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STRONGER TOGETHER

ANNUAL REPORT 2020

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ANNUAL REPORT

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FOREWORD

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CHALLENGES AND OPPORTUNITIES 2020 –

A MESSAGE FROM JOHN O'CONNELL, GENERAL SECRETARY

Dear Colleagues,

I would like to acknowledge and state my appreciation to all the officers and staff of the FSU and the thousands of members across the Country who have worked tirelessly over the past year providing help and support to those who need it in a professional and friendly manner.

The personal challenges of living with Covid 19 will leave an indelible mark on all of us and I would like to convey my condolences to everyone who has lost a loved one during the year.

When I look back at the role that our members and staff have played over the last twelve months It makes me extremely proud to be General Secretary of this Union.

There were many items in the in-tray at the start of 2020 and I will attempt to summarise the main themes that we as a Union prioritised during the year.

Good Governance is a vital ingredient to any organisation. It was with this in mind that the General Council commissioned a complete review of our Governance codes. The review was undertaken by the Institute of Public Administration the report made twenty-two recommendations in total which were discussed and accepted by General Council. We are currently working through the implementation of the recommendations to ensure that the Union is meeting its obligations to its members and staff. I believe we all recognise the need to modernise our structures and rules as we plan for the future.

DHR Communications were commissioned to undertake a complete review of our communications strategy. The recommendations, agreed by the General Council ranged from agreeing templates and a structure for internal communication to measuring outputs and a plan for public engagement with major stakeholders. An implementation plan is in place and is on target. It is my intention to ensure our Union is an influential stakeholder which fights for the needs of its members.

The FSU are an active member of the Irish Banking Culture Board. We are all agreed that the poor culture of the past needs to change. Culture does not change overnight, and bad culture needs to be exposed at every opportunity. The FSU has and will continue to call out some of the main Banks for poor decisions that impact on staff and customers and we will work progressively as members of the Culture Board with all stakeholders to achieve the necessary changes.

Organising is key to the future of the Union. Presently we are active in over 100 companies across the Republic of Ireland, Northern Ireland and Great Britain. We have set up a strategic organising committee to look at the challenges that face us and to positively explore the opportunities for growth that undoubtably exist. This is a key priority for the union and our focus on organising will intensify over the next twelve months.

2020 was a strange year in many ways and a very challenging year for us all. Let us be proud of our achievements whilst at the same time remain focused on the future needs of our members.

We organise to win decent pay, fair work, and better working conditions for you. This is the challenge but also the opportunity.

I look forward to the next time we can meet in more normal surroundings.

Please stay safe and look after yourself.

John O'Connell
General Secretary

STAFF

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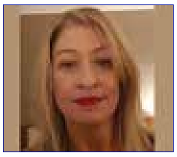

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ELECTED HONORARY OFFICERS

President - Sharon McAuley

Throughout her career Sharon has served as a representative in branches and departments in FTB/AIB.
Having served on the old Belfast and District Ladies Committee in 1980s Sharon was elected to the Executive Committee in 1995. Elected Honorary Finance Officer of the IBOA in 2011 Sharon was subsequently elected as President of the FSU at the Bi-annual conference in 2018. Further education and development of members and supporting women in the workplace are high on Sharon's agenda for positive and progressive change.

Honorary Secretary - John Burns

John has been a union activist at every level since joining Ulster Bank, working firstly as a branch representative and Bank District Secretary before gaining election to the Union's Executive Committee in 2004.
He was elected Officer of the Union for Ulster Bank in 2007 and retained that position until his election as the Union's Honorary Secretary in 2018. John has a wealth of experience through his work in these roles and from working as an Officer Board and General Council member. He is a Director of FSU Holdings Limited and a member nominated Trustee Director of the Ulster Bank Pension Trustees (NI) Limited.

Honorary Finance Officer - Hugh Keaveney

Hugh has worked in AIB since 1988 working for the large part in Branch Banking in Limerick and Kerry. Hugh has been in FSU since he joined the Bank and has represented members at all levels over the years. Hugh is a staff member in AIB O Connell Street Limerick and has served as Sector Member for members in Munster since 2013.

Hugh was FSU Officer for AIB Bank for the 2015-2018 term. Hugh is presently Honorary Finance Officer of the union along with his duties representing members in AIB.

GENERAL COUNCIL

Back Row L-R:
Pat McCarthy (BOI - Resigned), Mick Nerney (Technology and Services Sector Officer), Paul Gilmartin, Denis Stevenson (AIB Officer), Tom Ruttledge, Mary Ennis, Martin Gallagher, Roger James, Joe Allsopp (UB Officer), Dominic Boyd, Liam Ross (BOI Officer).

Front Row L-R:
Eileen Gorman (Danske Officer), John Burns (Honorary Secretary), John O'Connell (General Secretary), Sharon McAuley (President), Hugh Keaveney (Honorary Finance Officer).

Also not in photograph:
Derek McGrath, Etain Ryan Lyons (AIB), Christian Hanna.

MEMBERSHIP BENEFITS

Employees represented by trade unions have **better pay and terms & conditions** than those outside the union movement.

Your terms and conditions are negotiated collectively and over the last number of years we have succeeded in getting **pay increases, fully paid maternity leave, right to disconnect, parents leave,** amongst other benefits enhancing the quality of life for thousands of staff across the sector.

We offer **advice and support** for any member experiencing a difficulty in the workplace.

We have negotiated a **range of discounts** for our members on car, home, and health insurance.

Have you availed of any of these members Benefits?

- **Training and Education Bursary**
- **Car, Home and Health Insurance deals**
- **Group Discount Schemes**
- **FSU Family Days**
- **Discounted Entertainment Tickets**

Contact us now for further information.

Helplines

During 2020 the union launched its helpline service and contact point for members who can freephone our member advice centre at 1800 819 191 or 0800358 0071 and email at advice@fsunion.org .

The Union has hosted a number of helpline days focussed on specific topics like agency workers, performance management, ergonomic assessments or by employment/sector where members can talk to either our member advisors or to their elected Reps.

