at 31 August 2023 is not considered to be materially different to the market value in the January 2023 valuation.

The property at 6 Clairmont Gardens, Glasgow was valued by J & E Shepherd, Chartered Surveyors of Glasgow on 17 October 2022 at £800,000. The report was prepared on the basis of vacant possession and in accordance with RICS Global Standards 2022 incorporating IVSC International Valuation Standards. The market value of the property at 31 August 2023 is not considered to be materially different to the market value in the October 2022 valuation.

Notes to the Accounts

Year Ended 31 August 2023

17 Tangible Fixed Assets (continued)

The property at 34 West George Street, Glasgow was valued by J & E Shepherd, Chartered Surveyors of Glasgow on 14 October 2022 at £135,000. The report was prepared on the basis of vacant possession and in accordance with RICS Global Standards 2022 incorporating IVSC International Valuation Standards. The market value of the property at 31 August 2023 is not considered to be materially different to the market value in the October 2022 valuation.

The aggregate net book value of the heritable property on a historic cost basis at 31 August 2023 was £3,286,625 (2022 £3,099,070). Additional Depreciation charged in the year as a consequence of the Property Revaluation amounted to £68,349 (2022 £69,857) and this amount has been debited to the Revaluation Reserve and credited to the General Fund.

Furniture and Equipment includes assets with a net book value of £80,603 (2022 £73,891) which are held by Local Associations.

18 Investments

	2023	2022
	£	£
Listed Equity Shares at Market Value	33,750,557	32,610,954
Funds and Unit Trusts at Market Value	15,891,484	16,145,658
Other Investments at Cost	217,375	217,375
	<u>49,859,416</u>	<u>48,973,987</u>

a) Listed Equity Shares

	General Fund £	Professional Fund £	Political Fund £	Total £
Opening valuation	16,892,652	13,592,046	2,126,256	32,610,954
Additions	1,137,121	1,447,676	-	2,584,797
Disposal Proceeds	(304,773)	(1,651,024)	-	(1,955,797)
Gain/ (Loss) on Disposal	188,889	(29,166)	-	159,723
Unrealised Gains/ (Losses)	679,409	(152,024)	(176,505)	350,880
Closing Valuation	<u>18,593,298</u>	<u>13,207,508</u>	<u>1,949,751</u>	<u>33,750,557</u>
Listed Equity Shares at Cost	<u>10,745,732</u>	<u>8,723,424</u>	<u>1,981,186</u>	<u>21,450,342</u>

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

18 Investments (continued)

b) Funds and Unit Trusts

	General Fund £	Professional Fund £	Local Associations £	Total £
Opening valuation	7,855,735	7,740,101	549,822	16,145,658
Additions	3,577,794	56,719	8,813	3,643,326
Disposal Proceeds	(3,520,600)	-	-	(3,520,600)
Gain/ (Loss) on Disposal	(308,732)	-	-	(308,732)
Unrealised Gains/ (Losses)	(58,832)	(9,228)	(108)	(68,168)
Closing Valuation	<u>7,545,365</u>	<u>7,787,592</u>	<u>558,527</u>	<u>15,891,484</u>
Funds and Unit Trusts at Cost	<u>7,045,025</u>	<u>5,619,428</u>	<u>424,907</u>	<u>13,089,360</u>

c) Other Investments – Shares in Unity Trust Bank

	2023 £	2022 £
Opening cost	217,375	217,375
Additions	-	-
	<u>217,375</u>	<u>217,375</u>

19 Debtors

	2023 £	2022 £
Prepayments and Accrued Income	818,706	735,513
Sundry Debtors	270,318	194,242
	<u>1,089,024</u>	<u>929,755</u>

20 Cash at Bank and in Hand

	2023 £	2022 £
General Fund	880,713	4,516,589
Professional Fund	312,872	638,222
Political Fund	85,369	90,413
Local Associations	3,016,811	3,212,690
University Lecturers' Association	200	200
	<u>4,295,965</u>	<u>8,458,114</u>

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

21 CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Sundry creditors and accruals	583,556	697,691
Other Taxation and Social Security	121,755	99,450
Bank Loan (Note 22)	91,916	95,369
	<u>797,227</u>	<u>892,510</u>

22 CREDITORS: Amounts falling due after more than one year

	2023	2022
	£	£
Bank Loan	<u>415,445</u>	<u>498,487</u>

The Institute's bank loan from Unity Trust Bank is repayable in instalments ending in August 2028, is unsecured and bears interest at 2.5% over the Unity Trust Bank base rate.

