

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	Prospect		
Year ended:	31 December 2022		
List no:	771T		
Head or Main Office address:	New Prospect House		
	8 Leake Street		
	London		
Postcode	SE1 7NN		
Website address (if available)	www.prospect.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:	Mr Mike Clancy		
Telephone Number:	Contact Centre: 0300 600 1878		
Contact name for queries regarding the completion of this return	Hafsa Begum		
Telephone Number:	0207 902 2268		
E-mail:	Hafsa.Begum@prospect.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
	114,465	2,312	38	37,900	154,715
Total	114,465	2,312	38	37,900	A 154,715

Number of members at end of year contributing to the General Fund	145,536
Number of members included in totals box 'A' above for whom no home or authorised address is held:	523

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
NO CHANGES			

State whether the union is:

a. A branch of another trade union?

Yes		No	X
-----	--	----	----------

If yes, state the name of that other union:

b. A federation of trade unions?

Yes		No	X
-----	--	----	----------

If yes, state the number of affiliated unions:

and names:

General Fund

(see notes 13 to 18)

	£000	£000
Income		
From Members: Contributions and Subscriptions		22,981
From Members: Other income from members (specify)		
Membership Services Income		170
Total other income from members		170
Total of all income from members		23,151
Investment income (as at page 12)		1,430
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	27,558	
Total of other income (as at page 4)		27,558
Total income		52,139
Interfund Transfers IN		
Expenditure		
Benefits to members (as at page 5)		1,405
Administrative expenses (as at page 10)		33,301
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		
Taxation		
Total expenditure		34,706
Interfund Transfers OUT		
Surplus (deficit) for year		17,433
Amount of general fund at beginning of year		44,738
Amount of general fund at end of year		62,171

Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£000
Federation and other bodies	
Total federation and other bodies	
Any Other Sources	
Profit from sale of property	8,920
Change in residual value of motor vehicles	232
Actuarial gains on defined benefit pension schemes	18,406
Total other sources	27,558
Total of all other income	27,558

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£000
Representation – Employment Related Issues		brought forward	567
-	277	Advisory Services	
		n/a	
Representation – Non Employment Related Issues		Other Cash Payments	
		Death Benefit Grants	89
		Education and Training services	
Communications			
Printing and Distribution	160		
Website	93		
Annual Reports	6		
Digital Marketing	24		
		Negotiated Discount Services	
Dispute Benefits			
Ballots	7		
		Other Benefits and Grants (specify)	
		Recruitment	129
		Affiliation Fees	586
		Donations	34
carried forward	567	Total (should agree with figure in General Fund)	1,405

(See notes 21 and 23)

Fund 2		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 3		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 4		Fund Account	
Name:		£000	£000
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 5		Fund Account	
Name:		£000	£000
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:		£000	£000
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Fund 7		Fund Account	
Name:		£000	£000
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 21 and 23)

Fund 8		Fund Account	
Name:		£000	£000
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:		£000	£000
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)

£000

£000

Political fund account 1

To be completed by trade unions which maintain their own political fund

	Income		
	Members contributions and levies		43
	Investment income (as at page 12)		
Other income (specify)			
		Total other income as specified	
		Total income	43

Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period

	Expenditure A (as at page i)		
	Expenditure B (as at page ii)		
	Expenditure C (as at page iii)		
	Expenditure D (as at page iv)		
	Expenditure E (as at page v)		
	Expenditure F (as at page vi)		
	Non-political expenditure (as at page vii)		36
		Total expenditure	36
		Surplus (deficit) for year	7
		Amount of political fund at beginning of year	636
		Amount of political fund at the end of year (as <u>Balance Sheet</u>)	643
		Number of members at end of year contributing to the political fund	70,335
		Number of members at end of the year not contributing to the political fund	84,380
		Number of members at end of year who have completed an exemption notice and do not contribute to the political fund	

Political fund account 2 To be completed by trade unions which act as components of a central trade union

Income	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects(specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of year	
		Amount remitted to central political	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

Political fund account expenditure (b)

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 of money on the provision of any services or property for use by or on behalf of any political party	
Name of political party to which payment was made	Total amount paid during the period
	£
Total	

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))	£000
Total			

Political fund account expenditure (d)

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 on the maintenance of any holder of political office	
Name of office holder	£000
Total	

Political fund account expenditure (f)

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

On the production, publication or distribution of any literature, document, film, sound recording or advertisement the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate

Name of organisation or political party	£000
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	£000
BBC Campaign	18
Future of Working from Home	6
Dods Parliamentary Communications Ltd - Political Monitoring UK	12

Total expenditure 36

(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	£000

Total expenditure

(c) the total amount of all other money expended	£000

Total expenditure

Total of all expenditures 36

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

(see notes 34 and 35)

