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# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

NATIONAL UNION OF TEACHERS

Year ended:

31<sup>ST</sup> DECEMBER 2010

List no:

235

Head or Main Office:

HAMILTON HOUSE  
MABLEDON PLACE  
LONDON  
WC1H 9BD

Website address (if available)

Has the address changed during  
the  
year to which the return relates?

Yes

No

*(Click the appropriate box)*

General Secretary:

CHRISTINE BLOWER

Telephone Number:

020 7388 6191

Contact name for queries  
regarding

AUDREY ALLEN-CHITWA

Telephone Number:

020 7388 6191

E-mail:

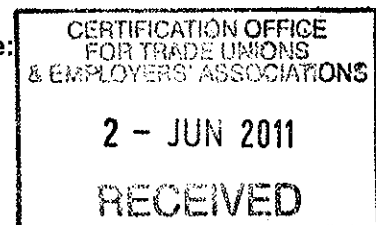
**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Unions based in England and Wales:  
Certification Office for Trade Unions and Employers' Associations  
22<sup>nd</sup> Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:  
Certification Office for Trade Unions and Employers' Associations  
Melrose House, 69a George Street, Edinburgh EH2 2JG



*(Revised February 2011)*

# 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
MALE	88,658			284	<b>88,942</b>
FEMALE	285,358			742	<b>286,100</b>
TOTAL	374,016			1,026	<b>A 375,042</b>

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

338
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Number of members at end of year contributing to the General Fund

308,569
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## OFFICERS IN POST

(see note 12)

**Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.**

## RETURN OF CHANGE OF OFFICERS

**Please complete the following to record any changes of officers during the twelve months covered by this return.**

Title of Office	Name of Officer Ceasing to hold office	Name of Officer Appointed	Date
PRESIDENT	M. REED	G. GOODSWEN	2 <sup>ND</sup> APRIL 2010
SENIOR VICE PRESIDENT	G. GOODSWEN	N. FRANKLIN	2 <sup>ND</sup> APRIL 2010
EX PESIDENT	B.GREENSHEELDS	M. REED	2 <sup>ND</sup> APRIL 2010
JUNIOR VICE PRESIDENT	N. FRANKLIN	M. HARROP	2 <sup>ND</sup> APRIL 2010

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

--

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

--

and names:

--

**EXECUTIVE MEMBERS  
AT 31 DECEMBER 2010**

ALAN RUTTER	
ALEX KENNY	
AMANDA MARTIN	
ANGELA DAVIES	
ANNE LEMON	
ANNE SWIFT	
BETH DAVIES	
BARRIE FROST	
BETTY JOSEPH	
CHRIS BLAKEY	
DAVID BRINSON	
DAVE HARVEY	
DAVE LYONS	
DOMINIC BYRNE	
EDDIE RITSON	
GILL GOODSWEN	PRESIDENT
HAZEL DANSON	
HEATHER MACKENZIE	
HELEN ANDREWS	
IAN GRAYSON	
IAN LEAVER	
IAN MURCH	TREASURER
JERRY GLAZIER	
JOHN HOLMES	
JULIE DAVIES	
JULIE LYON-TAYLOR	
KENDRA DEACON	
KEN RUSTIDGE	
MARILYN HARROP	
MARTIN POWELL-DAVIES	
MARTIN REED	EX PRESIDENT
MAX HYDE	
NEIL FODEN	
NICK WIGMORE	
NICK GRANT	
NINA FRANKLIN	SENIOR VICE PRESIDENT
PATRICK MURPHY	
PETE BEVIS	
ROBIN HEAD	
ROGER KING	
SIMON JONES	
TONY TONKS	
VERONICA PEPPIATT	JUNIOR VICE PRESIDENT

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		28,325,980
<b>From Members:</b> Other income from members (specify)		
<b>Total other income from members</b>		-
<b>Total of all income from members</b>		28,325,980
<b>Investment income (as at page 12)</b>		1,255,478
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	946,037	
<b>Total of other income (as at page 4)</b>		946,037
		<b>TOTAL INCOME</b>
		30,527,495
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		11,499,206
<b>Administrative expenses (as at page 10)</b>		12,100,450
<b>Federation and other bodies (specify)</b> TUC	726,005	
Ei/ETUCE	458,293	
Transfer to branches fund	268,425	
Transfer to pension fund	985,000	
<b>Total expenditure Federation and other bodies</b>		2,437,723
<b>Taxation</b>		
		<b>TOTAL EXPENDITURE</b>
		26,037,380
Surplus (deficit) for year		4,490,116
Amount of general fund at beginning of year		16,139,725
Amount of general fund at end of year		20,629,841

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
Teacher advertising	319,541	
Commissions	467,455	
Diaries	35,343	
Other	123,699	
<b>TOTAL OTHER INCOME</b>		946,037
<b>TOTAL OF ALL OTHER INCOME</b>		946,037

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	1,473,332
		Education and Training services	899,880
Representation – Non Employment Related Issues		Negotiated Discount Services Countdown	159,545
	142,316		
Communications			
The teacher	1,058,369		
Diaries	37,727		
Website	210,028	Salary Costs	8,484,637
Advisory Services			
Advisory committee	24,942		
		Other Benefits and Grants (specify)	
Dispute Benefits		Insurance for members	221,670
		Professional development	247,288
		Projects	12,804
Other Cash Payments			
<b>carried forward</b>	<b>1,4773,382</b>	<b>Total (should agree with figure in General Fund)</b>	<b>11,499,206</b>

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	SUSTENTATION FUND	£	£
<b>Income</b>			
	From members		290,421
	Investment income (as at page 13)		47,705
	Other income (specify)		
	Increase in Market Value of Investments	188,374	
		<b>Total other income as specified</b>	188,374
		<b>Total Income</b>	526,500
<b>Expenditure</b>			
	Benefits to members –Sustentation Grants Paid		88,069
	Administrative expenses and other expenditure (as at page 10)		52,014
		<b>Total Expenditure</b>	140,083
		<b>Surplus (Deficit) for the year</b>	386,417
		<b>Amount of fund at beginning of year</b>	4,098,877
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	4,485,294
		<b>Number of members contributing at end of year</b>	308,569