The bank loan is repayable as follows:

	2023	2022
	£	£
Less than 1 year	91,916	95,369
1 – 2 years	99,298	98,025
2 - 5 years	316,147	310,760
After more than 5 years	<u>-</u>	<u>89,702</u>

23 Provisions for Liabilities and Charges

	2023	2022
	£	£
Unfunded Pension Arrangements	1,542,000	1,696,000
Deferred taxation	3,158,000	3,347,000
	<u>4,700,000</u>	<u>5,043,000</u>

The Educational Institute of Scotland operates an unfunded pension arrangement for certain former employees of the Institute. As the scheme is unfunded, there are no assets held outwith the Institute in order to finance the payment of future pensions and employer's payments during the year and the comparative year are equivalent to pensions paid.

The amounts noted above, therefore represent both the present value of the liabilities arising from the unfunded arrangement, and the net deficit at the balance sheet date.

Notes to the Accounts

Year Ended 31 August 2023

23 Provisions for Liabilities and Charges (continued)

Financial assumptions and Life Expectancies in respect of Unfunded Pension Arrangements are consistent with those applied to the Funded Scheme which are set out in Note 24.

Analysis of changes in the value of the unfunded pension arrangements during the year.

	2023	2022
	£	£
Value of liabilities at start of year	1,696,000	2,399,000
Service cost	14,000	28,000
Interest cost	69,000	40,000
Actuarial (gains) / losses	(136,000)	(669,000)
Benefits paid	(101,000)	(102,000)
	<hr/>	<hr/>
Value of liabilities at end of year	1,542,000	1,696,000
	<hr/>	<hr/>
Amounts recognised in Income and Expenditure Account	£	£
Service cost	14,000	27,000
Interest cost	69,000	39,000
	<hr/>	<hr/>
Net pension cost charged to Income & Expenditure Account	83,000	66,000
	<hr/>	<hr/>

The provision for deferred tax represents:

	2023	2022
	£	£
On revaluation of heritable and investment property	(24,100)	6,900
On revaluation of investments	3,182,100	3,340,100
Capital losses carried forward	-	-
	<hr/>	<hr/>
	3,158,000	3,347,000
	<hr/>	<hr/>

Deferred tax is provided for at the rate of Corporation Tax expected to be in force when timing differences will reverse of 25% (2022, 25%).

24 Employer's Pension Scheme

The Institute operates a final salary pension scheme, The Educational Institute of Scotland Superannuation Scheme for Officials and Staff. The scheme pays benefits to Institute employees based on their final salary and is open to new entrants.

The Scheme is administered by Trustees and is independent of the Institute's finances. Contributions are paid to the scheme in accordance with the Schedule of Contributions agreed between the Trustees and the Institute at each triennial actuarial valuation. The funding target is for the scheme to hold assets equal in value to the accrued benefits based on projected salaries. If there is a shortfall against the target, then the Institute and the Trustees will agree on deficit contributions to meet the deficit over a set period.

Notes to the Accounts

Year Ended 31 August 2023

24 Employer's Pension Scheme (continued)

The most recent actuarial valuation of the Scheme was carried out as at 31 August 2020 and revealed a funding surplus of £6,940,000.

The actuarial valuations have been updated to 31 August 2023 by independent qualified actuaries in accordance with FRS 102. As required by FRS 102, the value of defined benefit liabilities has been measured using the projected unit method.

The key FRS102 assumptions used are set out below along with the fair value of the assets, a breakdown of the assets into the main asset classes, the present value of the FRS 102 liabilities and the deficit of assets below the FRS 102 liabilities (the net pension liability).