(ROI) 1800 819 191

(UK) 0800 358 0071

CAMPAIGNS AND ORGANISING

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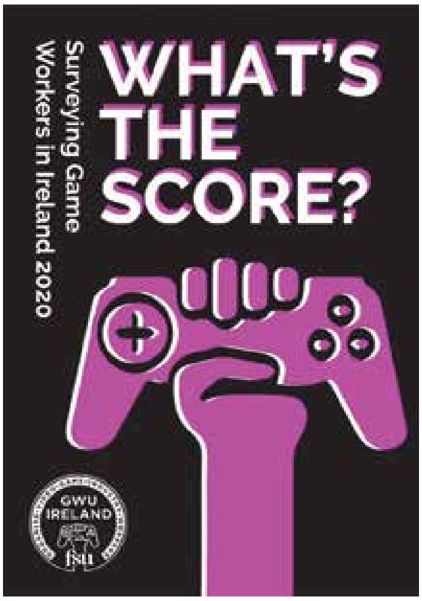
- **Banking Forum**

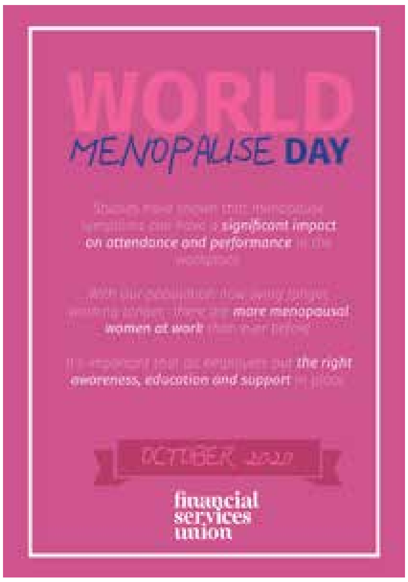
- **Gaming Workers**



- **Pride 2020**

- **The Gender Pay Gap**

- **Menopause Policy**



- **Right to Disconnect**

- **Ask Your Candidate**

- **Stop Branch Closures**

CAMPAIGNS AND ORGANISING

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Political Activity

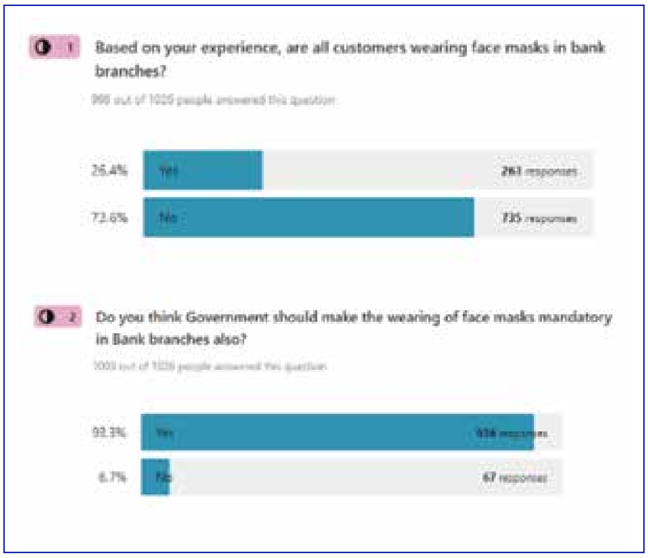
Through January and February of 2020 FSU members lobbied politicians for election pledges. The Union was seeking commitments from candidates on three things:

1. No branch closures for 5 years;
2. Introduce the right to disconnect;
3. Introduce Gender Pay Gap legislation.

Face Coverings Protections

During the pandemic the Minister for Health introduced a statutory instrument (SI), regulation, that made mandatory the wearing of facemasks in retail outlets. However, this SI excluded bank, credit union and post office branches. FSU immediately undertook a survey of members to ascertain their views on this and over 1,000 workers responded highlighting how customers were not wearing facemasks and how they wanted the Government to include bank branches and credit unions in the SI.

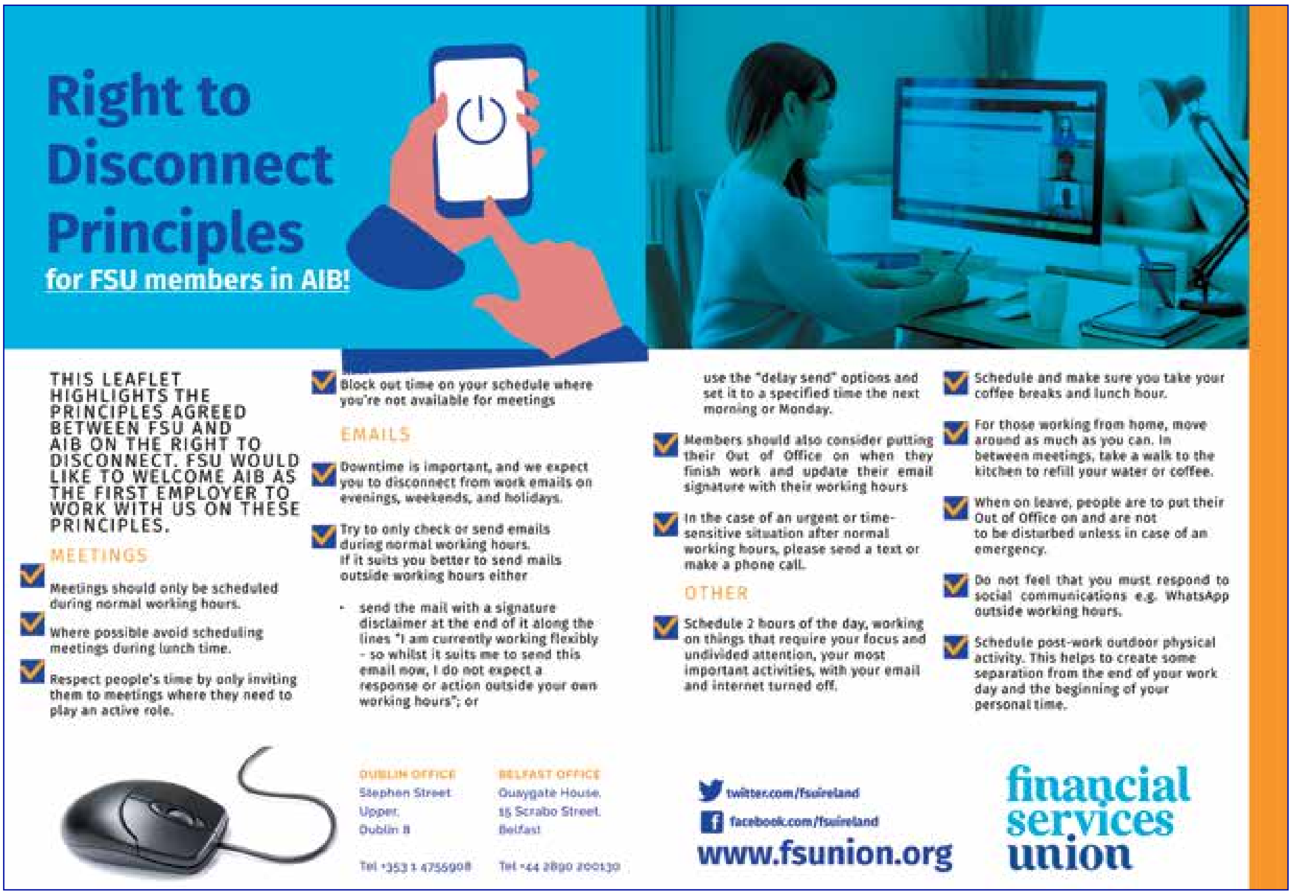
FSU successful got the Minister to change the SI early in 2021 to include and better protect our members in bank branches and credit unions.



Right to Disconnect

FSU continued its Right to Disconnect campaign in 2020 submitting a petition of over 1,000 signatures to the Minister for Business Heather Humphreys, at the time, as well as making it one of key election pledges in lobbying politicians ahead of the General Election.