FUND 3		Fund Account	
Name:	LEGACY FUND	£	£
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		<b>Total other income as specified</b>	-
		<b>Total Income</b>	
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		<b>Total Expenditure</b>	-
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	14,248
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	14,248
		<b>Number of members contributing at end of year</b>	

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	INTERNATIONAL DEVELOPMENT	£	£
<b>Income</b>			
	From members		290,421
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		290,421
<b>Expenditure</b>			
	Benefits to members – International Aid		124,508
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		124,508
	<b>Surplus (Deficit) for the year</b>		165,913
	<b>Amount of fund at beginning of year</b>		204,953
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		370,866
	<b>Number of members contributing at end of year</b>		308,569

FUND 5		Fund Account	
Name:	BRANCHES FUND	£	£
<b>Income</b>			
	From members		3,496,346
	Investment income (as at page 12)		19,718
	Other income (specify) Transfer from General Fund	268,425	
	Profit on sale of fixed assets	60	
	Diary Sales	2,623	
	Donations	13,129	
	<b>Total other income as specified</b>		284,237
	<b>Total Income</b>		3,800,301
<b>Expenditure</b>			
	Benefits to members	266,056	
	Administrative expenses and other expenditure (as at page 10)	3,613,485	
	<b>Total Expenditure</b>		3,879,541
	<b>Surplus (Deficit) for the year</b>		(79,240)
	<b>Amount of fund at beginning of year</b>		5,770,475
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		5,691,235
	<b>Number of members contributing at end of year</b>		308,569



(See notes 24 and 25)

FUND 6		Fund Account	
Name:	PENSION RESERVE FUND FRS17	£	£
<b>Income</b>			
	From members		
	Investment income (as at page 13)		
	Other income (specify)		
	Transfer from General Fund		985,000
		<b>Total other income as specified</b>	
		<b>Total Income</b>	985,000
<b>Expenditure</b>			
	Actuarial Losses		4,170,000
	Administrative expenses and other expenditure (as at page 10)		
		<b>Total Expenditure</b>	4,170,000
		<b>Surplus (Deficit) for the year</b>	(3,185,000)
		<b>Amount of fund at beginning of year</b>	(10,365,000)
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	(13,550,000)
		<b>Number of members contributing at end of year</b>	

FUND 7		Fund Account	
Name:	STOKE ROCHFORD FUND	£	£
<b>Income</b>			
	From members		
	Investment income (as at page 13)		
	Other income (specify) Trading Income		1,852,314
		<b>Total other income as specified</b>	
		<b>Total Income</b>	1,852,314
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		2,555,571
		<b>Total Expenditure</b>	2,555,571
		<b>Surplus (Deficit) for the year</b>	(703,257)
		<b>Amount of fund at beginning of year</b>	14,283,105
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	13,579,848
		<b>Number of members contributing at end of year</b>	

(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>	
		<b>£</b>	<b>£</b>
<b>Income</b>	Members contributions and levies		384,799
	Investment income (as at page 12)		
	Other income (specify) Donations	23	
	Total other income as specified		23
	Total income		384,822
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify) Campaign Costs		408,250
	Non-political expenditure		
	Total expenditure		408,250
	Surplus (deficit) for year		(23,428)
	Amount of political fund at beginning of year		301,266
	Amount of political fund at the end of year (as Balance Sheet)		277,838
	Number of members at end of year contributing to the political fund		306,380
	Number of members at end of the year not contributing to the political fund		68,662
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		2,189

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>	
		<b>£</b>	<b>£</b>
<b>Income</b>	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		
<b>Expenditure</b>	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 fund		
	Amount held on behalf of central political fund at end of year		
	Number of members at end of year contributing to the political fund		
	Number of members at end of the year not contributing to the political fund		
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund			

**ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS** (see notes 32 and 33)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		4,003,609
Salaries and Wages included in above	£3,669,209	
Auditors' fees		55,702
Legal and Professional fees		230,673
Occupancy costs		1,654,723
Stationery, printing, postage, telephone, etc.		2,292,478
Expenses of Executive Committee (Head Office)		354,386
Expenses of conferences		1,001,861
Other administrative expenses (specify) Computer Support		513,114
Research Fees		20,468
Campaigns and Action		2,370,257
Elections		232,826
Staff Recruitment		338,521
Loss on sale of fixed assets		747
Loss on sale of investments		3,550
Badges and souvenirs		48,005
Subscriptions and donations		122,045
Expenses of committees/ outside bodies		1,318,006
Stoke Rochford costs		2,198,462
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		1,179,819
Taxation		(31,378)
Other outgoings (specify) Executive IT grants		28,506
Bank Charges		79,254
Telephone Recruitment		305,886
	<b>Total</b>	18,321,520
Charged to:		
	General Fund (Page 3)	12,100,450
	Sust. Fund (Account2)	52,014
	Leg. Fund (Account3)	
	Branc.Fund (Account5)	3,613,485
	Stoke. Fund (Account7)	2,555,571
	<b>Total</b>	18,321,520



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**EXECUTIVE - HONORARIA & ICT GRANTS 2010**