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

Financial assumptions

	<u>2023</u>	<u>2022</u>
Discount Rate	5.2%pa	4.2%pa
Retail price inflation/Rate of increase of pensions in payment and deferred		
Pre 2030	3.3%pa	3.8%pa
Post 2030	3.0%pa	2.7%pa
Consumer prices inflation	2.8%pa	2.7%pa
Salary Increases	3.8%pa	3.7%pa
Rate of increases of pensions in payment Non- GMP		
Pre 2030	3.3%pa	3.8% pa
Post 2030	3.0%pa	2.7% pa
Rate of increases of pensions in payment Post 1988 GMP	2.4%pa	2.3% pa
Rate of increases for deferred pensioners		
Pre 2030	3.3%pa	3.8% pa
Post 2030	3.0%pa	2.7% pa

Life expectancies

	31 Aug 2023		31 Aug 2022	
	Male	Female	Male	Female
Member age 65 (current life expectancy)	22.9	24.5	23.4	24.9
Member age 45 (life expectancy at age 65)	24.3	26.1	24.9	26.6

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

24 Employer's Pension Scheme (continued)

The current allocation of the Scheme's assets is as follows:

Scheme assets are invested in a range of pooled investment vehicles, the underlying assets of which are as set out below.

Asset class	<u>Market</u>	<u>% of total</u>	<u>Market</u>	<u>% of total</u>
	<u>Value</u>	<u>Scheme</u>	<u>Value</u>	<u>Scheme</u>
	<u>2023</u>	<u>Assets</u>	<u>2022</u>	<u>Assets</u>
	<u>£000</u>	<u>2023</u>	<u>£000</u>	<u>2022</u>
		<u>%</u>		<u>%</u>
Equities	20,588	61%	20,443	60%
Gilts	6,392	19%	6,722	20%
Bonds	3,258	10%	3,319	10%
Property	3,340	10%	3,360	10%
Cash /Other	121	-	149	-
	<u>33,699</u>	<u>100%</u>	<u>33,993</u>	<u>100%</u>

Reconciliation to the Balance Sheet

	2023	2022
	£	£
Market value of assets	33,699,000	33,993,000
Present value of liabilities	(24,634,000)	(25,732,000)
Surplus/ (Deficit) in the Scheme	<u>9,065,000</u>	<u>8,261,000</u>

Analysis of changes in the present value of the defined benefit obligation

	2023	2022
	£	£
Value of liabilities at start of year	25,732,000	37,644,000
Service cost	665,000	1,592,000
Interest cost	1,079,000	648,000
Member contributions	254,000	220,000
Actuarial (gains) / losses	(2,109,000)	(13,528,000)
Benefits paid	(987,000)	(844,000)
Value of liabilities at end of year	<u>24,634,000</u>	<u>25,732,000</u>

Analysis of changes in the value of the Scheme assets

	2023	2022
	£	£
Market value of assets at start of year	33,993,000	37,024,000
Return on scheme assets excluding interest income	(1,774,000)	(3,724,000)
Employer contributions	858,000	751,000
Member contributions	254,000	220,000
Interest Income	1,429,000	630,000
Administrative Costs	(74,000)	(64,000)
Benefits paid	(987,000)	(844,000)
Market value of scheme assets at end of year	<u>33,699,000</u>	<u>33,993,000</u>

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

24 Employer's Pension Scheme (continued)

The following amounts have been included within the operating surplus for the year under FRS102.

	2023	2022
	£	£
Current service cost	665,000	1,592,000
Running costs	74,000	64,000
Interest expense	(350,000)	18,000
Pension cost	389,000	1,674,000

The movement in the surplus from 2022 to 2023 can be summarised as follows:

	2023	2022
	£'000	£'000
Opening Surplus/ (Deficit)	8,261	(620)
Current Service Cost	(665)	(1,592)
Interest / Net Return on Investments	(1,424)	(3,742)
Employer's Contributions	858	751
Administrative Costs	(74)	(64)
Actuarial Gains / (Losses) & Roundings	2,109	13,528
	9,065	8,261