FSU successfully secured a commitment to right to disconnect in the Programme for Government, one of the few commitment to workers rights contained in the programme. In addition to this we also issued a template policy on the Right to Disconnect, achieved collective agreements on this important right in both AIB and Danske and have now secured a Code of Practice from the Minister. However, the campaign to change the culture of work to respect boundaries and end the 'always on' culture must continue as FSU seeks to improving members working experience.



Covid-19 Survey and Priorities

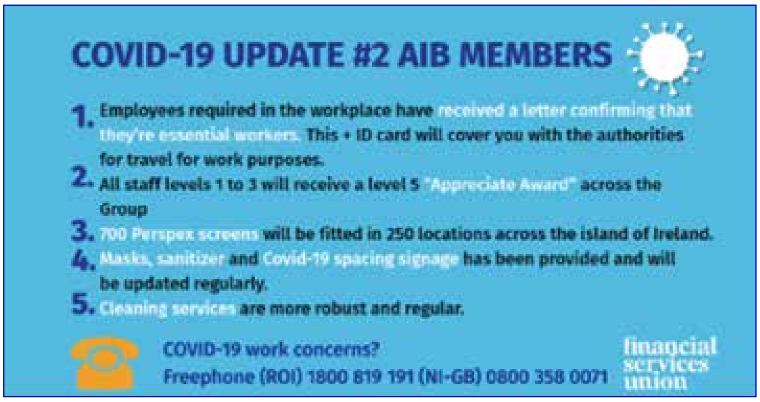
As an immediate response to the pandemic in March 2020 the union put out three priorities:

1. Protecting members pay in all covid scenarios including caring;
2. Ensuring the health and safety of members; and
3. Pausing redundancies.

The union successfully negotiated pay protections in the Banks to ensure that no one lost earnings due to caring responsibilities or having to take time off. This was a significant achievement providing piece of mind during a difficult time.

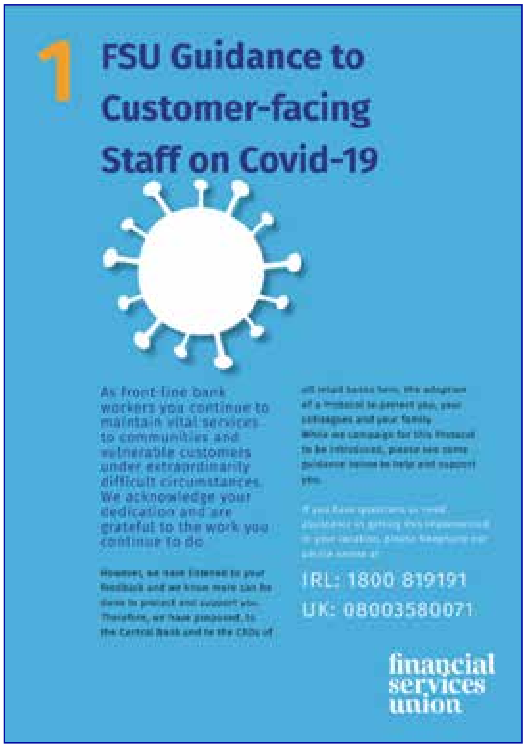
We also issued health and safety guidance to all members whether front-line in branches, working from home or working from departments.

We encouraged employers to increase health and safety standards including equipment and assessments. We successfully paused a number of restructures in both AIB and Ulster Bank.



Home Working protocol

As the pandemic developed and in order to better understand its impact we surveyed over 4,000 workers on issues. This informed the unions position in each bank and prompted the unions home working protocol available on our website at https://www.fsunion.org/assets/files/pdf/fsu_working_from_home_protocols.pdf



Allowances

Employers can accrue significant cost savings from home-working. It is important that staff are not expected to absorb the costs of work.

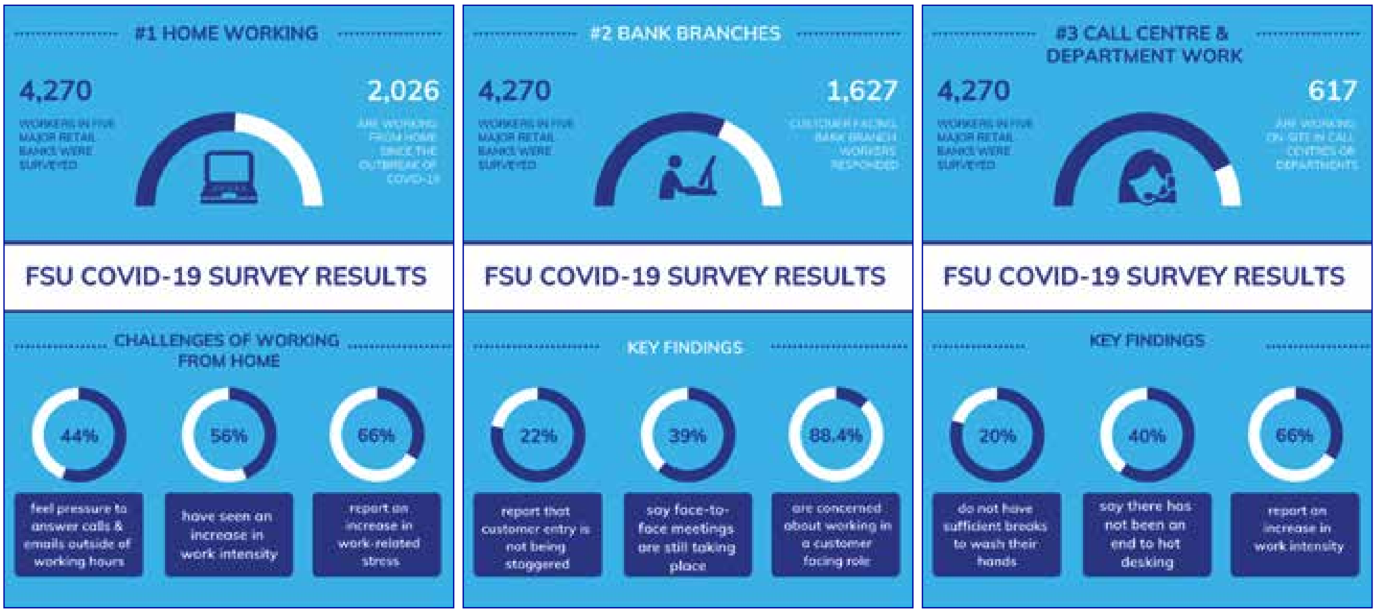
- Working from home can lead to an increase in utility bills for staff. Employers should commit to significant working from home allowances.
- The revenue tax breaks for home-working were designed for another era. They need to be urgently reviewed and recognise appropriately the costs of home-working.
- For those days staff work from home, it needs to be recognised, for the purposes of travel expenses, that home is their work location.

As some employers are significantly reducing their property footprint through home-working, some of these savings must be passed on to staff.