	HONORARIA	ICT GRANT	TOTAL
	£	£	£
ALAN RUTTER	625	754	1379
ALYSON PALMER DERMODY	0		0
ALEX KENNY	625		625
AMANDA MARTIN	469	476	945
ANGELA DAVIES	625		625
ANNE LEMON	469		469
ANNE SWIFT	417		417
BETH DAVIES	469	990	1459
BAHJEET GHALE	208	680	888
BARRIE FROST	625	806	1431
BETTY JOSEPH	417		417
BILL GREENSHIELDS	208	579	787
CHRISTINE HOOD	208		208
CHRIS BLAKEY	625	49	674
DAVID BRINSON	625	95	720
DAVE HARVEY	625	1000	1625
DAVE LYONS	625	450	1075
DOMINIC BYRNE	625	999	1624
EDDIE RITSON	625	586	1211
GILL GOODSWEN	625	704	1329
GORONWY JONES	208		208
HAZEL DANSON	625	931	1556
HEATHER MACKENZIE	469		469
HELEN ANDREWS	625	1854	2479
IAN GRAYSON	625	1000	1625
IAN LEAVER	469	999	1468
IAN MURCH	625	448	1073
JANE RUDON	208		208
JERRY GLAZIER	625	667	1292
JOHN HOLMES	625		625
JUDY MOORHOUSE	208		208
JULIE DAVIES	625	1000	1625
JULIE LYON-TAYLOR	625	782	1407
KEITH GARDINER	208		208
KENDRA DEACON	625	820	1445
KEN RUSTIDGE	625	1000	1625
KEVING COURTNEY	104		104
LESLEY AUGER	208		208
MARILYN HARROP	417	1000	1417
MARTIN POWELL-DAVIES	417	1000	1417
MARTIN REED	625	999	1624
MAX HYDE	625		625
MICHAEL LERRY	208		208
NEIL FODEN	625	948	1573
NICK WIGMORE	469	949	1418
NICK GRANT	625	892	1517
NINA FRANKLIN	625	840	1465
PATRICK MURPHY	625	914	1539
PETE BEVIS	625	1198	1823
ROBIN HEAD	469	1000	1469
ROGER KING	625		625
SIMON JONES	625	1000	1625
TONY TONKS	625	196	821
VERONICA PEPPIATT	625		625
<b>Totals</b>	<b>26931</b>	<b>28506</b>	<b>55437</b>

**EXAMINER OF ACCOUNTS**

HILARY BILLS	625	625
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# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £
Rent from land and buildings		1,072,557
Dividends (gross) from:		
Equities (e.g. shares)		37,525
Interest (gross) from:		
Government securities (Gilts)		1,184
Mortgages		
Local Authority Bonds		
Bank and Building Societies		211,634
Other investment income (specify)		
		1,322,900
	Total investment income	1,322,900
	Credited to:	
	General Fund (Page 3)	1,255,478
	Sustentation Fund (Account 2)	47,704
	Legacy Fund (Account 3)	-
	International Fund (Account 4)	-
	Branches Fund (Account 5)	19,718
	Stoke Rochford Fund	-
	Political Fund	-
	Total Investment Income	1,322,900

# BALANCE SHEET as at 31 DECEMBER 2010

(see notes 47 to 50)

Previous Year		£	£
20,523,224	<b>Fixed Assets</b> (at page 16)		20,127,251
	<b>Investments</b> (as per analysis on page 17)		
2,249,534	Quoted (Market value £ )	2,391,303	
1,310,461	Unquoted	1,300,707	
3,559,995	<b>Total Investments</b>		3,692,010
	<b>Other Assets</b>		
	Loans to other trade unions	-	
1,032,274	Sundry debtors	1,208,030	
17,391,079	Cash at bank and in hand	21,032,406	
385,486	Corporation tax to be recovered	385,486	
46,837	Stocks of goods	54,481	
(10,365,000)	Others (specify) Pension Liability	(13,550,000)	
	Deferred tax asset	108,421	
11,855	Short term loans	162,908	
8,502,531	<b>Total of other assets</b>		9,401,732
32,585,750	<b>TOTAL ASSETS</b>		33,220,993
16,139,725	General Fund (Account 1)		20,629,841
4,098,877	Sustentation Fund (Account 2)		4,485,294
14,248	Legacy Fund (Account 3)		14,248
204,953	International Fund(Account 4)		370,866
5,770,475	Branch Fund(Account 5)		5,691,235
14,283,105	Stoke Rochford Fund(Account 7)		13,579,848
(10,365,000)	Superannuation Fund (Account 6)		(13,550,000)
301,266	Political Fund (Account 1)		277,838
	Revaluation Reserve		
30,447,649			31,499,170
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
21,000	Loans: Other		
	Bank overdraft		
4,152	Tax payable		142,803

1,713,480	Sundry creditors		1,062,711
323,385	Deferred income		516,309
	Provisions		
76,081	Other liabilities		
		<b>TOTAL LIABILITIES</b>	<b>1,721,823</b>
32,585,750		<b>TOTAL ASSETS</b>	<b>33,220,993</b>



# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipmen t £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
<b>Cost or Valuation</b>						
At start of year	5,996,930	13,537,081	8,592,207	44,867		28,171,085
Additions	308,162	44,374	425,964	6,093		784,593
Disposals			(227,823)	(29,136)		256,959)
Revaluation/Transfe rs	(740,314)	740,314				
At end of year	5,564,778	14,321,769	8,790,349	21,824		28,698,720
<b>Accumulated Depreciation</b>						
At start of year	1,363,913	851,726	5,390,167	42,055		7,647,861
Charges for year	157,445	518,016	504,054	304		1,179,819
Disposals			(227,075)	(29,136)		(256,211)
Revaluation/Transfe rs	(37,157)	37,157				
At end of year	1,484,201	1,406,899	5,667,146	13,223		8,571,469
<b>Net book value at end of year</b>	4,080,577	12,914,870	3,123,203	8,601		20,127,251
<b>Net book value at end of previous year</b>	4,633,017	12,685,355	3,202,040	2,812		20,523,224