		£000
Administrative Expenses		
Remuneration and expenses of staff		16,716
Salaries and Wages included in above	15,630	
Auditors' fees		119
Legal and Professional fees		111
Occupancy costs		2,528
Stationery, printing, postage, telephone, etc.		249
Expenses of Executive Committee (Head Office)		315
Expenses of conferences		478
Other administrative expenses (specify)		
Advisory Service		218
Branch Expenses		335
Education and Training		85
Research		38
Editorial Publications		58
IT Costs		1,217
Bank Charges		60
Sundry Office Expenses		43
Equipment Maintenance and Repairs		15
Other Outgoings		
Depreciation		319
Loss on disposal of fixed assets		99
Outgoings on land and buildings (specify)		
Irrecoverable taxes from property purchase		2,636
Other outgoings (specify)		
Net pension scheme expenditure - service cost and net interest expense		1,249
Change in the Fair Value of Equity Investments		6,413
tretert		
Total		33,301
Charged to:	General Fund (Page 3)	33,301
Total		33,301

Analysis of officials' salaries and benefits

(see notes 36 to 46 below)

Office held	Gross Salary £000	Employers N.I. contributions £000	Pension Contributions £000	Benefits		Total £000
				Other Benefits		
				Description	Value £000	
General Secretary	124	16	24	Car	7	171

Analysis of investment income

(see notes 47 and 48)

	Political Fund £000		Other Fund(s) £000
Rent from land and buildings			41
Dividends (gross) from:			
Equities (e.g. shares)			742
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
Net gain on sale of investments			460
Other Income			187
			1,430
		Total investment income	1,430
		Credited to:	
		General Fund (Page 3)	1,430
		Political Fund	
		Total Investment Funds	1,430

Balance sheet as at

31 December 2022

(see notes 49 to 52)

Previous Year		£000	£000
12,790	Fixed Assets (at page 14)		16,431
	Investments (as per analysis on page 15)		
44,306	Quoted (Market value £ (37,753)		37,753
5,777	Unquoted		4,038
	Total Investments		41,791
	Other Assets		
	Loans to other trade unions		
2,763	Sundry debtors		3,362
4,583	Cash at bank and in hand		9,502
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
7,346	Total of other assets		12,864
70,219	Total assets		71,086
44,738	General fund (page 3)		62,171
636	Political Fund Account		643
	Liabilities		
	Amount held on behalf of central trade union political fund		
£3,139	Sundry Creditors		3,723
£21,706	Other Liabilities (Pension Scheme)		4,549
£24,845	Total liabilities		8,272
£70,219	Total assets		71,086

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £000	Motor Vehicles £000	Not used for union business £000	Total £000
	Freehold £000	Leasehold £000				
Cost or Valuation						
At start of year	14,222		2,426	862		17,510
Additions	14,639		419	106		15,164
Disposals	-14,032		-542	-270		-14,844
Revaluation/Transfers				232		232
At end of year	14,829		2,303	930		18,062
Accumulated Depreciation						
At start of year	2,745		1,600	375		4,720
Charges for year	27		201	91		319
Disposals	-2,744		-504	-160		-3,408
Revaluation/Transfers						
At end of year	28		1,297	306		1,631
Net book value at end of year	14,801		1,006	624		16,431
Net book value at end of previous year	11,477		826	487		12,790

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £000	Political Fund £000
Equities (e.g. Shares)	22,483	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Unit Trust	15,270	
Total quoted (as Balance Sheet)	37,753	
Market Value of Quoted Investment	37,753	
Unquoted		
Equities		
Unity Trust Bank Shares	1,291	
Other Shares	8	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Cash Deposits	2,739	
Total unquoted (as Balance Sheet)	4,038	
Market Value of Unquoted Investments	4,038	

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 <input checked="" type="checkbox"/>	No <input type="checkbox"/>
---	-----------------------------

If YES name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
Prospect Custodian Trustees Limited	3836445

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

Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
---	-----------------------------

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 £000	Political Funds £000	Total Funds £000
Income			
From Members	23,151	43	23,194
From Investments	1,430		1,430
Other Income (including increases by revaluation of assets)	27,558		27,558
Total Income	52,139	43	52,182
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	34,706	36	34,742
Funds at beginning of year (including reserves)	44,738	636	45,374
Funds at end of year (including reserves)	62,171	643	62,814
Assets			
Fixed Assets			16,431
Investment Assets			41,791
Other Assets			12,864
		Total Assets	71,086
Liabilities		Total Liabilities	8,272
Net Assets (Total Assets less Total Liabilities)			62,814

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £000	Political Funds £000	Total Funds £000
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)			

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?		
If Yes How many ballots were held: 		
For each ballot held please complete the information below:		
Ballot 1		
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 2		
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 3		
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		
		

Information on Industrial Action Ballots

Name of Organisation:	Prospect Union	Reporting Period	1 Jan-31 Dec 2022
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>14</u>	