25 Designated Reserves

	Professional Fund	Political Fund	Local Association Funds	EIS ULA General Fund	EIS ULA Special Fund	EIS FELA General Fund	International Aid Fund	Property Repair Fund	Total
	£	£	£	£	£	£	£	£	£
At 1 Sept 2022	20,228,921	3,181,045	3,860,403	48,495	293,183	27,179	498,371	113,197	28,250,794
Subscription income	-	57,024	938,548	14,523	-	46,656	-	-	1,056,751
Transfer to/from General Fund	(1,057,000)	-	-	(10,262)	-	(35,828)	38,500	75,000	(989,590)
Investment income	336,936	63,516	14,152	-	12,021	-	-	-	426,625
Donations	-	-	-	-	-	-	-	-	-
Other expenditure	(2,238,087)	(23,434)	(888,933)	(6,979)	(2,618)	(10,709)	(10,000)	(33,228)	(3,213,988)
	17,270,770	3,278,151	3,924,170	45,777	302,586	27,298	526,871	154,969	25,530,592
Realised & Unrealised gains/ (losses) on investments	(190,418)	(176,506)	(108)	-	-	-	-	-	(367,032)
Corporation tax	-	-	-	-	-	-	-	-	-
Deferred tax	252,533	37,881	-	-	-	-	-	-	290,414
At 31 Aug 2023	17,332,885	3,139,526	3,924,062	45,777	302,586	27,298	526,871	154,969	25,453,974

The Professional Fund includes £22,708 (2022: £214,444) which is designated as a Strike Hardship Fund. Movements on this sub-fund during the year comprised contributions made from the Professional Fund less strike pay paid out in the year.

The Educational Institute of Scotland

Notes to the Accounts

Year Ended 31 August 2023

25 Designated Reserves (continued)

The International Aid Fund receives an allocation from the General Funds on an annual basis equivalent to 0.5% of members' subscriptions.

Council, at its May meeting each year, in approving the Institute's planned expenditure of the forthcoming year, determines the contribution to be made to the Property Repair Fund in the following year. In May 2022, Council decided the contribution in respect of the year ending 31 August 2023 would be £75,000.

26 Reconciliation of Movement in Total Funds

	2023 £	2022 £
General Fund surplus for the year	1,206,391	9,501,119
Designated Funds (deficit)/ surplus for the year	(2,796,821)	(3,098,961)
Net addition to/ (reduction in) funds	(1,590,430)	6,402,158
Opening Funds	67,217,383	60,815,225
Closing Funds	65,626,953	67,217,383

27 Analysis of Net Assets by Fund

	General Fund £	Professional Fund £	Political Fund £	Local Association Funds £	EIS ULA General Fund £	EIS ULA Special Fund £	EIS FELA General Fund £	International Aid Fund £	Property Repair Fund £	Total £
Fixed Assets										
- Tangible	7,149,617	-	-	80,603	-	-	-	-	-	7,230,220
- Investments	26,356,038	20,995,100	1,949,751	558,527	-	-	-	-	-	49,859,416
Net Current Assets	1,216,519	(2,154,167)	1,182,977	3,284,932	45,777	302,586	27,298	526,871	154,969	4,587,762
Creditors: Amounts falling due after more than 1 year	(415,445)	-	-	-	-	-	-	-	-	(415,445)
Provisions for liabilities and charges	(3,198,750)	(1,508,048)	6,798	-	-	-	-	-	-	(4,700,000)
Pension surplus	9,065,000	-	-	-	-	-	-	-	-	9,065,000
At 31 Aug 2023	40,172,979	17,332,885	3,139,526	3,924,062	45,777	302,586	27,298	526,871	154,969	65,626,953

28 Reconciliation of Surplus before Taxation to Net Cash Flow from Operating Activities

	2023	2022
	£	£
(Deficit) before taxation	(2,218,240)	(5,557,454)
Deduct investment income	(878,206)	(798,232)
	<u>(3,096,446)</u>	<u>(6,355,686)</u>
Charges/ (Credits) not Involving Cash Flows		
Depreciation	294,604	272,144
(Gain) on disposal of fixed assets	(14,803)	(28,085)
Revaluation of investment property	-	(775,000)
(Increase)/ Decrease in the market value of investments	(282,711)	5,441,356
(Gain)/ Loss on sale of investments	149,009	381,025
Exchange gain on foreign currency deposits	-	(48,397)
Interest on net pension scheme liabilities	(281,000)	58,000
Current and past pension service costs	679,000	1,620,000
Pension scheme running costs	74,000	64,000
Cash flow not recognised in the Income Statement		
Payments to the Pension Scheme	(943,791)	(863,084)
Movements in working capital		
(Increase)/ Decrease in debtors	(159,270)	76,306
(Decrease)/ Increase in creditors and deferred income	(91,830)	171,928
Net cash (used in)/ generated from operations	<u>(3,673,238)</u>	<u>14,507</u>