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

		All Funds Except Political Funds £	Political Fund  £
	<b>QUOTED</b>		
	Equities (e.g. Shares)	1,941,980	
	Government Securities (Gilts)	136,403	
	Other quoted securities (to be specified)	312,920	
	<b>TOTAL QUOTED (as Balance Sheet)</b>	<b>2,391,303</b>	-
	Market Value of Quoted Investment	2,391,303	
	<b>UNQUOTED</b>		
	Equities	5,000	
	Government Securities (Gilts)		
	Mortgages		
	Bank and Building Societies	1,295,707	
	Other unquoted investments (to be specified)		
	<b>TOTAL UNQUOTED (as Balance Sheet)</b>	<b>1,300,707</b>	
	Market Value of Unquoted Investments		

# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME  STOKE ROCHFORD MANAGEMENT LTD (100%)	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)  1361390		
TEACHER PUBLISHING CO LTD (100%)	102549		
WRITTEN DOWN TO £1 AS THE COMPANY HAS BEEN DORMANT FOR MANY YEARS			
PROFESSIONAL AND EDUCATION TRAVEL ASSOCIATION LTD – DORMANT – NO ASSETS	1086502		
<b>Are the shares which are controlled by the union registered in the names of the union’s trustees?</b>		YES <input checked="" type="checkbox"/>	NO <input checked="" type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME  TEACHER PUBLISHING CO LTD	NAMES OF SHAREHOLDERS CHRISTINE BLOWER( GENERAL SECRETARY)		
PROFESSIONAL AND EDUCATION TRAVEL ASSOCIATION LTD – DORMANT – NO ASSETS	TEACHER PUBLISHING CO LTD		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	32,403,168	384,799	32,787,967
From Investments	1,322,900		1,322,900
Other Income (including increases by revaluation of assets)	3,270,963	23	3,270,986
<b>Total Income</b>	36,997,031	384,822	37,381,853
<b>EXPENDITURE</b> (including decreases by revaluation of			
<b>Total Expenditure</b>	35,922,082	408,250	36,330,332
<b>Funds at beginning of year</b> (including reserves)	30,146,383	301,266	30,447,649
<b>Funds at end of year</b> (including reserves)	31,221,332	277,838	31,499,170
<b>ASSETS</b>			
Fixed Assets			20,127,251
Investment Assets			3,692,010
Other Assets			9,410,732
		<b>Total Assets</b>	33,220,993
<b>LIABILITIES</b>		<b>Total Liabilities</b>	1,721,823
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			31,499,170

# NOTES TO THE ACCOUNTS

(see notes 72 and 73)

All notes to the accounts must be entered on or attached to this part of the return.

Please refer to the following pages

# National Union of Teachers

## Notes forming part of the consolidated financial statements for the year ended 31 December 2010 (*continued*)

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### 1 Prior year adjustment

Following a review of the Union's relationship with its related entity, Stoke Rochford Management Limited, and in accordance with United Kingdom Accounting Standards the results of this wholly owned subsidiary company have been consolidated within the Union's financial statements. Previously, Stoke Rochford Management Limited was considered to act independently from the Union. However, following this review it was concluded that Stoke Rochford Management Limited is and always has been legally owned by the Union and while day to day management rests within the Company's management the Union has always maintained the ability to apply strategic control. As a result the subsidiary company's results, along with that of its dormant subsidiaries, The Teacher Publishing Co. Limited and Professional and Educational Travel Association Limited, have now been included in the financial statements during the years in which they have occurred.

Adjustments have been made to recognise the income and expenditure and assets and liabilities of Stoke Rochford Management Limited, The Teacher Publishing Co. Limited and Professional and Educational Travel Association Limited, which in accordance with FRS 2 'Subsidiary undertakings' are consolidated on a line by line basis.

This prior year adjustment has no direct impact on the Union's own results, and hence the Union's results for 2009 have not been restated. Likewise, due to the first time consolidation of the Union and its wholly owned subsidiaries the requirement to recognise this prior year adjustment does also not have an impact of the consolidated results for the year ended 31 December 2009.

The inclusion of Stoke Rochford Management Limited within the results of the Union has had the effect of reducing its surplus for the year by £703,257 (2009 - £724,876) and increasing its net funds by £14,929,872 (2009 - £15,446,778). The inclusion of The Teacher Publishing Co. Limited and Professional and Educational Travel Association Limited within the results of the Union has had no effect on its surplus for the year or its net funds.

## National Union of Teachers

### Notes forming part of the consolidated financial statements for the year ended 31 December 2010 (*continued*)

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#### 2 Related party transactions

The National Union of Teachers has two subsidiary companies, Stoke Rochford management Limited and The Teacher Publishing company Limited.

Teacher Publishing Company has a subsidiary, Professional and Educational Travel Association Limited. Both companies have remained dormant throughout the year.

Members of the national Union of Teachers act as directors of each of these companies.

In addition, 10 members of the Executive sit on the National Council of the Teacher's Support Network (a company limited by guarantee with charitable status whose objects are to provide support, advice and practical help to all members of the teaching profession and their families regardless of age, length of service or Union affiliation). Of these 10 members of the Executive, 2 sit on the board of Trustees and are directors of the charitable company.

A summary of the transactions undertaken between the National Union of Teachers and its related parties is set out below:

- (a) Stoke Rochford Management Limited occupied and used the Union's property, Stoke Rochford Hall, throughout the year for no rent.
- (b) One Union employee was, up until 30 September 2010, engaged largely on the affairs of Stoke Rochford Management Limited, and the costs associated with this employee are fully charged to Stoke Rochford Management Limited.
- (c) The Union has obtained Education and Conference facilities from Stoke Rochford Management Limited during the course of the year at an invoice value of £566,266 exclusive of VAT (2009 - £521,975).
- (d) The Union has provided a guarantee on a 10 year interest free loan to Stoke Rochford Management Limited from Everards Breweries. The balance outstanding on the loan at 31 December 2010 was £Nil (2009 - £33,000).
- (e) During the year the Union increased its investment in Stoke Rochford Management Limited by providing the Company with £186,351 in long term funding and enabled it to continue its programme of capital improvements at Stoke Rochford Hall.
- (f) The balance due to the subsidiary company is disclosed in note 23.
- (g) During the course of the year, the National Union of Teachers collected subscriptions on behalf of the Teachers' Support Network amounting to £157,847 (2009 - £167,512).
- (h) In 2010 the National Union of Teachers made charitable donations to the Teachers' Support Network of £Nil (2009 - £25,000).
- (i) At 31 December 2010 £11,326 was due from the Teachers' Support Network (2009 - £11,326).
- (j) £21,594 was credited during the year to transfer obligations on the Teacher publishing Company Pension Scheme to an insurance company (2009 - charge of £21,594).