A healthy working from home culture

Employers need to recognise that working from home cannot mean working alone. This means putting in place mechanisms which will promote a healthy working from home culture and eliminate isolation.

- Employers need to create a positive supportive environment for home-working. Staff are entitled to the same, and not excessive, line manager engagement and support.
- Employers need to guard against introducing excessive monitoring or surveillance for those working from home.
- Social engagement should be encouraged through online meet ups.



The survey results highlighted key issues like work intensity, stress, break times and customer behaviours in branches all of which the union has focussed on with employers as part of our Covid19 response.

Animation and Tech

2020 was a productive year for organising in new industries. The launch of FSU's Game Workers campaign has led to FSU becoming a union of choice for workers in adjacent industries. Consequently, FSU have begun two additional greenfield organising campaigns in the Irish animation and tech industry.

In mid 2020 FSU Organisers began working with animation workers to develop a strategy to organise the industry. Subsequently, animation workers ran an exploratory survey to develop contacts. Through one-on-one conversations and collective recruitment meetings run with the support of FSU organisers - animation workers have established union organising committees in several studios across the industry. The aim of these studio committees is to achieve collective bargaining through organising.

In a similar vein, FSU has begun working with tech workers. In late 2020 tech workers followed a similar path to animators, launching an exploratory survey and developing contacts within the industry. Currently, membership are working to identify organising targets within the tech industry.

The work on games workers is continuing with the launch of survey results from their initial survey. This revealed concerns workers have around pay and overtime. FSU has used the promotion of these results to continue our campaign. Additionally, we have launched the first pay transparency audit in the industry. As a result, we have developed contacts in new employments, growing our footprint in the industry.

INDUSTRIAL RELATIONS

AIB
In what has been an extraordinary and unprecedented 12/18 months the FSU faced many new challenges in dealing with member issues in AIB Group.

Pay
In the middle of our annual negotiations the whole world was put in lockdown. The FSU had to abandon our usual face to face meetings and were the first Trade Union to have a conciliation conference with the WRC using remote technology. Despite the challenges that this presented, in a high percentage turnout, we secured a set of proposals that was accepted in our member's ballot.

Equality
The FSU Sector committee secured increases to paid maternity leave up to the maximum statutory benefit of 26 weeks. Along with this we succeeded in achieving top up payments to the 2 weeks parents leave when introduced in the Republic of Ireland, it was also agreed that this benefit would be applied to the UK.

"THE FSU SECTOR COMMITTEE SECURED INCREASES TO PAID MATERNITY LEAVE"

Right to Disconnect
Following the Unions launch of our research and proposals on the "Right to Disconnect" the FSU AIB Sector Committee were the first to agree a set of principles with the employer on this important workplace right.

Working From Home
Over 7,000 AIB employees are currently working from home and will continue to do so until at least September this year. We expect that this type of work or a hybrid approach will become the norm across all employments. The FSU AIB Sector Committee is currently in discussions with the employer in a bid to put in place a comprehensive "Home Working" policy that will professionalise the current emergency measures in place arising from the pandemic.

Member engagement
We can report that whether through surveys or ballots, members are engaging with us in ever increasing numbers. The respond rate from members is at 70% which ensures that what we discuss with the employer reflects the views and wishes of our members.

Membership Growth
Again despite the many challenges faced by this and indeed other Unions around recruitment and organising, the FSU in AIB are keeping our numbers at healthy levels. However there are also many opportunities to grow our membership through campaigning and direct representation.

"THE FSU IN AIB ARE KEEPING OUR NUMBERS AT HEALTHY LEVELS"

INDUSTRIAL RELATIONS

Bank of Ireland

In 2020 we have secured the following on behalf of our membership in Bank of Ireland

Maternity leave full pay - increase 26 weeks enhanced pay effective 1st January 2020

Adoptive leave full pay - increase 24 weeks enhanced pay effective 1st January 2020

Pay

In 2020 a pay deal was negotiated and agreed by a ballot of our members which saw pay increases and an increase in entry levels bands agreed.

COVID – 19 CONTINUITY OF PAY FOR ALL EMPLOYEES INCLUDING:

- ✔ For those required to self-isolate in accordance with HSE/NHS guidance
- ✔ For those with underlying health conditions (including pregnancy)
- ✔ For those who fall ill as a result of Covid-19
- ✔ For those with Childcare challenges

In addition, BOI introduced an allowance for the period 1st April to 30th June for anyone working in BOI buildings during this period. This allowance amounted to €300 / £270 per month and was payable to all in Band 1-3 who were required to work on BOI premises in key roles.

Following the announcement of 1400 job losses we challenged the employer and secured the continuity of the protections of the Change Management Agreement which "ensures" any exits required are on a voluntary basis protecting members from compulsory redundancies irrespective of role or location. This matter was pursued through the Workplace Relations Commission.

In addition to the above collective action many other representations were made on behalf of members at a local and national level.

INDUSTRIAL RELATIONS

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Ulster Bank

2020 was sadly a defining year for Ulster Bank staff and customers. After 200 years of existence on the island of Ireland its owner and parent-bank NatWest conducted a review and decided to withdraw support for the Bank and its staff and customers and commence a wind-down of the Bank in the Republic of Ireland. The parent-bank favour withdrawing and getting access to capital to lend in Britain rather than maintain their presence and services in the Republic of Ireland.


reduces lending to the local community by some 64%. The bank has €22 billion of deposits, is the third largest mortgage

We call on NatWest to commit to the future of Ulster Bank for customers, staff and competition.

John O'Connell
General Secretary,
Financial Services Union

Pearse Doherty
TD and Finance Spokesperson,
Sinn Fein

Gerry Light
General Secretary,
Mandate Trade Union

Tim Cullinane
President,
Irish Farmers Association

Ged Nash
TD and Finance Spokesperson,
Labour Party

Steve Fitzpatrick
General Secretary,
Communication Workers Union

Patricia King
General Secretary,
Irish Congress of Trade Unions

Phil Ní Sheaghdha
General Secretary,
Irish Nurses and Midwives Organisation

Rob McGregor
Finance Section,
Unite the Union

DUBLIN OFFICE
Stephens Street
Upper
Dublin 8

financial services

BELFAST OFFICE
Quaygate House, 15
Scrabo Street,
Belfast

The Union campaigned and fought hard to Save Our Ulster Bank. The campaign activity can be seen on the website at https://www.fsunion.org/save-our-ulster-bank/

The campaign to save the bank and influence the review in 2020 was supported by a wide range of groups and political parties.

Over a thousand members signed a petition to the Board of NatWest and meetings were held regularly with the Minister for Finance. The Union attended the Oireachtas Finance Committee and received cross-party support for the campaign and call to save the Bank. The Union held its largest members meetings in recent history with nearly 1,000 members joining an online meeting to save the Bank. But none of this would dissuade NatWest from making this cold and calculated decision to prioritise short-term gains over staff and customers.