Set Rows

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	9	9	0	0	Yes	Yes	Yes
2	124	79	57	21	1	Yes	No	
3	124	79	76	2	1	Yes	No	
4	126	86	70	15	1	Yes	No	
5	126	86	85	1	0	Yes	No	
6	44	27	26	1	0	Yes	Yes	Yes
7	8	7	6	1	0	Yes	Yes	Yes
8	8	7	5	1	1	Yes	Yes	Yes
9	26	15	14	1	0	Yes	No	
10	26	15	14	1	0	Yes	No	
11	653	454	306	148	0	Yes	No	
12	653	454	416	38	0	Yes	No	
13	75	52	49	3	0	Yes	Yes	Yes
14	75	52	45	4	3	Yes	Yes	Yes

Information on Industrial Action

Name of Organisation:			Reporting Period	Jan-Dec 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
1	A	01/01/2022-17/03/2022	76	Action Short of a Strike
2	A	04/01/2022-30/06/2022	178	Action Short of a Strike
3	A	19/12/2022-31/12/2022	13	Action Short of a Strike
Categories of nature of Trade Dispute				
<p>A: Terms and conditions of employment, or the physical conditions in which any workers are required to work</p> <p>B: Engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers</p> <p>C: Allocation of work or the duties of employment between workers or groups of workers</p> <p>D: Matters of discipline</p> <p>E: A worker's membership or non-membership of a trade union</p> <p>F: Facilities for officials of trade unions</p> <p>G: Machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures</p>				

Set Rows

Show Categori

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

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.

ATTACHED

Notes to the financial statements
year ended 31 December 2022

3	INCOME	2022			2021		
		Political Fund	Prospect	Total	Political Fund	Prospect	Total
		£'000	£'000	£'000	£'000	£'000	£'000
Subscription income							
	Retired Members	9	628	637	9	661	670
	Unemployed Members	2	56	58	2	64	66
	Working Members	32	22,297	22,329	36	21,629	21,665
		43	22,981	23,024	47	22,354	22,401
	Other Income from Members	-	170	170	-	307	307
	TOTAL OPERATING INCOME	43	23,151	23,193	47	22,661	22,708

		2022	2021
		£'000	£'000
4	COMMITTEES AND CONFERENCES		
	National Committees	315	29
	National and Sector Conferences	478	75
		793	104

5	LOCAL DEMOCRATIC ORGANISATION AND EDUCATION		
	Professional, Departmental and Other Groups	218	67
	Branches and Sections	335	173
	Education and Training	85	35
		638	275

6	EMPLOYMENT COSTS		
	Staff Salary Costs	14,407	14,451
	Additional Pension Contributions	1,223	2,051
	Travel, Subsistence and Mobile Phones	494	266
	Loss on disposal of fixed assets - motor vehicles	61	-
	Revaluation of motor vehicles	(232)	-
	Other Staffing Costs	683	648
		16,636	17,416

Key Management Personnel

Key management personnel is defined as the role of the Senior Management Team including the General Secretary. The total employment cost for these 7 roles paid in the year was £919,426 (2021: £837,613) and includes gross pay, employers pension contributions and employers national insurance.

The average number of employees during the year was 239 (2021: 246). The full number of employees within each bracket is included within Prospect Annual Report 2023.

Notes to the financial statements – year ended 31 December 2022 (continued)

		2022	2021
		£'000	£'000
7	PROPERTY COSTS		
	Rent, Rates and Service Charges	1,675	666
	Light and Heat	123	119
	Decoration, Repairs and Maintenance	230	143
	Cleaning and Security	256	204
	Property Depreciation	27	195
	Insurance and Health and Safety and Legal	244	79
		2,555	1,406
8	ADMINISTRATION AND OTHER SUPPLIES		
	Equipment Maintenance and Repairs	27	70
	Printing, Stationery and Postage	123	80
	Telephone	126	181
	IT Costs	1,406	864
	Loss on disposal of fixed assets - hardware and software	8	-
	Other Office Services	43	46
	Loss on disposal of fixed assets - fixtures and fittings	30	-
	Bank Charges and Collection of Subscriptions	60	91
	Research, Publications and Subscriptions	38	42
	Editorial Publishing and Publicity	58	27
	Legal, Professional and Audit Fees	230	257
		2,149	1,658
9	BENEFIT TO MEMBERS		
	Affiliations and Donations	620	609
	Members Benefits	656	339
	Recruitment and Organisation	129	121
	<i>*Please refer to Appendix 1 for full list of Affiliations, Donations and Appeals</i>	1,405	1,069
10	INVESTMENT INCOME		
	Investment Income	901	742
	Investment Management Fees	(159)	(152)
	Net Investment Income	742	590
	Rental Income	41	160
	Net gain on sale of investments	460	677
	Other Income	187	87
		1,430	1,514

Notes to the financial statements – year ended 31 December 2022 (continued)

	2022	2021
	£'000	£'000
11 OTHER INCOME		
Income for the administration of Creative Scotland Fund	-	25
	-	25