## National Union of Teachers

### Notes forming part of the consolidated financial statements for the year ended 31 December 2010 (continued)

#### 2 Related party transactions (continued)

- (k) The National Union of Teachers consists of Head Office, Regional and Wales Offices, associations and divisions. The financial statements disclose the net assets and transactions of Head office and the Regional and Wales Offices. As explained in Note 1(k), they do not reflect the assets, liabilities and transactions of local associations and divisions other than those transactions with the Union's Head Office or Regional and Wales Offices. The AR21 return to the Certification Officer of Trade Unions consolidates the assets, liabilities and transactions of the National Union and its associations and divisions.

The following transactions with associations and divisions are reflected in these accounts:

- Payment of grants to associations and divisions £268,425 (2009 - £302,078).
- Subscriptions collected on behalf of associations and divisions and remitted to them amounted to £3,527,566 (2009 - £3,353,371). These payments are reflected in the accounts by set off against subscription income.

#### 3 Pension costs

##### Consolidated and Union

Employees of the Union who are 18 years old and over are eligible to join the National Union of Teachers Staff Superannuation Fund, which is a funded defined benefit scheme. The Scheme is open to new entrants and to future accrual. Members of the Fund contribute 6% of pensionable earnings whilst the participating employer's contribution varies in accordance with the terms of the trust instrument governing the Fund and the recommendation of the Fund's actuary.

The employer expects to contribute £2,400,000 for the year ended 31 December 2011. The current arrangements as regards to contribution rates are described in a Schedule of Contributions dated 26 March 2010. The anticipated pension contribution shown above has been estimated on the basis of total salaries of £8,050,000 and allowance has been made for death in service insurance premium payments. Administration expenses and PPF levies are met by the employer.

During the year the fund had 251 (2009 – 245) active members, paid pensions to 160 (2009 – 156) retired members and recognised additional future pension commitments in respect of 105 (2009 – 104) deferred pensioners.

The fund is subject to triennial valuations by an independent actuary. The most recent formal valuation to have been completed was carried out as at 31 December 2008. The valuation was prepared using the projected unit method and was based on the following principal assumptions:

Rate of discount pre retirement	6.3% p.a.
Rate of discount post retirement	4.55% p.a.
Rate of pay escalation	3.5% p.a.
Rate of pension payment increase	3.0% p.a.

The valuation showed that, on an ongoing basis, the Fund's assets amounted to 65% of the value of the accrued benefits, allowing for expected future increases in earnings.

The market value of the Fund's assets at 31 December 2008 amounted to £41.8m.

The following disclosures have been prepared to comply with FRS17.



## National Union of Teachers

### Notes forming part of the consolidated financial statements for the year ended 31 December 2010 (continued)

#### 3 Pension costs (continued)

The information required to comply with FRS17 was generated by the Scheme's Actuary. It is based on the interim results of the full actuarial valuation which is being carried out at 31 December 2008 and updated to 31 December 2010 by a qualified independent actuary using approximate actuarial techniques and available information.

Under FRS17, the net pension deficit or surplus (measured in accordance with the requirements of the standard) are reflected on the Union's balance sheet as a pension liability or asset. Movements on the pension scheme asset or liability during the year are reflected through the Income and Expenditure account to the extent that they arise from the employer's current service cost and expected return on the Scheme's assets, net of interest on pension scheme liabilities. Movements arising from changes in actuarial assumptions including differences between the actual return and expected return on the scheme's assets and experience gains and losses on the Scheme's liabilities are reflected through the statement of total recognised gains and losses.

The FRS17 current service costs of pensions amounts to £1,111,000 (2009 - £986,000) whereas the expected return on pension assets exceeds interest on pension scheme liabilities by £34,000 (2009 – expected return on pension assets is exceeded by interest on pension scheme liabilities by £306,000), resulting in a net charge reflected through the Income and Expenditure account of £1,077,000 (2009 - £1,292,000).

In addition, in the current year actuarial losses of £4,170,000 (2009 – losses of £185,000) are reflected through the Statement of Total Recognised Gains and losses.

	Value at 31 December 2010 £000	Value at 31 December 2009 £000	Value at 31 December 2008 £000
Present value of funded obligations	65,191	56,633	52,429
Fair value of Scheme assets	(51,641)	(46,268)	(41,668)
	<u>13,550</u>	<u>10,365</u>	<u>10,761</u>
Present value of unfunded obligations	-	-	-
Unrecognised past service cost	-	-	-
	<u>13,550</u>	<u>10,365</u>	<u>10,761</u>
Net liability (asset)	<u>13,550</u>	<u>10,365</u>	<u>10,761</u>

The Union does not benefit generally from tax relief on employee remuneration. Therefore there are no deferred tax implications to pension scheme deficits or surpluses.