29 Net debt reconciliation

	2022	Cash flows	Other non-cash movements	2023
	£	£	£	£
Cash at bank and in hand	8,458,114	(4,162,149)	-	4,295,965
Bank loans < 1 year	(95,369)	86,495	(83,042)	(91,916)
Bank loans > 1 year	(498,487)	-	83,042	(415,445)
	<u>7,864,258</u>	<u>(4,075,654)</u>	<u>-</u>	<u>3,788,604</u>

30 Operating leases

The EIS is committed to the following payments under operating leases for property.

	2023	2022
	£	£
Expiry:		
Within one year	<u>21,588</u>	<u>21,675</u>

Rentals paid during the year amounted to £46,867 (2022, £53,762).

31 Related Party Transactions

(A) Key Management Remuneration

Key management personnel received remuneration in the year (including employer's NIC and pension benefits) totalling £689,202 (2022 £615,382).

(B) Superannuation Scheme

In terms of FRS 102, the Institute and the EIS Superannuation Scheme for Officials and Staff are related parties and as such there is a requirement to disclose material transactions between them. A standard security over the Institute's property at 46-48 Moray Place, Edinburgh in favour of the Trustees was granted by the Institute on 30 April 1982 the purpose of which is to enable, in certain circumstances, the Trustees to meet the Scheme's liabilities should, at the time those liabilities become due, the Superannuation Fund be insufficient to meet those liabilities. The Standard Security originally granted on 30 April 1982 has been replaced by revised Standard Securities issued in July 2005 and March 2007. The Institute's contributions to the Scheme are shown in Notes 9 and 24.

(C) Educational Institute of Scotland Benevolent Funds

The Institute and its Benevolent Funds are related parties on the basis that the Trustees of the Benevolent Funds comprise the EIS itself, its elected officials and members of the Institute's Employment Relations Committee. As such there is a requirement to disclose material transactions between them.

During the year, the Institute and its Local Associations made donations of £194,750 (2022 £173,275) to the EIS Benevolent Funds.

The administrative costs of operating the Benevolent Fund are met by the Institute.

As at 31 August 2023 the Educational Institute of Scotland Benevolent Funds were due the Institute £40,914 (2022 £37,064).

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:	<i>Andrea Bradley</i>	Chairman's Signature:	<i>Paula J McEwan</i>
			<small>(or other official whose position should be stated)</small>
Name:	Andrea Bradley - General Secretary	Name:	Paula McEwan - President
Date:	29 January 2024	Date:	29 January 2024

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		No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes		No	
A member statement is: (see Note 80)	Enclosed		To follow	
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	<input checked="" type="checkbox"/>	To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes		No	

Checklist for auditor's report

(see notes 90 and 96)

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

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

Please explain in your report overleaf or attached.

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)

