

ADVANCE

ACCOUNTS

YEAR ENDED 31 DECEMBER 2024



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ACCOUNTS

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STATEMENT OF RESPONSIBILITIES OF THE NATIONAL EXECUTIVE COMMITTEE

The legislation relating to trade unions requires the Union to submit a return for each calendar year to the Certification Officer. This return contains accounts which must give a true and fair view of the state of affairs of the Union at the year end and of its transactions for the year then ended. The financial statements set out on the following pages have been prepared on the same basis and are used to complete the return to the Certification Officer.

In relation to Advance the preparation of financial statements that give a true and fair view is the responsibility of the National Executive Committee. The National Executive Committee is responsible for preparing financial statements in accordance with the and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which form the basis for the account's information required to be included in the return. In preparing the financial statements, the National Executive Committee is required to:

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

The National Executive Committee is responsible for keeping proper accounting records and establishing and maintaining a satisfactory system of control over the Union's records and transactions in order to comply with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
OPERATING INCOME			
Subscriptions		459,286	442,220
Other income	3	22,517	66,500
Draw income		-	11,381
		<u>481,802</u>	<u>520,101</u>
OPERATING EXPENDITURE			
Staff costs		129,170	127,292
Services to members	4	44,108	33,568
Committee and meeting costs	5	117,841	58,205
Administration expenses	6	108,977	121,640
Premises and equipment costs	7	106,763	113,103
Prizes awarded		-	8,697
		<u>506,859</u>	<u>462,505</u>
OPERATING RESULT		(25,057)	57,595
INCOME FROM INVESTMENT OPERATIONS			
Unrealised (loss)/ gain on property	11	(3,000)	12,000
Investment income		68,633	73,442
Gain/ (loss) on sale of investments		531	(4,637)
Increase in Investment values		154,801	182,133
		<u>220,966</u>	<u>262,938</u>
COMPREHENSIVE RESULT FOR THE YEAR		<u>195,909</u>	<u>320,533</u>
ACCUMULATED SURPLUS BROUGHT FORWARD		4,269,233	3,948,700
ACCUMULATED SURPLUS CARRIED FORWARD		<u><u>4,465,142</u></u>	<u><u>4,269,233</u></u>

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BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024		2023	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		3,857		34,413
Intangible fixed assets	9		24,308		23,649
INVESTMENTS					
Listed securities	10		3,564,702		3,363,055
Investment property	11		277,000		280,000
			<u>3,869,867</u>		<u>3,701,117</u>
CURRENT ASSETS					
Debtors and prepayments	12	79,369		30,416	
Cash at bank and in hand		558,874		580,883	
		<u>638,243</u>		<u>611,298</u>	
CURRENT LIABILITIES					
Creditors and accruals	13	<u>(42,968)</u>		<u>(43,181)</u>	
NET CURRENT ASSETS			595,275		568,117
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,465,142</u>		<u>4,269,234</u>
NET ASSETS			<u><u>4,465,142</u></u>		<u><u>4,269,234</u></u>
Represented by :					
ACCUMULATED SURPLUS			<u><u>4,465,142</u></u>		<u><u>4,269,234</u></u>

J LEONARD

GENERAL SECRETARY

S PURSE

NATIONAL CHAIR

Approved for issue to the members on:

ADVANCE

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	£
Operating Activities:		
Comprehensive result	195,909	320,533
Adjustments:		
Depreciation/Amortisation	23,465	29,277
Investment income	(68,633)	(73,442)
Loss on sale of investments	(531)	4,637
Change in value of investment property	3,000	(12,000)
Change in investment values	(154,801)	(182,133)
Change in debtors	(48,953)	(555)
Change in creditors	(213)	3,325
Loss on disposal of tangible fixed assets	9,305	491
Net cash generated from operating activities	<u>(41,453)</u>	<u>90,133</u>
Investing activities		
Purchase of tangible fixed assets	(2,842)	(38,072)
Purchase of intangible assets	(12,619)	-
Purchase of fixed assets investments	(230,258)	(166,555)
Sale of fixed assets investments	197,307	152,380
Investment Income	51,042	56,857
Changes in investment cash deposits	4,230	(16,267)
Proceeds on disposal of tangible fixed assets	12,585	-
Net cash flow from investing activities	<u>19,445</u>	<u>(11,657)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(22,008)</u>	<u>78,476</u>
Cash and cash equivalents at beginning of year	580,882	502,406
Cash and cash equivalents at end of year	<u><u>558,874</u></u>	<u><u>580,882</u></u>

1.1 Accounting Convention

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"). The accounts have been prepared under historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the financial statements.