In addition to this crucial work the Union also negotiated pay increases for members between and 1% and 3% and at the start of 2020 ensured respect for human rights as a central part of employee data protection in Ulster Bank. During covid-19 the union negotiated 6 month of pay protection for all staff unable to work. No staff faced a loss of pay due to Covid-19.

The union secured agreement on no branch closures or forced redundancies as a consequence of the withdrawal from ROI until at least 2022.

Employees in Ulster Bank Northern Ireland transferred to NatWest as their employing entity under a collective agreement with FSU which protects members working conditions. It is important to note that our members have better working conditions in a number of areas than NatWest colleagues in Britain and so holding onto these terms was important. The bank will continue to operate under the Ulster Bank franchise. Between 5 and 600 employees in Northern Ireland are impacted by the UBI DAC withdrawal and the union has led a campaign to secure employment opportunities in the broader NatWest Group to best protect jobs and have seen cross part political support for this work.

Danske Bank Northern Ireland

Covid-19

The Covid-19 crisis was evolving daily and reactions to the health emergency were also evolving at pace. Many issues were addressed with the Bank at the outset of the pandemic, the Union's main concern was to protect the health and safety of our members and to ensure continuity of earnings. FSU were liaising on a frequent basis with the Bank as the situation unfolded in an effort to feed in members' concerns and issues. Initially on a daily basis, then weekly, and then as and when needed.

The following measures were agreed:

- H&S measures for branches and offices
- All over 60's and vulnerable people working from home.
- All office staff working from home.
- FSU consulted on changing as many processes as possible to enable 1100 of the 1350 staff to work from home.

"...All office staff working from home..."

INDUSTRIAL RELATIONS

- For those who had to attend branches to work a £300 monthly payment was agreed in addition to a £5 a day travel allowance.
- A change was negotiated to the sick leave policy to include no negative impact on attendance procedure as a result of Covid related absence.
- A H&S review for those working from home was carried out, and as a result the bank supplied extra back supports, chairs, foot supports, and wrist supports for those who needed them.
- A once off payment of £250 was given to all staff working from home to purchase a desk or any other necessary equipment.

Branch Closures

Strabane, Ballycastle & Comber branches were closed in September 2020. FSU had called for a pause on redundancies in the sector and were actively campaigning in each employment to reduce the number of potential redundancies. In this context we were reassured by the bank's commitment that no staff were made redundant as a consequence of these closures, and all existing agreements were honoured. Any changes for staff were managed in line with these agreements.

Better Ways of Working

In the summer of 2020 the Bank surveyed its employees on their experience of remote working and the positive and negative effects experienced over the last few months working during lockdown. The results showed that an overwhelming number of staff favour a blended working arrangement when everyone is in a position to return to work. As we are all too aware Covid-19 transformed the world of work in a rapid timeframe. Home-working has now become the norm for many workers and may also become the norm for others in the future, but we cannot assume that rules made for a pre-Covid-19 world are sufficient now, therefore it was important that the Union in conjunction with the employer organise a smooth and just transition into any new ways of working. FSU developed a document 'Making Home-Work Work for All' in order to deal with a wide range of issues relating to transitioning to the new reality of potential homeworking. The FSU protocol policy document was tabled with the bank and we were pleased that the majority of our suggestions were taken on board. A set of principles in relation to blended working arrangements which focuses on employee led flexibility with choice, voluntarism and optionality at its core have been agreed. Health & Safety, Technology, and a positive home working culture were also addressed.

"...an overwhelming number of staff favour a blended working arrangement..."

Work intensity will be addressed through the implementation of the Right to Disconnect. Although at this time the bank has not agreed to a home-working allowance, they have been put on notice that a formal claim will be lodged in 2021, once their 'Better Ways of Working' model is in a position to be rolled out, and Covid restrictions have eased.

Cost Recovery Programme

FSU were in intense negotiations for the latter months of 2020 in relation to the Bank's cost challenges. As a result of the fallout of the global pandemic and Brexit, the Bank sought to discuss a number of measures to manage staff costs and cost saving measures, the union engaged in good faith to ensure we could mitigate the need for any redundancies. Our objective during these negotiations was to eliminate potential job losses, and to also protect jobs into the future. In order to ensure employment security for the foreseeable future, the set of proposals included an overarching Agreement up until 2024 which the Union views as the bank's commitment to jobs into the future.

"Our objective during these negotiations was to eliminate potential job losses, and to also protect jobs into the future"

While some tough decisions had to be made, we are confident that the set of proposals reflected the best possible outcome under the current circumstances, while also maintaining certainty for staff under the backdrop of severe fallout from the pandemic and multiple cuts elsewhere across Danske Group.

There were a number of very positive outcomes agreed with the Union throughout these negotiations.

- Job Security Agreement was updated – including a commitment from the Bank for no redundancies, voluntary or compulsory, for two years.
- Enhanced Engagement Agreement which includes managing all operational change towards more digital banking, supporting new skills and continuous learning, mitigating the need for potential job loss.
- Support for the FSU Right to Disconnect. The wording of the Charter was agreed to include a reference supporting the FSU policy document.

INDUSTRIAL RELATIONS

- Updated severance terms.
- Agreement from the Bank on roll out of Domestic Abuse Policy.
- Maternity Pay increased to 26 weeks.
- Adoption Pay increased to 26 weeks.
- Partners Leave increased from two days to two weeks.
- Special Leave increased from 5 days to 10 days.

"The use of technology and the introduction of Teams has had a huge impact on FSU engaging with its members"

Organising & Engagement

In 2020 a sharp focus was put on succession planning for positions on both Sector Committee and Area Co-Ordinator roles. We are acutely aware of the need for replacement and developing talent, and this will remain the case into 2021. We started monthly Area Co-Ordinator meetings at the start of the Covid pandemic and these have continued throughout the year and will become the norm going forward. Despite the majority of staff working from home we have still managed to increase membership by focusing on the call centre in Kileaton. Organising remains firmly on the agenda at every monthly meeting for both Sector Committee and Area Co-Ordinators. The use of technology and the introduction of Teams has had a huge impact on FSU engaging with its members, as was evident in December with our series of very well attended Danske member meetings. This is something we will rely on going forward to use to engage with specific groups within the bank.

TECHNOLOGY AND SERVICES SECTOR

In 2020 and into 2021, Covid-19 has had a significant impact on the Technology Sector. The majority of FSU organised fintech employments saw the introduction of either the Temporary Wage Subsidy Scheme (TWSS), temporary pay cuts, redundancies, or layoffs, so it was a particularly difficult year for our members in this sector.

The advantages that the Tech sector had over other sectors was the smooth transition from an office working environment to a homeworking environment as many employments already had some form of blended working arrangement in place.

In order to ensure the transition to temporary home working was as seamless as possible, the Union engaged with employers to provide the necessary resources to employees. In some employments it was more difficult to get employers to understand that working remotely required health and safety review's, and that employees should also be supplied with the requisite equipment to carry out their jobs to the fullest capacity with health and safety to the fore.