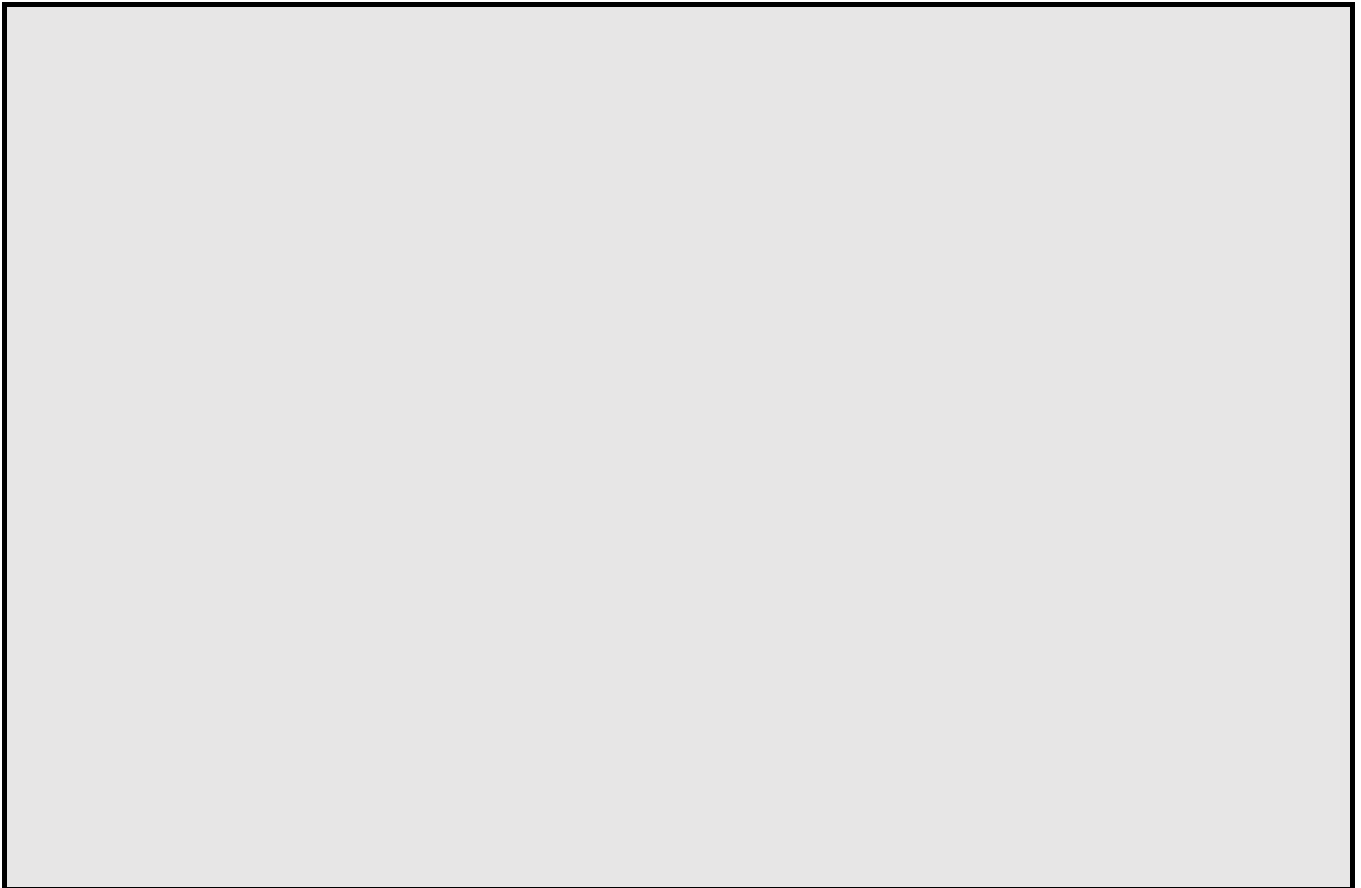
Please explain in your report overleaf or attached

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:

BDO LLP

Name(s):

BDO LLP

Profession(s) or Calling(s):

Chartered Accountants

Address(es):

Citypoint

65 Haymarket Terrace

Edinburgh

Postcode

EH12 5HD

Date

29/01/2024

Contact name for inquiries and telephone number:

Martin Gill
+(0)131 347 0347

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EDUCATIONAL INSTITUTE OF SCOTLAND

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 2023 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 Educational Institute of Scotland ("the Union") for the year ended 31 August 2023 which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 Financial Reporting Standard 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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's with respect to going concern are described in the relevant sections of this report.

Membership audit certificate

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

(See notes 97 to 103)

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

Yes /No

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

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

Membership audit certificate

Section one

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

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

Yes / No

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

Yes / No

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

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

Membership audit certificate (continued)

Signature of assurer	<i>Andrea Bradley</i>
Name	Andrea Bradley - General Secretary
Address	
Date	
Contact name and telephone number	

Membership audit certificate

Section two

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

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

Yes / No

If "No" Please explain below:

Signature	
Name	
Office held	
Date	