

REPORT OF THE INDEPENDENT AUDITORS

Set out below is the report of the independent auditors to the members as contained in the accounts of the Union for the year ended 31 December 2023:

OPINION

We have audited the financial statements of the National Union of Rail, Maritime & Transport Workers ["The Union"] for the year ended 31 December 2023 which comprise the Income and Expenditure account, Combined Funds, Income and Expenditure Account - General Funds, Income and Expenditure account - Orphan Fund, Income and Expenditure Account - Political Fund, the Balance Sheet, Cashflow Statement, Statement of Movement in funds and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Union's affairs as at 31 December 2023 and of its income and expenditure for the year then ended; and
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial 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 other information comprises the information included in the Annual Report other than the financial statements and our auditors report thereon. The National Executive Committee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) requires us to report to you if, in our opinion:

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

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 financial statements

SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FULL ACCOUNTS

Summary income and expenditure accounts for the year ended 31 December 2023:

General Fund and Orphan Fund

	2023	2022
	£'000	£'000
Subscription income	18,080	18,638
Operating expenditure	(18,977)	(21,522)
Operating result	(897)	(2,884)
Other income/(expenditure)	4,573	(1,120)
Result for the year	3,676	(4,004)
Other comprehensive income	(747)	752
Comprehensive result for the year	2,929	(3,252)

Political Fund

	2023	2022
	£'000	£'000
Subscription income	222	229
Operating expenditure	(435)	(143)
Operating result	(213)	86
Other income	0	0
Result and comprehensive result for the year	(213)	86

SUMMARY OF SALARIES AND BENEFITS PROVIDED

Name	Position	Details	Amount
M Lynch	General	Salary	£96,839
	Secretary	Pension contributions	£30,501
		Other benefits	£0
E Dempsey	Senior Assistant General	Salary	£87,962
	Secretary	Pension contributions	£27,843
		Other benefits	£0
J Leach	Assistant General	Salary	£85,385
	Secretary	Pension contributions	£35,310
		Other benefits	£926
Alex Gordon	President	Attendance, lodging allowance and reimbursed expenses	£56,475

The members of the National Executive Committee do not receive any benefits but do receive attendance and lodging allowances, which are set out below. The General Secretary, the Assistant General Secretaries, the President and the members of the National Executive Committee are reimbursed for any expenditure incurred by them in the performance of their duties on behalf of the Union.

Summary of attendance and lodging allowances and reimbursed expenses paid to the National Executive Committee

Name	Amount
Oluwarotimi Ajayi	£61,311
Millie Apedo-Amah	£55,217
C Barros	£60,827
J Breyal	£60,074
Andy Budds	£66,192
S Conway	£14,401
D Douglas	£68,326
D Gibbons	£1,100
David Goard	£60,995
Alex Gordon	£56,475
D Giwatkin	£1,130
MJ Herbison	£66,256
P Jeanton	£1,069
David King	£61,737
O Longden	£38,738
S. Miskimmon	£62,746
W Moore	£56,953
K L. Morrison	£59,854
C Price	£1,100
F Scott	£59,643
S Shaw	£31,849
W Strang	£1,130

and for being satisfied that they give a true and fair view, and for such internal control as the National Executive Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the National Executive Committee are 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.

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:

Based on our understanding of the union and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Trade Union legislation, data protection regulations and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Trade Union and Labour Relations (Consolidation) Act 1992 and corporation tax regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the

financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries in respect of revenue recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will

be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

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

The wording is as prescribed by the Act. "A member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct. The member may raise any such concerns with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police. Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice."

Every member of the Union has a right to be exempt from contributing to the union's Political Fund, or, for those members joining on or after 1 March 2018, the right to withdraw their opt-in to the Political fund.

Haysmacintyre LLP Statutory Auditors

10 Queen Street Place London EC4R 1AG

Date: 11 July 2024