On many occasions the Union was forced to outline **the Irish Health & Safety Authority Guidelines in relation to Home Working on a Temporary Basis (Covid-19)** to employers to push them to fulfil their obligations. Not all workers could work from home due to the nature of the role they carry out and in this regard there was much work done to ensure workplaces had the proper health and safety measures in place.

The evolving nature of the work environment and the strain on income for many of these organisations, required the Union to engage with all Tech employers on a regular basis, not only to feed in and resolve members issues, but also to negotiate any temporary changes in work arrangements or temporary pay arrangements for our members while prioritising job security. As a result of how badly hit the sector was there were no pay increases in the sector for 2020.

On a more positive note, **the Union negotiated an extension to the Wipro Job Security Agreement. 'Job Security Agreement – Up to 2021 and Beyond' was signed by both union and employer in November 2020.** This agreement refers to the extension of the agreement commonly known as the *'Foley Agreement'* outlined in the Labour Relations Commission Recommendation 23rd August 2012. This was a positive step giving some certainty to workers in Wipro, this agreement is due to be extended further prior to its expiration date.

Labour Court Recommendation on KBC

FSU brought redundancies in KBC to the Labour Court and received a positive recommendation. KBC refuses to recognise or engage with FSU on behalf of members in this bank. So, in order to ensure members have a voice at this Bank we brought a case of a number of redundancies to the Labour Court on the basis that the Bank had not done enough to support staff and mitigate against compulsory redundancies. FSU received a favourable recommendation with the Court recommending that KBC consider the use of employee swaps and greater use of remote working to facilitate those in hubs around the country get access to roles created in the Head Office in Dublin. While KBC refused to accept the Courts decision and continues to refuse to meet FSU they did provide greater support to staff once pressure was applied to them.

IBM

In 2020, IBM global made a momentous decision to split its business in two and for its technology infrastructure side to be separated into an entirely new non-IBM company that has been recently named Kyndryl. This will result in a large section of IBM employees, and FSU members, transferring to this new employer. FSU has undertaken membership surveys and digital meetings to identify the key issues.

VISION 2020

The Vision 2020 project commenced back in 2013 and has resulted in the adoption of multiple rules changes, new operating structures and ultimately a name change and rebrand of the Union.

At the outset, after consultation with stakeholders, the main priorities identified were,

- A flatter, more inclusive, and active representative organisation.
- Moving day to day decision making power down into the union.
- Constituting a strategic national committee.
- De-cluttering the structures and agendas so that on the ground upgraded training of representatives takes the forefront.
- Raising visibility and active campaign activity to support and attract members.
- Installing a system of budgeting, cost control and planning
- Restructuring the organisation to reflect strategic direction, control, and future opportunities.

Expectations from the outset were set a high level. There is no doubt that the changes made over the last number of years have had a positive influence on the future outlook of the Union.

Structures such as the General Council were established, increased union presence in different companies has materialised, a more dynamic campaigning union has emerged.

Much has been achieved but a lot more needs to be done. We should never be afraid of change. The FSU, like other membership organisations needs to evolve with the times, act in the best interests of its members, provide the support, help and training required and use our influence to achieve the best possible results for our members.

Women's Aid

In 2020 the General Council agreed to make a donation on your behalf of €5,000 to Women's Aid in the Republic of Ireland and Women's Aid in Northern Ireland.

Covid-19 has opened eyes to the fact that for thousands of women and children, home can be the most dangerous place. Women's Aid is on the frontline answering calls from women who are trapped at home with very dangerous abusers. These women are not just statistics, they are real women reaching out, sometimes in the dead of night, to be heard, believed and supported. We commend the trojan work done in helping and advising people who are in real need and we were delighted to be able to make a financial contribution in support of the brilliant work.

EQUALITY, DIVERSITY AND INCLUSION WORKING GROUP

In 2020 the FSU set up an Equality, Diversity and Inclusion working group.

The aim of the group is to develop and maintain positive practice relating to all matters of Equality, Diversity, and Inclusion (E, D & I) impacting on FSU members and staff both as individuals and collectively. This includes how members are treated in their workplaces, but also how they interact with each other as union members, with union employees, and with society in general.

The purpose of the group is to identify priorities for enhancements of current provisions, or introduction of new procedures, initiatives, or campaigns in areas where there is currently a shortfall in existing arrangements.

The group initially reviewed and evaluated current provisions in relation to E, D & I – including any agreements, policies or best practices that are already in place.

One of the first actions taken by the group was to partner with Pamela Brown from the Irish Centre for Diversity to deliver an online session on Diversity and Inclusion through Microsoft Teams.

We also worked with Isobel Butler, leadership consultant, to offer an online programme for Women and Leadership programme which was run for two hours over four days and was very successful.

Gender pay inequality, Domestic Violence and Menopause workplace policies as well as Maternity pay formed much of the agenda for the group.

GOVERNANCE

financial services union
STRONGER TOGETHER

As part of our commitment to good governance in the conduct of our activities, we commissioned an independent governance review in April 2020.

The independent review focused on (a) governance structures within the organisation including roles and responsibilities, terms of references and work programmes, knowledge, skills, competencies and expertise, term limits and effectiveness considerations (b) governance arrangements/processes including accountability, strategy, risk management, assurance and controls, financial governance and financial management, performance and reporting and stakeholders management and (c) underlying formation documents including rule book provisions in respect of governance, oversight and relationships with members and statutory and other obligations.

In accepting the recommendations of the review, the General Council established a governance implementation group in July 2020 to progress the agreed governance agenda and over the months of July, August and September, the group made significant progress culminating in a final report and detailed implementation plans developed for Council approval in September and October 2020.

While there are many definitions of governance that could be used to encapsulate how the FSU is directed, controlled and managed, the following is the definition adopted by the FSU Council in July 2020, as being most appropriate to the Union.

Governance comprises the structures and arrangements put in place to ensure that the Financial Services Union fulfils its overall purpose and achieves its intended outcomes for its members. Governance is concerned with leadership and direction, roles and responsibilities, structures and processes for decision-making, accountability, risk management and internal controls, culture and related behaviours within the organisation.

In acknowledging that the rules of the FSU specify the power and authority of the Council as well as outlining key governance and leadership structures and arrangements, the Council also approved a set of governance principles[1] which it considered underpins the governance culture and leadership ethos within the Union.

