



STATEMENT TO MEMBERS ISSUED IN CONNECTION WITH THE UNION'S ANNUAL RETURN FOR PERIOD ENDED 31/12/2024

As required by Section 32a of the Trade Union and Labour Relations (Consolidation) Act 1992

Income and Expenditure

The total income of the union for the period was **£1,270,178**. This amount included payments of **£946,648** in respect of membership of the union. The union's total expenditure for the period was **£1,257,974**. The union does not maintain a political fund.

Salary paid to and other benefits provided to the General Secretary, President and members of the National Executive Committee

The General Secretary of the union was paid £83,163 in respect of salary and £9,942 in respect of benefits.

Irregularity statement

A member who is concerned that some irregularity may be occurring, or has 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 concern 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 the rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he or she should consider obtaining independent legal advice.

Auditor's report

We have audited the financial statements of the Association of Educational Psychologists (the 'Union') for the year ended 31 December 2024 which comprise the balance sheet, income and expenditure accounts for the development fund, general fund, conference fund and legal expenses reserves fund, statement of total results 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 2024 and of its income and expenditure for the year then ended;*
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and*
- have been prepared to meet the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.*

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 auditor's report thereon. The National Executive Committee are 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 in relation 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 of section 28; or
- a satisfactory system of control over its transactions has not been maintained in accordance with the requirements of that section; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations for which, to the best of our knowledge and belief, we consider necessary for our audit.

Responsibilities of the National Executive Committee

As explained more fully in the National Executive Committee's responsibilities statement set out on page 3, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud. Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Union operates in and how the Union is complying with the legal and regulatory framework;*
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;*
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.*

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Trade Union and Labour Relations (Consolidation) Act 1992 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial

statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and inquiries of management.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment and data protection. We performed audit procedures to inquire of management whether the Union is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls and depreciation of leasehold investment property as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. 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.

RSM UK AUDIT LLP, Statutory Auditors
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

A full copy of the audited accounts is available to view on the AEP Website. Copies will also be available at the Annual General Meeting.



John Drewicz
Association Secretary




URGENT Statement to Members

Final Audit Report

2025-05-25

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