12	TANGIBLE FIXED ASSETS	Freehold Land & Buildings	Office Equip	Fixtures & Fittings	IT Equip	Motor Vehicles	Total
		£'000	£'000	£'000	£'000	£'000	£'000
COST							
	At 1 January 2022	14,222	283	134	2,009	862	17,510
	Revaluation	-	-	-	-	232	232
	Additions	14,639	-	16	403	106	15,164
	Disposals	(14,032)	(57)	(51)	(434)	(270)	(14,844)
	At 31 December 2022	14,829	226	99	1,978	930	18,062
DEPRECIATION							
	At 1 January 2022	2,745	265	62	1,273	375	4,720
	Charge for the Year	27	3	9	189	91	319
	Disposals	(2,744)	(49)	(30)	(425)	(160)	(3,408)
	At 31 December 2022	28	219	41	1,037	306	1,631
NET BOOK VALUE							
	At 31 December 2022	14,801	7	58	941	624	16,431
	At 31 December 2021	11,477	18	72	736	487	12,790

Property Fixed Asset Disposal – Motor Vehicles

Receipts from the sale of motor vehicles in the year totalled £51,664 (2021: £28,000).

Property Fixed Asset Disposal – Land and Buildings

The union has made significant changes to its estate during 2022. The first of these changes took place on 26 January 2022 where the freehold interest in its headquarters (including the fifth floor which is disclosed below as property held for investment) in Leake Street, Waterloo, London (New Prospect House) was sold for £17.7m with associated costs of £48k. The union entered into a five year leaseback arrangement from this date and currently continues to operate its activities from this building. The union also sold its freehold building in Clapham Road on 22 December 2022 for a sum of £5m with associated costs of £51k.

The combined net book value of the two properties was £13.68m. The sale proceeds net of associated costs was £22.6m giving rise to a profit on disposal of £8,920,000.

Property Fixed Asset Additions – Land and Buildings

The union made a significant purchase of a freehold mixed tenure building in Westminster, Rochester Row for the sum total of £14m. Significant refurbishment has commenced on this property which will continue throughout 2023. Once the refurbishment is completed, the commercial office block will become the new headquarters.

Property Fixed Asset Additions – Land and Buildings (Property SDLT and VAT expenditure)

Rochester Row has been opted to tax and attracted VAT of £2.55m and stamp duty land and tax of £817k.

A proportion of the VAT paid is reclaimable under the "Partial Exemption Special Method" in the value of £730k.

A total of £2.64m has been charged to other items in the Income and Expenditure account.

Notes to the financial statements – year ended 31 December 2022 (continued)

12	TANGIBLE FIXED ASSETS (CONTINUED)	2022	2021
	PROPERTY HELD FOR INVESTMENT	£'000	£'000
	Market Value at 1 January	2,392	2,371
	Net investment gain in Income and Expenditure Account – unrealised	-	21
	Disposal	(2,392)	-
	Market Value at 31 December	-	2,392
	<p>An independent valuation was carried out by Levy Real Estate LLP (RICS Registered Valuer) as at 31 December 2021 and was held in the books for £2.392m. This valuation was conducted on the basis of fair value in use. The property was subsequently sold on 26 January 2022 at the same value as there was no material change between the year end and the date of disposal. Investment properties are valued at the end of each year on the basis of open market value by external firms of chartered surveyors.</p>		

Notes to the financial statements – year ended 31 December 2022 (continued)

13	INVESTMENTS	2022		2021
		£'000		£'000
	MARKET VALUE			
	At 1 January 2022	47,691		39,970
	Additions	5,964		4,706
	Disposal proceeds	(6,398)		(3,301)
	Net movement in cash deposits	487		1,847
	Surplus on sale of investments	460		677
	Change in investment values	(6,413)		3,792
	At 31 December 2022	41,791		47,691
		Cost 2022	Market Value 2022	Cost 2021
		£'000	£'000	£'000
	EQUITIES AND GILTS			
	Sarasin & Partners	15,361	15,891	16,032
	Rathbone Investment Management	5,462	6,592	6,365
		20,823	22,483	22,397
	UNIT TRUSTS			
	Sarasin & Partners	4,096	3,510	3,133
	Rathbone Investment Management	3,240	3,925	2,434
	Trade Union Fund Managers	1,955	7,835	1,955
		9,291	15,270	7,522
	Quoted Shares – Total	30,114	37,753	29,919
	BANK DEPOSITS			
	Sarasin & Partners	1,630	1,630	1,530
	Rathbone Investment Management	1,109	1,109	722
		2,739	2,739	2,252
	UNQUOTED SHARES			
	Unity Trust Bank PLC	577	1,291	704
	Other	8	8	8
		585	1,299	712
	Grand Total	33,438	41,791	32,883
	Please refer to the Schedule of Investments within Prospect Annual Report 2023 for the full breakdown of the investments Prospect holds with various investment managers.			