Trade Unions are governed by the Trade Union and Labour Relations (Consolidation Act) 1992 Amended. Under that Act the accounts of Trade Unions are required to give a true and fair view. Therefore, the accounts of Trade Unions are prepared under FRS102. However, as a Trade Union is not a company the Regulations that form the basis of disclosures under FRS102 have been adapted as considered necessary to ensure the accounts give a true and fair view to the members of the Trade Union.

The Union is a public benefit entity.

1.2 Presentation currency

The financial statements have been prepared in sterling, which is the functional currency of the Union. Monetary amounts of these financial statements are rounded to the nearest pound.

1.3 Going concern

The National Executive Committee regularly monitor the Union's financial position, cash flow and funding sources to ensure the Union can sustain operations for the foreseeable future. Following a review of budgets and long-term financial projections, the National Executive Committee has a reasonable expectation that the Union has adequate resources to continue in operation for the foreseeable future being a minimum of twelve months from the date of approval of these financial statements. Thus the National Executive Committee continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Income

Subscriptions and meeting allowances are accounted for on an accruals basis. Draw income is recognised on cash received basis.

1.5 Expenditure

All expenditure in the accounts is inclusive of VAT where applicable.

1.6 Current Taxation

Corporation tax is payable on all interest income, rental income and chargeable gains arising on the disposal of properties and investments but only to the extent that these exceed expenditure on provident benefits.

1.7 Deferred Taxation

Unrealised valuation increases relating to investments and investment properties would potentially give rise to chargeable gains on the sale of the asset, but any potential liability to tax is eliminated if the proceeds of sale are reinvested in other chargeable assets used for provident purposes. The tax on any proceeds which are not reinvested is reduced by indexation allowances and any balance can also be offset against expenditure on provident benefits. Deferred tax has not been provided for potential chargeable gains because the General Secretary is satisfied that proceeds of the sale of all related assets can be substantially reinvested, sufficient that any remaining balance can be offset against allowance or expenses. Therefore no unrealised gain at 31 December 2024 is expected to give rise to a liability to tax.

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is provided on all tangible fixed assets to write off the cost less estimated residual value in equal annual instalments over the estimated useful economic lives of the assets. The estimated useful economic lives are as follows:

Fixtures, fittings & equipment	20% - 33%
Motor vehicles	25%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income and expenditure account.

1.9 Intangible Fixed Assets – Website

Intangible fixed assets are initially measured at cost and subsequently measured at cost, net of amortisation and any impairment losses.

Amortisation is provided at rates estimated to write off the cost of the website on a straight line basis over its expected useful life which is deemed to be 4 years.

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ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2024

1.10 Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value. Changes in the fair value of investment properties are recognised in the income and expenditure account.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.12 Financial Instruments

The union has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the union's balance sheet when the union becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure account, are assessed for indicators of impairment at each reporting end date. They are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment is recognised in the income and expenditure accounts.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the activity of the Union from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade payables are initially recognised at

transaction price and derecognised when the Union's obligations are discharged cancelled or they expire.

1.13 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price (where applicable). The income and expenditure account includes the net gains and losses arising on revaluation and disposals throughout the year. The Union does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Union is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.14 Realised gains and losses

All gains and losses are taken to the income and expenditure account as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are separated between surplus on investments and change in market value in the income and expenditure account.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2024

2 JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Union's accounting policies, the Union is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Union consider that there were no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3	OTHER INCOME	2024	2023
		£	£
	Management expenses allowance	22,517	66,500
		<u>22,517</u>	<u>66,500</u>

4	SERVICES TO MEMBERS	2024	2023
		£	£
	Magazine costs	19,827	25,359
	Membership supplies and recruitment	14,576	7,280
	Postage	287	194
	Telephone and fax	6,193	6,785
	Training and support	10,009	1,671
	VAT recoverable	(6,783)	(7,721)
		<u>44,108</u>	<u>33,568</u>

5	COMMITTEE AND MEETING COSTS	2024	2023
		£	£
	External committee costs	25,526	23,300
	Management expenses	14,424	29,506
	Other committee and area meetings	77,891	5,399
		<u>117,841</u>	<u>58,205</u>

