

**Registration No. 5028T – Trade Union
And Labour Relations (Consolidation)
Act 1992**

AEGIS THE UNION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

AEGIS THE UNION

COMPANY INFORMATION

Treasurer	Mrs Fiona Steele (appointed 25 June 2019) Mrs. Pauline Tillotson (resigned 25 June 2019)
General secretary	Mr. Brian Linn
Union address	Aegon UK Lochside Crescent Edinburgh Park Edinburgh EH12 9SE
Auditors	Lynn Cunningham Chartered Accountant G6 The Granary Business Centre Coal Road Cupar Fife KY15 5YQ
Bankers	Unity Trust bank Nine Brindley Place Birmingham B1 2HB

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STATEMENT OF THE COMMITTEE OF MANAGEMENT'S RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2019

The Committee of management are responsible for preparing the financial statements in accordance with applicable law and regulations.

The Constitution of the Association requires the Committee of Management to prepare financial statements for each year. The Committee of management have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the association and of the surplus or deficit of the association for that period. In preparing those financial statements, the Committee of management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

So far as the Committee of Management is aware, there is no relevant audit information of which association's auditor is unaware. Additionally, the Committee of management have taken all the necessary steps that they ought to have taken to make themselves aware of all relevant audit information and to establish that the auditor is aware of that information.

Mr. B. Linn
On behalf of the Committee of Management

AEGIS THE UNION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEGIS THE UNION

Opinion

I have audited the financial statements of Aegis The Union for the year ended 30 June 2019 which comprise the income and expenditure account, balance sheet and notes to the financial statements. 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 my opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 30 June 2019 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 in accordance with the requirements of section 28,32 and 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

This report is made solely to the Union's members, as a body, in accordance with section 36 of the Trade union and labour Relations (Consolidation) Act 1992. My audit work has been undertaken so that I might state to the union's members those matters I am required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Union and the Union's members as a body, for my audit work, for this report, or for the opinions I have formed.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Union in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and I have fulfilled my ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in which the ISAs (UK) require me to report to you where:

- the Committee of Management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Committee of Management have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Union's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEGIS THE UNION

Other information

The Committee of Management are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Matters on which I am required to report by exception

I have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- there was a failure to obtain all the information and explanations which, to the best of my knowledge and belief, are necessary for the purpose of the audit; or
- certain disclosures of Committee of Management's remuneration specified by law are not made; or
- I have not received all the information and explanations I require for my audit.

Respective responsibilities of Committee of Management

As explained more fully in the Committee of Management's Responsibilities Statement set out on page 1, the Committee of Management 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 Committee of Management 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 Committee of Management 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 Committee of Management either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEGIS THE UNION

Auditor's responsibilities for the audit of the financial statements

My 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 my 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.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Lynn Cunningham
Lynn Cunningham Chartered Accountant, Statutory Auditor
Unit G6 The Granary Business Centre
Coal Road
Cupar
Fife
KY15 5YQ

Date

AEGIS THE UNION

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019	2018
		£	£
Turnover			
Union Dues		267,289	279,721
Donations		166,000	163,500
Commissions Receivable		564	64
Union Learning		352,343	348,133
Settlement Agreements		7,900	4,400
Flat Rental Income	3	10,494	5,700
		<u>804,590</u>	<u>801,518</u>
Administrative Expenses			
Wages and salaries (excl. N.I.)		261,126	274,200
Employer's N.I. contributions		30,281	31,530
Employer's Pension contributions		27,396	19,668
Staff training		9,886	1,414
Insurance		3,409	3,450
Conference		5,276	924
Printing, postage and stationery		1,915	4,242
Caseworker expenses		350	2,468
Telephone		4,074	3,985
Computer running costs		14,340	12,916
Advertising		5,857	7,489
Motor vehicle leasing		19,610	20,341
Motor running expenses		5,291	3,928
Assistant General Secretary Travel		6,438	9,883
General Secretary travel and subsistence		8,388	7,262
General Committee travel and subsistence		21,849	21,788
Deputy General Secretary travel and subsistence		4,062	4,457
Legal and professional fees		7,696	10,138
Audit fees		3,600	3,600
Non-audit fees		2,396	3,276
Bank charges		681	873
Commissions Payable		2,389	74
Lottery		9,219	8,650
Sundry expenses		386	3,031
Flat rental expenses		4,457	2,502
Affiliation fees		24,675	23,006
Union Learning expenses		336,863	343,655
Bad debts written off		-	500
(Gain) on disposal of tangible fixed assets		-	-
Depreciation on tangible fixed assets	5	970	722
		<u>(822,880)</u>	<u>(829,972)</u>
Operating (deficit) before interest and tax c/f		(18,290)	(28,454)