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## National Union of Teachers

Notes forming part of the consolidated financial statements  
 for the year ended 31 December 2010 *(continued)*

### 3 Pension costs *(continued)*

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

	At 31 December 2010 (per annum)	At 31 December 2009 (per annum)	At 31 December 2008 (per annum)
<b>Financial assumptions</b>			
Rate of increase in salaries	3.5%	2.5% for 2 years, 3.5% thereafter	3.5%
Rate of increase of pensions in payment	3.2%	3.0%	3.0%
Rate of revaluation of deferred pensions in excess of GMP	3.2%	3.0%	3.0%
Discount rate	5.4%	5.8%	6.2%
Inflation assumption	3.2%	3.0%	3.0%
Expected return on Scheme assets	7.11%	7.0%	7.23%

## National Union of Teachers

Notes forming part of the consolidated financial statements  
for the year ended 31 December 2010 (continued)

### 3 Pension costs (continued)

	At 31 December 2010 (per annum)	At 31 December 2009 (per annum)	At 31 December 2008 (per annum)
<b>Demographic assumptions</b>			
Post retirement mortality for non pension members (male/female)	<b>S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)</b>	S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)	PXA92YOB medium cohort
Post retirement mortality for pension members (male/female)	<b>S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)</b>	S1PXA_LYOB long cohort (with 0.5% pa minimum improvement)	PXA92YOB medium cohort
Life expectancy at age 60 for some who is currently 60 (pensioner)	<b>Male 88.8 years Female 90.2 years</b>	Male 88.7 years Female 90.2 years	Male 86.8 years Female 89.8 years
Life expectancy at age 60 for someone who is current 45 (non pensioner)	<b>Male 90.2 years Female 91.6 years</b>	Male 89.8 years Female 91.3 years	Male 87.7 years Female 90.6 years
Cash commutation allowance	<b>Yes</b>	Yes	Yes
Withdrawal allowances	<b>Yes</b>	Yes	Yes

The overall expected rate of return on the Scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each class.

In setting the expected return on the assets as at 1 January 2011, the actuary has taken into account the opinions of leading investment houses, yields on government bonds and yields on quality corporate bonds.

#### Fair value of assets

	Value at 31 December 2010 £'000	Proportion at 31 December 2010 %	Value at 31 December 2009 £'000	Proportion at 31 December 2009 %	Value at 31 December 2008 £'000	Proportion at 31 December 2008 %
Equities	-	-	-	-	19,278	46%
Corporate Bonds	23,024	45%	20,351	44%	18,321	44%
Diversified growth	27,127	52%	23,938	52%	2,056	5%
Cash	1,490	3%	1,979	4%	2,013	5%
<b>Total value of assets</b>	<b>51,641</b>	<b>100%</b>	<b>46,268</b>	<b>100%</b>	<b>41,668</b>	<b>100%</b>

The Scheme assets do not include investments issued by the National Union of Teachers nor any property occupied by the National Union of Teachers.

## National Union of Teachers

Notes forming part of the consolidated financial statements  
for the year ended 31 December 2010 (*continued*)

### 3 Pension costs (*continued*)

#### Expected long term rate of return (per annum)

	At 31 December 2010 (per annum)	At 31 December 2009 (per annum)	At 31 December 2008 (per annum)
Equities	N/A	N/A	8.40%
Corporate bonds	5.80%	5.80%	5.60%
Diversified growth	8.40%	8.40%	8.40%
Cash	4.90%	4.90%	4.90%
<b>Average return</b>	<b>7.11%</b>	<b>7.06%</b>	<b>7.00%</b>

	2010 £'000	2009 £'000	2008 £'000
<b>Actual return on Plan assets</b>	<b>4,889</b>	<b>4,633</b>	<b>(12,136)</b>

#### Income and expenditure account impact

	Value at 31 December 2010 £'000	Value at 31 December 2009 £'000	Value at 31 December 2008 £'000
Current service cost	1,111	986	1,223
Interest on obligations	3,271	3,222	3,092
Expected return on plan assets	(3,305)	(2,916)	(3,883)
Past service cost	-	-	-
	<b>1,077</b>	<b>1,292</b>	<b>432</b>

#### Amount recognised in the statement of total recognised gains and losses

	Value at 31 December 2010 £'000	Value at 31 December 2009 £'000	Value at 31 December 2008 £'000
Net actuarial (losses)/gains recognised in year	(4,170)	(185)	(12,308)
Net cumulative actuarial (losses)/gains	<b>(14,005)</b>	<b>(9,835)</b>	<b>(9,650)</b>

# National Union of Teachers

## Notes forming part of the consolidated financial statements for the year ended 31 December 2010 (*continued*)

### 3 Pension costs (*continued*)

#### Change in the present value of the defined benefit obligation

	Value at 31 December 2010 £'000	Value at 31 December 2009 £'000	Value at 31 December 2008 £'000
Opening defined benefit obligations	56,633	52,429	53,590
Service cost	1,111	986	1,223
Interest cost	3,271	3,222	3,092
Employees' contributions	582	527	478
Past service benefits granted during the year	-	-	-
Actuarial losses/(gains)	5,754	1,902	(3,701)
Benefits paid	(2,160)	(2,433)	(2,253)
	<u>65,191</u>	<u>56,633</u>	<u>52,429</u>

#### Change in the fair value of plan assets

Opening fair value of plan assets	46,268	41,668	53,700
Expected return	3,305	2,916	3,883
Actuarial gains/(losses)	1,584	1,717	(16,009)
Contributions by employer	2,062	1,873	1,869
Contributions by plan participants	582	527	478
Benefits paid	(2,160)	(2,433)	(2,253)
	<u>51,641</u>	<u>46,268</u>	<u>41,668</u>

#### History of experience gains and losses

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Defined benefit obligations	(65,191)	(56,633)	(52,429)	(53,590)	(54,290)
Plan assets	51,641	46,268	41,668	53,700	51,948
Surplus/(deficit)	(13,550)	(10,365)	(10,761)	110	(2,342)
Experience adjustments on Plan liabilities	(464)	2,821	(1,564)	1,048	(2,055)
Percentage of the present value of scheme liabilities	(0.7%)	5.0%	(3.0%)	2.0%	(3.8%)
Actual return less expected return on Plan assets	1,584	1,717	(16,009)	(2,365)	2,837
Percentage of Scheme assets	3.1%	3.7%	38.4%	4.4%	5.5%

# National Union of Teachers

## Notes forming part of the consolidated financial statements for the year ended 31 December 2010 (continued)

### 4 Fixed assets

Any Pension Scheme liability is secured by a first legal charge over the Union's Headquarters.