Clarity of roles and responsibilities is a fundamental tenet of good governance and the Council agreed that its role, to reflect contemporary governance norms, is:

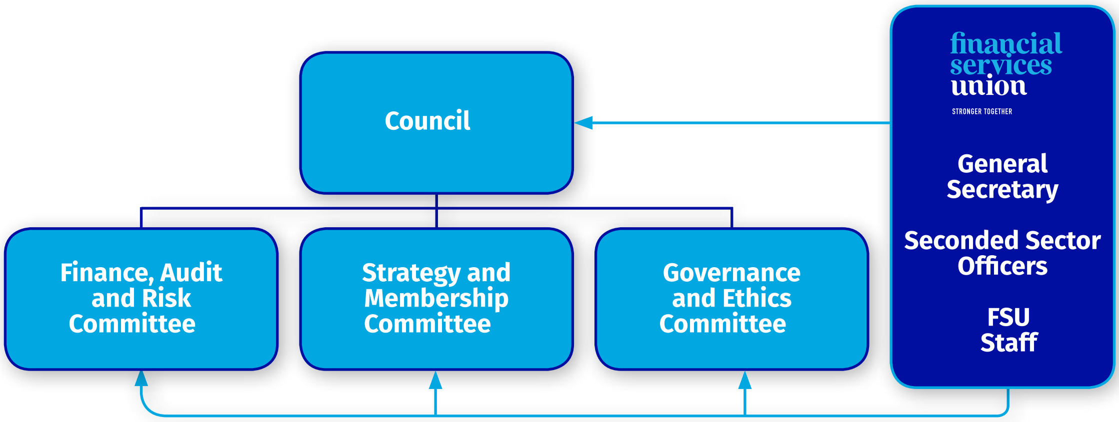
- Setting the strategic direction of the union and reviewing progress.
- Agreeing business plans and major plans of action.
- Monitoring organisational performance.
- Ensuring effective accountability and holding to account arrangements are in place and operate as necessary.
- Appointing the General Secretary and overseeing his/her performance
- Agreeing and overseeing annual budgets.
- Overseeing major capital expenditure and investment decisions.
- Ensuring that effective risk management and internal control processes are in place and monitoring and reviewing their implementation and overall effectiveness.
- Putting in place an effective committee structure to support the council in its role.
- Monitoring and assessing its own performance and that of its committees.

The Council also agreed and approved a more detailed Council terms of reference and work programme to ensure that the key aspects of its role is and can be delivered upon. In the terms of reference, the Council re-affirmed its commitment to the adoption and ongoing implementation of an effective corporate governance regime in accordance with best practice and which complies with its rules as well as relevant legal, regulatory and good governance obligations.

The Council carries out its duties and exercises its powers to achieve the aims of the Union and is empowered to take such decisions as are necessary for the effective governance and control of the organisation in accordance with the provisions of the rules and consistent with good governance standards. The development of the schedule

[1] Principle 1. Leading our organisation; Principle 2. Exercising control over our organisation; Principle 3. Being transparent and accountable; Principle 4. Working effectively; Principle 5. Behaving with integrity

FULFILLING THE GOVERNANCE ROLE



of matters reserved for decision of the council as governing body was a priority task and this schedule or list of reserved functions is critical in clarifying the roles and responsibilities of the council and the General Secretary.

To assist the Council to deliver on its role and again consistent with evolving good governance practices across all key sectors, the Council established three committees and approved detailed terms of reference for each.

The Strategy and Membership Committee (SMC) supports the Council in fulfilling its responsibilities in relation to the development, implementation and monitoring of the Union's strategic plan and annual business plans, the monitoring and oversight of key performance indicators and measures as well as the development and review of membership initiatives and work programmes to attract, recruit and retain members and ensure the quality and delivery of membership offerings.

The Finance, Audit and Risk Committee (FARC) supports the Council in fulfilling its responsibilities in relation to good financial governance, financial reporting, risk management and control systems. This includes reviewing the comprehensiveness of assurances provided to the Council, ensuring that the Council assurance needs are met as well as reviewing the reliability and integrity of these assurances.

The Governance and Ethics Committee (GEC) supports the Council in fulfilling its responsibilities in relation to achieving and observing good governance practice, the efficient and effective conduct of council and committee meetings, ensuring induction and continuing professional development programmes and supports are available as well as overseeing compliance with ethical and conduct obligations of council and committee members.

Each committee is populated by members of Council and induction training and support was provided to all members and to managers and staff who work with each committee. Each committee has an agreed work programme and formally reports to the General Council on performance and progress against the programme.

Other aspects of the work of the governance implementation group were also progressed during 2020 and this incorporated the updating and refreshing of key governance policies, the development of the corporate risk register and consideration of legal and regulatory obligations including GDPR requirements.

In summary, very significant progress has been made on the implementation of the review recommendations by the governance implementation group and further work has been prioritised by the Council and committees for 2021.

PREMISES

Over the last twelve months we have been renovating our premises on Stephen's Street.

Once the work is completed staff of the FSU will move from the first floor to the Ground floor and basement.

The pictures attached show the renovated offices.

PREMISES

Belfast Office

During 2020 the Union office in Belfast underwent major refurbishment.

Before and during refurbishment of Quay Gate House in Belfast

Quay Gate House

General Council on 10 March 2020 at opening of Quay Gate House

After the refurbishment

FSU - Financial Services Union

General Councils' Report and Financial Statements

Financial Year Ended 31 December 2020

ACCOUNTS

financial services union
STRONGER TOGETHER

GENERAL COUNCIL AND OTHER INFORMATION

General Council

John O'Connell	(General Secretary)
Sharon McAuley	(President)
John Burns	(Honorary Secretary)
Hugh Keaveney	(Honorary Finance Officer)
Joe Allsopp	
Dominic Boyd	
Mary Ennis	
Martin Gallagher	
Paul Gilmartin	
Eileen Gorman	
Christian Hanna	
Roger James	
Pat McCarthy	
Mick Nerney	
Liam Ross	
Tom Ruttledge	
Etain Ryan Lyons	
Denis Stevenson	

Auditors

PricewaterhouseCoopers
Chartered Auditors and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1

Bankers

Allied Irish Bank
O'Connell Street
Dublin 1

First Trust Bank
31-35 High Street
Belfast
BT1 3HH

Solicitors

Bowler Geraghty
2 Lower Ormond Quay
Dublin 1
Thompsons N.I.
Victoria Chambers
171-175 Victoria Street
Belfast
BT1 4HS

GENERAL COUNCIL REPORT

The General Council present their report and the audited financial statements of the Union for the year ended 31 December 2020.

General Council responsibilities statement

The General Council prepares financial statements for each financial year giving a true and fair view of the Union's assets, liabilities and financial position at the end of the financial year and the surplus or deficit of the Union for the financial year. The General Council have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and Irish Law).

The General Council shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Union's assets, liabilities and financial position as at the end of the financial year and the surplus or deficit of the Union for the financial year.

In preparing these financial statements, the General Council are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Union will continue in business.

The General Council confirms that they have complied with the above requirements in preparing the financial statements.

The General Council are responsible for keeping adequate accounting records that are sufficient to:
- correctly record and explain the transactions of the Union;
- enable, at any time, the assets, liabilities, financial position and surplus or deficit of the Union to be determined with reasonable accuracy; and
- enable the General Council to ensure that the financial statements can be audited.

The General Council 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.

Principal activities and business review

FSU - Financial Services Union is the leading trade union representing staff in Ireland's financial services sector – with just over 10,600 members located in the Republic of Ireland, Northern Ireland and Great Britain.

Principal risks and uncertainties

The General Council have, in conjunction with staff and professional advisors, assessed the major operational and financial risks to which the Union is exposed. Systems have been established to mitigate exposure to these risks. The General Council review these matters and the desirable actions arising from them each year.