AEGIS THE UNION

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
Operating (deficit) before interest and tax b/f		(18,290)	(28,454)
Other interest receivable and similar income	3	491	616
Interest payable and similar charges		-	-
Operating (deficit) before tax		<u>(17,799)</u>	<u>(27,838)</u>
Tax on deficit on ordinary activities		(1,240)	(725)
Operating (deficit)		<u><u>(19,039)</u></u>	<u><u>(28,563)</u></u>

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BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	5		185,644		185,270
Current assets					
Stocks		980		2,570	
Debtors	6	161,602		136,333	
Cash at bank and in hand		202,824		239,772	
		<u>365,406</u>		<u>378,675</u>	
Creditors: amounts falling due within one year	7	<u>(74,842)</u>		<u>(68,698)</u>	
Net current assets			290,564		309,977
Total assets less current liabilities			<u>476,208</u>		<u>495,247</u>
Represented by:					
Reserves	8		<u>476,208</u>		<u>495,247</u>

The financial statements were approved by the Committee of Management on

Treasurer

AEGIS THE UNION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

1. Accounting policies

1.1 Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A small entities, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland. The financial statements are prepared in sterling which is the functional currency of the Union and rounded to the nearest £1. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years unless otherwise stated.

1.2 Going concern

The financial statements have been prepared on a going concern basis.

1.3 Income

Income represents subscriptions received from members during the year, employer donations, income receivable from investments and monies on deposit.

Income is recognised to the extent that it is probable that the economic benefits will flow to the Union and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33 1/3% Straight Line
Motor vehicles	25% Reducing Balance

1.5 Investment property

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

1.6 Leasing

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account on a straight line basis.

1.7 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell (net realisable value). Net realisable value is based on the estimated selling price less any estimated completion or selling costs.

1.8 Employee Benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

2. Operating deficit

	2019	2018
	£	£
Operating deficit is stated after charging:		
Depreciation of tangible assets	970	722
Auditors' remuneration	3,600	3,600
	<u>3,600</u>	<u>3,600</u>

3. Investment income

	2019	2018
	£	£
Bank Interest	491	616
Rental Income	10,494	5,700
Total investment income	<u>10,985</u>	<u>6,316</u>

4. Taxation

	2019	2018
	£	£
Domestic current year tax		
U.K. corporation tax	1,240	725
Adjustment for prior years	-	-
Total current tax	<u>1,240</u>	<u>725</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

5. Tangible fixed assets

	Investment Property £	Plant & Equipment £	Total £
Cost			
At 1 July 2018	184,751	15,574	200,325
Additions	-	1,344	1,344
Disposals	-	-	-
At 30 June 2019	184,751	16,918	201,669
Depreciation			
At 1 July 2018	-	15,055	15,055
On disposals	-	-	-
Charge for year	-	970	970
At 30 June 2019	-	16,025	16,025
Net book value			
At 30 June 2019	184,751	893	185,644
At 30 June 2018	184,751	519	185,270

6. Debtors

	2019 £	2018 £
Trade debtors	3,700	400
Other debtors	157,902	135,933
	<u>161,602</u>	<u>136,333</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

7. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	-	-
Taxation and social security	14,402	11,790
Other creditors and accruals	60,440	56,908
	<u>74,842</u>	<u>68,698</u>

8. Statement of movements on profit and loss account

	Reserves £
Balance at 1 July 2018	495,247
(Loss) for the year	<u>(19,039)</u>
Balance at 30 June 2019	<u>476,208</u>

9. Financial commitments

At 30 June 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than one year	-	1,474
Later than 1 year and not later than 5 years	29,280	26,780
Total	<u>29,280</u>	<u>28,254</u>

10. Employees

The average monthly number of employees, including directors, during the year was as follows:

2019 No	2018 No
9	8

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MANAGEMENT INFORMATION

FOR THE YEAR ENDED 30 JUNE 2019

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INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2019

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Administrative expenses	<u>(822,880)</u>	<u>(829,972)</u>
Operating loss	(18,290)	(28,454)
Other interest receivable and similar income		
Bank interest received	491	616
Interest payable		
Bank interest paid	-	-
Deficit before taxation	<u>(17,799)</u>	<u>(27,838)</u>

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SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 30 JUNE 2019

	2019 £	2018 £
Administrative expenses		
Wages and salaries (excl. N.I.)	261,126	274,200
Employer's N.I. contributions	30,281	31,530
Employer's Pension contributions	27,396	19,668
Staff training	9,886	1,414
Insurance	3,409	3,450
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