Properties both freehold and leasehold are disclosed at cost. In the view of the Officers' the market value of these properties is significantly higher than their book value.

The freehold property used as Union headquarters is subject to a first legal charge in favour of the National Union of Teachers Staff Superannuation Fund to cover actuarial deficits. Note 33 indicates that at 31 December 2010 the Union had a net pension liability, as calculated by the actuary under FRS17, of some £13.5m (2009 – £10.4m). At 31 December 2008 the Union's headquarters were valued by Knight Frank Chartered Surveyors. The open market value of this property in existing use at that time amounted to £14.5m.

### 5 Short term loans

#### Consolidated and Union

	At 1 January 2010 £	Loans Granted £	Interest £	Repaid in year £	At 31 December 2010 £
Executive car loans	4,794	66,000	623	(27,080)	44,337
Employee house deposit loans	5,404	-	-	(1,639)	3,765
Season ticket loans	1,657	225,207	-	(112,058)	114,806
	<u>11,855</u>	<u>291,207</u>	<u>623</u>	<u>(140,777)</u>	<u>162,908</u>

Executive car loans are restricted to £6,000. Interest is charged on executive car loans at approximately 1% above HSBC's base rate. All other loans are interest free.

# National Union of Teachers

Notes forming part of the consolidated financial statements  
for the year ended 31 December 2010 (*continued*)

## 6 Operating leases

### Motor vehicles, furniture and equipment, plant and machinery

In the forthcoming year, the Union and its totally owned subsidiaries, are committed to the following payments under operating leases:

<b>Consolidated</b>	<b>Property 2010 £</b>	<b>Other 2010 £</b>	<b>Property 2009 £</b>	<b>Other 2009 £</b>
Expiry:				
Within one year	-	35,801	-	43,347
Between one and two years	-	83,341	-	39,544
Between two and five years	98,158	64,406	-	194,850
Greater than five years	13,601	-	109,192	-
	<u>111,759</u>	<u>183,548</u>	<u>109,192</u>	<u>277,741</u>
<b>Union</b>	<b>Property 2010 £</b>	<b>Other 2010 £</b>	<b>Property 2009 £</b>	<b>Other 2009 £</b>
Expiry:				
Within one year	-	30,761	-	37,427
Between one and two years	-	83,341	-	39,544
Between two and five years	98,158	64,406	-	178,965
Greater than five years	-	-	78,250	-
	<u>98,158</u>	<u>178,508</u>	<u>78,250</u>	<u>255,936</u>

# National Union of Teachers

Notes forming part of the consolidated financial statements  
for the year ended 31 December 2010 (*continued*)

## 7 Sustentation fund

The following grants were paid:	2010 £	2009 £
Barnsley	428	10,773
Birmingham	15,090	-
Bolton	-	3,776
Brent	585	856
Bury	-	68
Calderdale	-	1,818
Cambridge	1,959	-
Camden	-	161
Coventry	2,218	-
Croydon	-	3,598
Derby City	-	1,326
Ealing	-	1,041
Eastbourne	2,732	5,892
Enfield	-	180
Essex	2,960	3,268
Gloucester	1,764	-
Hackney	907	6,767
Haringey	1,857	-
Islington	13,870	-
Kirklees	96	2,060
Leeds	638	-
Lewisham	1,995	-
Liverpool	-	398
Neasden	1,094	-
Newham	25,924	4,702
Northampton	1,545	-
North Somerset	-	70
Nottingham	1,606	-
Nottinghamshire	-	63
Southall	2,451	-
St. Leonards-on-Sea	106	-
Staffordshire	291	1,763
Staffs	-	6,415
Stratford	3,761	-
Waltham Forest	4,156	1,998
Westminster	36	799
	<b>88,069</b>	<b>57,793</b>

The Sustentation Fund, under the rules of the Union, may be utilised to make sustentation payments to members involved in industrial action. It may also be utilised to defray the costs of certain campaigns undertaken by the Union to protect the salaries and conditions of service of members.

The Legacy Fund was established by a bequest from a former member and is used from time to time to make grants to deserving members who have fallen on difficult times. The Fund is managed in conjunction with the Teacher Support network.

The International Development Fund was established to allow the Union to fund future International development work. The Union was committed to allocating 1% of subscription income to this Fund during the year ended 31 December 2010.

The Subsidiary reserve represents the total value of share capital and reserves within the Union's subsidiary companies.



# ACCOUNTING POLICIES

(see notes 74 and 75)

- (a) The accounts have been prepared under the historical cost convention as modified by revaluation of fixed assets investments, and are in accordance with applicable accounting standards. The accounts include the autonomous Local Associations and Division funds and related financial transactions.
- (b) Following a review of the Union's relationship with its related entity, Stoke Rochford Management Limited, and in accordance with United Kingdom Accounting Standards the results of this wholly owned subsidiary company have been consolidated within the Union. Previously, Stoke Rochford Management Limited was considered to act independently from the Union. However, following this review it was concluded that Stoke Rochford Management Limited is and always has been legally owned by the Union and while day to day management rests within the Company's management the Union has always maintained the ability to apply strategic control.

As a result the group accounts consolidate the accounts the National Union of Teachers and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method. Separate financial statements for Stoke Rochford Management Limited, The Teacher Publishing Co. Limited and Professional and Educational Travel Association Limited are available from Companies House.

