

CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

STATEMENT TO MEMBERS

**As required by the Trade Union and Labour Relations
(Consolidation) Act 1992
as amended by the
Trade Union Reform and Employment Rights Act 1993**

**Comprising an extract from the financial statements
for the year ended 31 December 2022
accompanied by a
Statutory Declaration**

**CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS
AND**

STATEMENT TO MEMBERS

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CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	£	£	£	£
Operating Income				
Affiliation Fees	155,737		139,011	
Other	1,265		2,061	
		<u>157,002</u>		<u>141,072</u>
Operating Expenditure				
Personnel	99,882		85,443	
Property and equipment	3,176		3,176	
General Expenses	73,516		79,319	
Meetings	29,827		9,731	
		<u>(206,401)</u>		<u>(177,669)</u>
Operating Result		<u>(49,399)</u>		<u>(36,597)</u>
Taxation		-		-
Comprehensive Result for the Year		<u>(49,399)</u>		<u>(36,597)</u>
Accumulated Funds brought forward		366,449		403,046
Accumulated Funds carried forward		<u>317,050</u>		<u>366,449</u>

CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

BALANCE SHEET
AS AT 31 DECEMBER 2022

	2022		2021	
	£	£	£	£
Current Assets				
Debtors and Prepayments	39,468		42,336	
Cash in Hand and at Bank	370,958		411,195	
	<u>410,426</u>		<u>453,531</u>	
Current Liabilities				
Creditors and Accruals	93,376		87,082	
	<u>93,376</u>		<u>87,082</u>	
Net Current Assets		317,050		366,449
Total Net Assets		<u>317,050</u>		<u>366,449</u>
Financed by:				
Accumulated Funds		<u>317,050</u>		<u>366,449</u>

Accounts approved for issue to the members on 30 May 2023.

I Waddell
General Secretary

A Burke
Executive Council Member

NOTES ON THE CSEU

1. Analysis of General Secretary salary and benefits:

Ian Waddell – General Secretary

Salary (Gross)	£95,797
Pension contributions	£19,851
Use of Union car	£5,068

2. There are no paid officials other than the General Secretary. Neither the President of the Confederation nor any member of its committees, trustees nor Executive Council has received remuneration or taxable benefit.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

Set out below is the report of the independent auditor to the members of the Confederation of Shipbuilding and Engineering Unions as contained in the financial statements for the year ended 31 December 2022 from which the preceding information has been extracted:

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS

Opinion

We have audited the financial statements of the Confederation of Shipbuilding and Engineering Unions for the year ended 31 December 2022 which comprise the Income and Expenditure Account, the Balance Sheet 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 Financial Reporting Standard 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 Unions's affairs as at 31 December 2022 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 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded the the Executive Council'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 the period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council with respect of going concern are described in the relevant sections of this report.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our audit report thereon. The Council 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 inconsistency or apparent material misstatement, 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

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 Confederation 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.

We have nothing to report in this regard.

Responsibilities of the Executive Council

As explained more fully in the Statement of Responsibilities of the Executive Council, the Executive Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Executive Council 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 Executive Council is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Council either intends 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 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.

As part of our planning process:

- We enquired of management the systems and controls the union has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The union did not inform us of any known, suspected or alleged fraud.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CONFEDERATION OF SHIPBUILDING AND ENGINEERING UNIONS (continued)

- We obtained an understanding of the legal and regulatory frameworks applicable to the union. We determined that the following were most relevant: FRS 102 and the Trade Union and Labour Relations Act 1992.
- We considered the incentives and opportunities that exist in the union, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the union, together with the discussions held with the union at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the national executive committee's board minutes, correspondence with solicitors, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with management.

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 Confederation's members as a body. Our audit work has been undertaken so that we might state to the Confederation'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 Confederation and the Confederation's members as a body, for our audit work, for this report, or for the opinions we have formed.

HW FISHER
Chartered Accountants
Statutory Auditor

Dated 30 May 2023

Acre House
11 – 15 William Road
London NW1 3ER
United Kingdom

STATUTORY DECLARATION

Under the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Trade Union Reform and Employment Rights Act 1993 we are required by law to append a declaration which is reproduced below.

"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."