Notes to the financial statements – year ended 31 December 2022 (continued)

14	DEBTORS	2022	2021
		£'000	£'000
	Trade debtors	2,240	1,229
	Other debtors	457	632
	Prepayments and accrued income	665	902
	3,362	2,763	
15	CREDITORS	2022	2021
		£'000	£'000
	Trade creditors	516	463
	Other creditors	572	606
	Other taxes and Social Security	746	947
	Lease obligations	936	-
Accruals and deferred income	953	1,123	
	3,723	3,139	

Notes to the financial statements – year ended 31 December 2022 (continued)

16 **STAFF PENSION SCHEMES**

The Union currently operates three defined benefit pension schemes for its employees; Prospect (PPS), BECTU and Connect (CPS). The assets for all of the schemes are held in trustee administered funds separate from the Union's finances. This note sets out the pension cost information required for Prospect to meet its pension obligations as specified under FRS 102. The accounting date to which these disclosures relate is 31 December 2022.

Whilst FRS102 accounting disclosure is the basis used for the financial statements, the triennial valuations are carried out on a different basis to establish an appropriate funding levels and it is these valuations that determine our pension obligations as set out below:

In 2022, Prospect reviewed the Pension scheme benefits of all three schemes, with the objective of harmonising benefits (where possible) and thereby reducing the financial obligations on the employer. The proposed changes were accepted by both the scheme trustees and members and then implemented on 1 May 2022. In accordance with pension regulations two of the schemes required full actuarial valuations as at 31 December 2021, because their previous valuations could not be used as they were updated for market conditions. The valuations as at 31 December for these two schemes were: CPS an actuarial deficit of £7.5m, PPS an actuarial surplus of £2.9m.

The last full actuarial valuation for BECTU was carried out on 31 October 2022 and we are awaiting the results of this valuation.

Regular employer contributions to the Pension Schemes in 2023 are estimated to be £1.9M; £1,571k to Prospect, £162k to the Connect Scheme and £201k to the BECTU Scheme.

Total contributions to the schemes the year were as follows:	PPS		CPS		Bectu	
	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
	2,467	2,375	829	1,188	922	975

Outstanding contributions at the year end were:	2022
	£'000
PPS	200
CPLAS	69
Bectu	77
	346

The main financial assumptions used in all three schemes were:	PPS / CPS / Bectu	
	2022	2021
	%	%
Rate of increase in pensionable salaries	4.00	4.00
Rate of increase in pensions in payments	2.75	2.95
Discount rate for scheme liabilities	4.90	1.95
Rate of inflation – RPI	3.00	3.20
Rate of inflation – CPI	2.70	2.90

16

STAFF PENSION SCHEMES (CONTINUED)**Mortality assumption**

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member currently aged 65 will live on average for a further 22 years if they are male; and for a further 24 years if they are female.

Net liabilities of the schemes

The net pension liabilities recognised in the Union's balance sheet as at 31 December 2022 are as follows:

	PPS		CPS		Bectu		Totals	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Diversified Growth Funds	20,113	21,749	6,295	6,807	-	-	26,408	28,556
Equities	29,377	36,959	6,850	7,314	9,056	9,514	45,283	53,787
Bonds & Gilts	29,443	47,488	2,609	4,201	11,212	13,521	43,264	65,210
Property	10,936	12,153	-	-	1,078	1,753	12,014	13,906
Cash/Other	239	385	219	100	216	250	674	735
Insured Assets	-	-	2,850	3,858	-	-	2,850	3,858
Total Market Value of Assets	90,108	118,734	18,823	22,280	21,562	25,038	130,493	166,052
Present value of liabilities	(74,393)	(113,958)	(22,475)	(36,075)	(22,459)	(32,949)	(119,327)	(182,982)
Scheme surplus / (deficit)	15,715	4,776	(3,652)	(13,795)	(897)	(7,911)	11,166	(16,930)
Derecognition of surplus	(15,715)	(4,776)	-	-	-	-	(15,715)	(4,776)
Net defined benefit pension scheme deficit	-	-	(3,652)	(13,795)	(897)	(7,911)	(4,549)	(21,706)

Return on Scheme Assets

The return on scheme assets for the year was a loss of £27.5m (2021: gain of £11.6m) for PPS, a loss of £3.3m (2021: gain of £1.9m) for CPS, a loss of £3.4m (2021: gain of £1.3m) for Bectu.

Recognition of surplus on scheme

The difference between the market value of the assets of the Pension Fund and the present value of accrued pension liabilities is shown as an asset or liability on the balance sheet, except that an asset is only recognised where the union has the sole right to determine the use of surplus of assets over liabilities. For the PPS scheme, the FRS102 valuation method revealed a surplus of £15.7m, however, the scheme rules and trust deeds do not unconditionally give the employer the right to the asset by way of a refund or in the form of reduced contributions. Therefore the asset has been derecognised in the accounts and within the valuation report.