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2024

6	ADMINISTRATION EXPENSES	2024	2023
		£	£
	Audit and accountancy	22,235	29,585
	Bookkeeping	12,335	11,989
	Legal and professional	5,090	694
	Bank commission charges	34,428	34,603
	Donations	7,887	18,890
	Printing and stationery	470	954
	Gifts and samples	200	361
	Entertainment	-	401
	Sundry expenses	7,163	6,150
	Investment management fee	19,168	18,013
		<u>108,977</u>	<u>121,640</u>
7	PREMISES AND EQUIPMENT COSTS	2024	2023
		£	£
	Rent, rates and insurance	30,058	28,009
	Repairs and maintenance	3,432	4,712
	Utilities	1,894	1,909
	Motor	6,329	11,174
	Office equipment and computer	32,281	37,530
	Loss on sale of fixed assets	9,305	492
	Depreciation and Amortisation	23,464	29,277
		<u>106,763</u>	<u>113,103</u>

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2024

8 TANGIBLE FIXED ASSETS

	Motor Vehicles £	Fixtures, fittings & equipment £	Total £
COST			
At 1 January 2024	125,194	39,793	164,987
Additions	-	2,842	2,842
Disposals	(125,194)	(7,425)	(132,619)
At 31 December 2024	-	35,210	35,210
ACCUMULATED DEPRECIATION			
At 1 January 2024	96,686	33,888	130,574
Charge for the year	8,041	3,463	11,504
Relating to disposals	(104,727)	(5,998)	(110,725)
At 31 December 2024	-	31,353	31,353
NET BOOK VALUE			
At 31 December 2024	-	3,857	3,857
At 31 December 2023	28,508	5,905	34,413

9 Intangible Fixed Assets

	Website £
COST	
At 1 January 2024	103,446
Additions	12,619
At 31 December 2024	116,065
AMORTISATION	
At 1 January 2024	79,797
Charge for the year	11,960
At 31 December 2024	91,757
NET BOOK VALUE	
At 31 December 2024	24,308
At 31 December 2023	23,649

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2024

10 INVESTMENTS

MARKET VALUE	Listed		Bank	Total
	Equities	Bonds	Deposits	
	£	£	£	£
At 1 January 2024	2,995,880	264,741	102,434	3,363,055
Additions	249,532	-	-	249,532
Disposals	(171,326)	(26,300)	-	(197,626)
Net movement in cash deposits	-	-	(4,228)	(4,228)
Change in Investment Values	158,633	(4,664)	-	153,969
At 31 December 2024	<u>3,232,719</u>	<u>233,777</u>	<u>98,206</u>	<u>3,564,702</u>
	Cost	Market value		
	£	£		
Equities	1,822,505	3,232,719		
Bonds	237,489	233,777		
Bank deposits	98,206	98,206		
	<u>2,158,200</u>	<u>3,564,702</u>		

11 INVESTMENT PROPERTY

	2024	2023
	£	£
FAIR VALUE		
At 1 January 2024	280,000	268,000
(Decrease)/Increase in value	(3,000)	12,000
At 31 December 2024	<u>277,000</u>	<u>280,000</u>

The investment property comprises of a residential house and its fair value is derived by the Union based on research into market evidence of transaction price for similar properties.

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2024

12	DEBTORS AND PREPAYMENTS	2024	2023
		£	£
	Trade debtors	22,517	610
	Other debtors	4,020	6,095
	Prepayments and accrued income	52,832	23,711
		<u>79,369</u>	<u>30,416</u>
13	CREDITORS AND ACCRUALS	2024	2023
		£	£
	Trade creditors	16,137	15,316
	Other creditors	1,610	700
	Taxes and social security	3,370	1,965
	Accruals and deferred income	21,850	25,200
		<u>42,968</u>	<u>43,181</u>

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2024

14 FINANCIAL INSTRUMENTS

	2024	2023
	£	£
Financial assets:		
Measured at fair value through income and expenditure	3,466,496	3,260,621
Total financial assets	<u>3,466,496</u>	<u>3,260,621</u>

15 OPERATING LEASE COMMITMENTS

At 31 December 2024 there were outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	Land and buildings		Other	
	2024	2023	2024	2023
	£	£	£	£
Within one year	11,557	11,557	3,705	3,705
In the second to fifth years inclusive	9,974	21,531	11,114	14,819
	<u>21,531</u>	<u>33,088</u>	<u>14,819</u>	<u>18,524</u>

16 CONTINGENT LIABILITY

As explained in note 1.7, no tax liabilities are expected to arise on the realisation of unrealised valuation increases on investments and investment properties. If the unrealised valuation increases at 31 December 2024 were all to give rise to chargeable gains (less indexation) the maximum liability to tax would be £124,796 (2023: £118,235).

17 RELATED PARTY TRANSACTION

Motor vehicles with a net book value of £20,464 were gifted to the outgoing deputy and general secretary in recognition to their service to the Union. There are no other related party transactions to disclose in 2024 (2023: £Nil).