Where a subsidiary company has a financial year end which is different to that of the National Union of Teachers, provided that the year/period end falls within 3 months prior to that of the National Union of Teachers, the financial results of the subsidiaries to be included in the consolidated financial statements are based on the subsidiaries' financial statements. Consolidation adjustments are made, where appropriate, to align the subsidiaries' transactions and balances with other group entities.

- (c) The financial statements are prepared on an accruals basis, whilst commissions are accounted for when the Union is notified of the sum due. Grants receivable for specific purposes are credited to the Income and Expenditure account to match the expenditure incurred on these projects to date. The balance is deferred.
- (d) All income and expenditure is credited/charged to the Income and Expenditure account. Transfers to/(from) designated funds are made to allocate to these funds investment income earned on each fund's assets together with specific donations, and where relevant apportionment of subscription income due to the funds net of any expenditure attributable to the funds.

Following a change in the rules of the Union in 2008 a Political Fund has been established contributions to which commenced in 2009 with subscribing members, who have not opted out, contributing £1.59 per annum to the Fund. Expenditure in connection with political activities must be charged against this fund.

- (e) Expenditure incurred, with the exception of depreciation, financial expenses and taxation are analysed under two broad categories, members' Services and Administration. Costs connected with Organisation and Membership, Employment Conditions and Rights, Superannuation, Equality and Professional Development and Education Economics departments together with costs incurred in the publication of The Teacher and at Regional and Wales Offices, have been classified as Administration. The costs associated with the Strategy and Communications Department have been apportioned between members Services and Administration on the basis of estimated employee time devoted to each type of activity. Labour costs are allocated to each department on an actual basis. Property costs have been apportioned to each department on the basis of floor space occupied.
- (f) In accordance with FRS17, the surplus or deficit arising on the Union's defined benefit pension scheme is disclosed on the Union's balance sheet. Movements on the pension scheme, asset or liability, are reflected through the income and expenditure account to the extent that they relate to employer's current service costs (which is reflected as a component of Staff Costs) or movements arising from expected returns on pension scheme assets net of interest on pension scheme liabilities which is disclosed as a component of Other Income). Movements arising from changes in actuarial assumptions, including differences between the actual returns on scheme assets and the expected returns and experience gains/(losses) arising on the scheme's liabilities are reflected through the Statement of Total Recognised Gains and Losses.

# ACCOUNTING POLICIES

(see notes 74 and 75)

- (g) Depreciation is calculated to write down the cost of fixed assets to estimated realisable values on a straight line basis over the expected useful lives of the assets concerned.

The principal annual rates used are:

Freehold property	-	2% on cost excluding land
Property enhancements	-	Over the balance of the property's expected useful life
Leasehold property	-	Over the period of the lease (or 50 years if shorter)
Plant and machinery	-	10%
Furniture and office equipment	-	At varying rates of between 10% and 33⅓%
Cars	-	Over the period of the lease

- (h) Listed investments are disclosed at mid-market values at the balance sheet date. Unquoted investments are disclosed at cost less any provision for permanent diminution in value. Realised and unrealised gains or losses on listed investments are reflected in the Professional Sustentation Fund as listed investments are Sustentation Fund assets. Realised gains or losses on disposals of investments are calculated, in accordance FRS3, by reference to the carrying value of those investments reflected in the last set of audited financial statements.
- (i) As an unincorporated association, the National Union of Teachers is liable to Corporation Tax on its investment income, and realised gains on investments sold. As a trade union relief is available in respect of provident benefits expenditure as statutorily defined.
- (j) Deferred tax is provided on all reversing timing differences which arise from transactions reflected through the income and expenditure account.
- (k) Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right of title. Assets acquired under finance leases are treated as tangible fixed assets, depreciation is provided accordingly and the deemed capital element of future rentals is included under creditors. Rental payable are apportioned between the finance element which is reflected as a finance charge in the income and expenditure account and the capital element which reduces the outstanding obligations. Rentals payable on operating leases are reflected in their entirety through the income and expenditure account.
- (l) Reserves which are earmarked by the Union for specific purposes are termed Designated Reserves (note 28).

# SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u><i>Christine Slower</i></u> Name: <u>CHRISTINE SLOWER</u> Date: <u>27-05-2011</u>	UNION ACCOUNTANT Signature: <u><i>Audrey Allen-Chitwa</i></u> (or other official whose position should be stated) Name: <u>AUDREY ALLEN-CHITWA</u> Date: <u>27-05-2011</u>
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## CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>

# AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

## Independent Auditors Report to the members of the National Union of Teachers

We have audited the AR21 of the National Union of Teachers for the year ended 31 December 2010 on pages 3 to 36, excluding pages 14 and 15. The AR21 has been prepared under the accounting policies set out on pages 35 to 36.

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.

### *Respective responsibilities of officers and auditors*

As explained more fully in the statement of officers' responsibilities, the officer's are responsible for the preparation of the financial statements and AR21 and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We report to you our opinion as to whether the AR21 gives a true and fair view and have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. We also report to you if, in our opinion, the AR21 is not consistent with the financial statements, if the Union has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, if the Union has not established and maintained a satisfactory system of control over its accounting records, its cash holdings and all its receipts and remittances, if we have not received proper returns, adequate for our audit, from branches not visited by us and if the AR21 is not in agreement with the accounting records and returns.

### **Scope of the audit of the AR21**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on the AR21**

In our opinion the AR21:

- gives a true and fair view of the state of the Union's affairs as at 31 December 2010 and of its surplus for the year then ended; and
- has been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Trade Union and Labour Relations (Consolidation) Act 1992.

*BDO LLP*

BDO LLP  
Chartered accountants &  
Statutory auditors  
Gatwick  
United Kingdom

Date: 31 MAY 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	BDO LLP	
Name(s):	Mark Taylor	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	2 Lily Place behind King Road Letchworth RH6 0PA	
Date:	31 May 2011	
Contact name and telephone number:	M. Taylor 01293 591000	

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