Notes to the financial statements – year ended 31 December 2022 (continued)

16

STAFF PENSION SCHEMES (CONTINUED)

Analysis of FRS 102 pension movement:

	PPS		CPS		Bectu		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Other Pension Scheme expenditure	(1,707)	(1,889)	183	567	275	258	(1,249)	(1,064)
Remeasurement of defined benefit pensions	12,646	11,657	9,960	3,129	6,739	2,629	29,345	17,415
	10,939	9,768	10,143	3,696	7,014	2,887	28,096	16,351
Pension asset/(liability) brought forward	4,776	(4,992)	(13,795)	(17,491)	(7,911)	(10,798)	(16,930)	(33,281)
Pension asset/(liability) carried forward	15,715	4,776	(3,652)	(13,795)	(897)	(7,911)	11,166	(16,930)
Derecognition of surplus*	(15,715)	(4,776)	-	-	-	-	(15,715)	(4,776)

* The surplus has been derecognised through the remeasurement of the defined benefit pension scheme, as such the total actuarial gain for the year amounts to £18.4m.

Changes to the present value of the defined benefit obligation during the year

	PPS		CPS		Bectu		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening defined benefit obligation	113,958	113,218	36,075	37,573	32,949	34,431	182,982	185,222
Current service cost	3,946	3,997	336	350	475	481	4,757	4,828
Interest cost	2,191	1,618	695	539	639	497	3,525	2,654
Contributions by Scheme participants	18	20	-	-	-	-	18	20
Actuarial (gains)/losses on Scheme liabilities & changes to demographic and financial assumptions	(42,454)	(1,645)	(13,755)	(1,541)	(10,720)	(1,636)	(66,929)	(4,822)
Net benefits paid out	(3,266)	(3,250)	(876)	(846)	(884)	(824)	(5,026)	(4,920)
Closing defined benefit obligation	74,393	113,958	22,475	36,075	22,459	32,949	119,327	182,982

Notes to the financial statements – year ended 31 December 2022 (continued)

16 STAFF PENSION SCHEMES (CONTINUED)								
Changes to the fair value of Scheme assets during the year								
	PPS		CPS		Bectu		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening fair value of Scheme Assets	118,734	108,226	22,280	20,082	25,038	23,633	166,052	151,941
Expected return on Scheme assets	2,304	1,562	434	294	488	343	3,226	2,199
Return on plan assets excluding interest income	(29,808)	10,012	(3,795)	1,588	(3,981)	993	(37,584)	12,593
Contributions by the employer	2,364	2,294	834	1,201	902	905	4,100	4,400
Contributions by Scheme participants	18	20	-	-	-	-	18	20
Net benefits paid out	(3,266)	(3,250)	(876)	(846)	(884)	(824)	(5,026)	(4,920)
Administration Costs	(238)	(130)	(54)	(39)	(1)	(12)	(293)	(181)
Closing fair value of Scheme assets	90,108	118,734	18,823	22,280	21,562	25,038	130,493	166,052
Actual return on assets	(27,504)	11,574	(3,361)	1,882	(3,493)	1,336	(34,358)	14,792
NET PENSION SCHEME EXPENDITURE – SERVICE COST								
	PPS		CPS		Bectu		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Current service cost	(3,946)	(3,997)	(336)	(350)	(475)	(481)	(4,757)	(4,828)
Past service cost	-	-	-	-	-	-	-	-
Administration Costs	(238)	(130)	(54)	(39)	(1)	(12)	(293)	(181)
Contributions *	2,364	2,294	834	1,201	902	905	4,100	4,400
	(1,820)	(1,833)	444	812	426	412	(950)	(609)

Notes to the financial statements – year ended 31 December 2022 (continued)

	PPS		CPS		Bectu		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest on scheme assets	2,304	1,562	434	294	488	343	3,226	2,199
Interest on scheme liabilities	(2,191)	(1,618)	(695)	(539)	(639)	(497)	(3,525)	(2,654)
Net interest on defined benefit liability	113	(56)	(261)	(245)	(151)	(154)	(299)	(455)
Net pension scheme (expenditure)/income	(1,707)	(1,889)	183	567	275	258	(1,249)	(1,064)
*Contributions include deficit contributions of £1,223k (2021 £2,051k) as shown in note 6.								
The following components of the pension charge have been recognised in Other Comprehensive Income:								
	PPS		CPS		Bectu		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Actual return on scheme assets	42,454	1,645	13,755	1,541	10,720	1,636	66,929	4,822
Other actuarial (losses)/gains	(29,808)	10,012	(3,795)	1,588	(3,981)	993	(37,584)	12,593
Movement in net asset ceiling	(10,939)	(4,776)	-	-	-	-	(10,939)	(4,776)
Remeasurement gains recognised in Other Comprehensive Income	1,707	6,881	9,960	3,129	6,739	2,629	18,406	12,639

Notes to the financial statements – year ended 31 December 2022 (continued)

17	COMMITMENTS UNDER OPERATING LEASES				
LESSEE					
At 31 December 2022, Prospect had obligations of total future minimum lease payments under non-cancellable operating leases for the following periods:					
	Land and buildings			Other	
	2022	2021		2022	2021
Expiry date:	£'000	£'000		£'000	£'000
No later than 1 year	1,201	114		5	36
Later than 1, no later than 5 years	3,294	43		2	18
	4,495	157		7	54
The lease payments recognised as an expense during the year was £1,204,521 (2021: £221,575).					
LESSOR					
At 31 December 2022, Prospect had contractual future minimum lease receipts under non-cancellable operating leases for the following periods:					
	Land and buildings				
	2022	2021			
Expiry date:	£'000	£'000			
No later than 1 year	15	136			
Later than 1, no later than 5 years	119	10			
	134	146			
The lease receipts recognised as rental income during the year was £15,428 (2021: £141,800).					
18	ANALYSIS OF CHANGES IN NET DEBT				
	At 1 Jan 2022		Cash Flows		At 31 Dec 2022
	£'000		£'000		£'000
Cash	4,583		4,919		9,502
19	GOVERNMENT GRANTS				
			2022		2021
			£'000		£'000
Job Retention Scheme Grant			-		307
			-		307
20	TAXATION				
Unrealised valuation increases relating to investments and investment properties would potentially give rise to chargeable gains on the sale of the asset, but any potential liability to tax is eliminated if the proceeds of sale are reinvested in other chargeable assets used for provident purposes. The tax on any proceeds which are not reinvested is reduced by indexation allowances and any balance can also be offset against expenditure on provident benefits. Deferred tax has not been provided for potential chargeable gains because the Union is satisfied that proceeds of the sale of all related assets can be substantially reinvested, sufficient that any remaining balance can be offset against allowance or expenses. Therefore no unrealised gain at 31 December 2022 is expected to give rise to a liability to tax.					

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:	
			(or other official whose position should be stated)
Name:	Mike Clancy	Name:	Eleanor Wade (President)
Date:	01 June 2023	Date:	01 June 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	

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.**

Notes to the financial statements

INFORMATION IN RESPECT OF THE UNION

Prospect is a trade union registered in accordance with the trade union and Labour Relations (Consolidation Act) 1992 (Amended), with its head office in New Prospect House, 8 Leake Street, London SE1 7NN.

1. Accounting policies

1.1 Accounting Convention

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"). The financial statements have been prepared under historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the financial statements.

Trade Unions are governed by the Trade Union and Labour Relations (Consolidation Act) 1992 Amended. Under that Act the financial statements of Trade Unions are required to give a true and fair view. Therefore, the financial statements 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 financial statements 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 thousand.

The specific accounting policies adopted are set out below:

1.2 Going concern

The National Executive Committee has considered the effect of the Covid-19 outbreak. The union has adapted the

way it delivers services to members, so the outbreak has caused little disruption to the Union's business to date and the National Executive Committee consider that a prolonged outbreak is unlikely to cause further disruption. Accordingly, at the time of approving the financial statements, the National Executive Committee has a reasonable expectation that the Union has adequate resources to continue in operation for the foreseeable future being a minimum of 12 months from the date of approval of these financial statements. Thus the National Executive Committee continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Subscriptions

Subscriptions are accounted for on an accruals basis and recognised in the period in which they are due.

1.4 Rental income

Rental income is accounted for on an accruals basis and derived from investment properties classified within land and buildings.

1.5 Expenditure

All expenditure in the accounts is inclusive of VAT where applicable.

1.6 Tangible Fixed Assets

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

1.7 Mixed Use Properties – Property Held for Investment

Mixed Use Properties are measured in

two different ways; for the proportion held by the union and its operations, this is initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. For the proportion held for investment, these assets are carried at fair value and the changes in fair value recognised in the income and expenditure account.

1.8 Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land, to write off the cost less estimated residual value in equal annual instalments over the estimated useful economic lives of the assets. The estimated useful economic lives are as follows:

Freehold buildings	50 years
Furniture and fittings	10 years
Office equipment	4 years
IT Equipment/CRM system	4 years

Motor Vehicles - In 2022, the policy was updated to reflect market valuation at the year end date and will be carried at fair value going forward.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Income and Expenditure account.

1.9 Pension Costs

The Union operates three defined benefit pension schemes, all of which require contributions to be made to separately administered funds. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of the defined benefit obligations) and is based on actuarial advice.

The net interest element is determined by multiplying the net defined benefit

liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the income and expenditure accounts as a total of the net pension scheme expenditure.

Remeasurements, comprising actuarial gains and losses and the return on the net defined benefit liability (excluding amounts included in the net interest) are recognised immediately in other comprehensive income in the period in which they occur. Remeasurements are not reclassified to income and expenditure in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Corporation Tax

Corporation tax is payable on the excess of interest income, rental income and chargeable gains arising on the disposal of properties and investments over expenditure on the provident benefits and reinvested chargeable gains for the year.

Provident benefits comprise of payments as set out in the rules of the Union, which relate to death benefit and legal assistance, and a proportion of the costs of administering the Union in relation to those benefits.

1.11 Deferred Tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable income.

Deferred tax is calculated at the tax rates that are expected to apply in the period where the liability is settled or the asset is realised. Deferred tax is charged or credited in the income and expenditure account.

1.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term investments with original maturities of three months or less, and bank overdrafts. This excludes cash held as part of the union's investment portfolios.

1.13 Financial instruments

Financial assets are recognised in the Union's balance sheet when the Union becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

1.14 Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

1.15 Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair

value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value recognised in the income and expenditure account, except that investments in equity instruments that are not publicly traded, and whose fair value cannot be measured reliably, are measured at cost less impairment.

1.16 Impairment of financial assets

Financial assets, other than those held at fair value through the income and expenditure account, are assessed for indicators of impairment at each reporting end date

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment is recognised in the income and expenditure account.

1.17 Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at the transaction price unless the arrangement constitutes a financing transaction.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the activity of the Union from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade payables are initially recognised at transaction price and derecognised when, and only when, the Union's obligations are discharged, cancelled or they expire.

1.18 Branches

The transactions of the branches during the period are included in these accounts as are the net assets held directly by them at the balance sheet date.

1.19 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their

fair value at the balance sheet date using the closing quoted market price (where applicable). The income and expenditure account includes the net gains and losses arising on the revaluation and disposals throughout the year. The Union does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Union is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Unity Trust bank shares are recognised at their transaction value and subsequently measured at market value.

1.20 Realised gains and losses

All gains and losses are recognised to the income and expenditure account as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are separated between the surplus on investments and changes in market value in the income and expenditure account.

1.21 Leases

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over the period of the lease or the estimated useful economic lives of the assets, whichever is shorter. The finance charges are allocated over the period of the lease in proportion to the capital outstanding and are charged to the income and expenditure account. Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

1.22 Government Grants

Government grants, which include amounts received under the Coronavirus Job Retention Scheme, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

2. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates.

2.1 Critical Judgements

Deferred Tax

Unrealised valuation increases relating to investments and investment properties would potentially give rise to chargeable gains on the sale of the asset, but any potential liability to tax is eliminated if the proceeds of sale are reinvested in other chargeable assets used for provident purposes. The tax on any proceeds which are not reinvested is reduced by indexation allowances and any balance can also be offset against expenditure on provident benefits. Deferred tax has not been provided for potential chargeable gains because the Union is satisfied that proceeds of the sale of all related assets can be substantially reinvested, sufficient that any remaining balance can be offset against allowance or expenses. Therefore no unrealised gain at 31 December 2022 is expected to give rise to a liability to tax.

2.2 Recognition of surplus on defined benefit pension scheme

The difference between the market value of the assets of the Pension Fund and the present value of accrued pension liabilities is shown as an asset or liability on the balance sheet, except that an asset is only recognised where the union has the sole right to determine the use of surplus of assets over liabilities.

Property Valuation

Investment Property is held at fair value in line with accounting policy 1.7 above. The carrying value and valuation movements are included in Note 12.

2.3 Key Sources of estimation uncertainty

Defined Benefit Pension Schemes

The cost of defined benefit pension plans is determined using actuarial valuations. 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 for the respective country.

Auditor's report (continued)

Please see attached appendix

Signature(s) of auditor or auditors:

DocuSigned by:
Gareth M Jones
 AF9E71C5233D451...

Name(s):

BDO LLP

Profession(s) or Calling(s):

Statutory Auditor

Address(es):

55 Baker Street

London

Postcode

W1U 7EU

Date

02-Jun-23

Contact name for inquiries and telephone number:

Gareth Jones 020 7468 5888

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

Report of the independent auditor to Prospect

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 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 Prospect (the 'Union') for the year ended 31 December 2022 which comprise the Combined Income and Expenditure Account, the Income and Expenditure Account – General Fund, the Income and Expenditure Account – Political Fund, the Combined Balance Sheet, the Combined Cash Flow Statement and notes to the financial statements, including a summary of the 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 the audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical

responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 National 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 National Executive Committee with respect to going concern are described in the relevant sections of this report.

Other information

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

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 National Executive Committee

As explained more fully in the Statement of Responsibilities of the National Executive Committee, the National 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 National 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 National 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 National 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. 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.

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, UK tax legislation and equivalent local laws and regulations.

We also completed the following procedures:

- Made enquires with management regarding known or suspected instances of non-compliance with laws and regulation and fraud, as well as around actual and potential litigation and claims;
- Assessed the design and operating effectiveness of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud;
- 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 liabilities, the valuation of unquoted investments and the carrying value of fixed assets;
- 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.

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 Prospect, 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.

Gareth M Jones

BDO LLP **55 Baker Street**
Statutory Auditor **London W1U 7EU**
London, UK **United Kingdom**

Date: 02 June 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 reporting period preceding 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 information 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	02.03.2023
Contact name and telephone number	Simon Hearn, Managing Director 020 8365 8909

Membership audit certificate

Section two

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

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

Yes / No

If "No" Please explain below:

Signature	
Name	
Office held	
Date	