With the implementation of Brexit on 1st January 2021 it is anticipated that in the European Union Banking sector that further consolidation will occur. Irish banks are not exempt from that with Ulster Bank confirming that it is currently seeking to withdraw from the market after undertaking a strategic review of its Republic of Ireland operation. The impact of this on FSU will be lessened by the bank remaining in Northern Ireland, and by the confirmation that staff from Ulster will transfer with work to the banks that take over their loan book. Currently AIB & PTSB are in discussions with Ulster Bank in that regard. KBC has jointly announced with Bank of Ireland that it is selling its loan book to Bank of Ireland, subject to meeting competition concerns. The impact of this announcement has the potential to improve FSU's membership in KBC. Both KBC & Ulster loan sales will it is indicated by them, take a number of years to progress.

During 2018, a decision was made to close down the defence fund, all payments were made out to members in December 2018 and a small portion in 2019, with the repayment of the returnable portion of members' subscriptions out of the funds of the Defence Fund under the provisions of rule 9 of the Rules of the Defence Fund. The prior year defence fund financial statements had not been prepared on a going concern basis. In 2020 and 2019, the defence fund has been merged within the general fund.

GENERAL COUNCIL REPORT- continued

Coronavirus – Summary of risk and impact assessment including impact on going concern
The management of the Financial Services Union have considered the impact of Covid-19 on the business and financial affairs of the organisation under the following headings.

Business Continuance
The staff of the organisation are working from home and providing a full service to the organisation's membership. There have been no staff lay-offs, employees are being paid in full the organisation did not register for Covid-19 Temporary Assistance. Members are encouraged to join using our online systems, currently 80% of new members join using our website.

Membership
Employers have begun the process of reducing staff numbers through branch closures or in other cases bank withdrawal from the Irish market. Branch closure will be on a phased bases and the effect of bank closures is not likely to affect membership numbers until 2022.

The organisation is significantly invested in the recruitment of new members, our growth unit was established during 2019 and our 2019 and 2020 accounts show that we significantly reduced the outflow of members in both years.

Membership Subscriptions
The General Council have sanctioned the reintroduction of subscription rate increases in 2020, an increase of 2.5% was applied to all members in January 2021. The subscription rate increase will somewhat compensate for the reduction in union membership.

Property
The organisation has developed the ground floor and basement at One Stephen Street (Dublin Property) into office space. This newly developed space will be occupied by the Financial Services Union. The migration to the new space is due to conclude in the first quarter of 2021.

A major refit & refurbishment is planned for the 1st and 2nd floors to bring them to the rental market before the second half of 2021, once the work is completed One Stephen Street will have two floors available for rent which once occupied will yield significant rental income for the union.
Quay Gate House (Belfast Property) currently has approximately 50% vacant rental space. This is considerably lower than the previous year.

While the rental market is slow in both Dublin and Belfast the view from our letting agents and other professionals is that post pandemic there will be a recovery with only a marginal reduction in rental rates.
Given the uncertainty of when lockdown restrictions will be eased, we have not factored in any new sources of rental income for 2021.

Investments
The Financial Services Unions holdings in Aberdeen & Standard have shown resilience during the current health crisis, the combined investment portfolio has recovered any losses suffered in the early months of the pandemic and continue to perform favourably.
Investment performance is constantly under review and the performance is monitored closely as investments provide financial security and under pin all future financial demands of the union.

Conclusion
Management foresees a 4% reduction in subscription Income for the year ending 2021. Investment rental property is still suffering the effects of Covid 19. With a refit & refurbishment program planned for two of our prime rental spaces we are confident that tenancies will be agreed swiftly.

Financial Services Union investments remain strong and continue to provide security for the organisation's financial future.

Total Investments remain more than adequate to sustain the organisations development aspirations now and into the future.

GENERAL COUNCIL REPORT- continued

Coronavirus - Summary of risk and impact assessment including impact on going concern • continued Management have prepared budgets and cash forecasts for the next 12 months to reflect their expectation of the likely performance and outturn for the next 12 months. In preparing these forecasts, management have also considered the continuing impact of COVID 19 on the forecast income and expenditure. Having considered the forecasts, management are satisfied that the organisation is a position to meet its obligations as they fall due for the period of at least 12 months from signing the financial statements.

Management are of the view that the organisation remains in a strong financial position to fulfil its mandate of behalf of its membership and that as a business they have enough reserves and available cash to manage through this challenging time.

General Council

The names of the persons who were members of the General Council at any time during the year and up to the date of approval of the financial statements are set out below. Unless indicated otherwise, they served as members for the entire year.

John O'Connell	- General Secretary
Sharon McAuley	- President
John Burns	- Honorary Secretary
Hugh Keaveney	- Honorary Finance Officer
Joe Allsopp	
Dominic Boyd	
Mary Ennis	
Martin Gallagher	
Paul Gilmartin	
Eileen Gorman	
Christian Hanna	
Roger James	
Pat McCarthy	
Mick Nerney	
Liam Ross	
Tom Ruttledge	
Etain Ryan Lyons	
Denis Stevenson	

Accounting records

The measures taken by the General Council to ensure they retain adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at One Stephen Street Upper, Dublin 8, DOS DE9P.

Events since the end of the financial year

There are no significant or material subsequent events affecting the Union since the year end.

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office.

Honorary officers

President

Honorary Finance Officer

20 May 2021

FSU - FINANCIAL SERVICES UNION

SECTION 1

COMBINED FINANCIAL STATEMENTS

31 DECEMBER 2020

Independent auditors' report to the General Council of FSU - Financial Services Union
Report on the audit of the non-statutory financial statements

Opinion
In our opinion, FSU - Financial Services Union's non-statutory financial statements (the "financial statements"):
- give a true and fair view of the fund's assets, liabilities and financial position as at 31 December 2020 and of its surplus and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"); and
- have been properly prepared in accordance with the provisions of the Trade Union Acts 1896 to 2014. We have audited the financial statements, which comprise:
- the statement of financial position (combined balance sheet) as at 31 December 2020;
- the income and expenditure account (general fund and benevolent fund) and statement of comprehensive income for the year then ended;
- the cash flow statement (combined cash flow) for the year then ended;
- the statement of changes in funds' balances (combined) for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)"). Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We remained independent of the fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern
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 fund's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the General Council' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the fund's ability to continue as a going concern.

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

Reporting on other information
The other information comprises all of the information in the General Councils' Report and Financial Statements other than the financial statements and our auditors' report thereon. The General Council are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the General Council for the financial statements

As explained more fully in the General Councils' Responsibilities Statement set out on page 3, the General Council are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The General Council are also responsible for such internal control as they 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 General Council are responsible for assessing the fund'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 General Council either intend to liquidate the fund or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 (Ireland) 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:
https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the General Council as a body in accordance with the Trade Union Acts 1896 to 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the fund, save where expressly agreed by our prior consent in writing.

Matters on which we have agreed to report

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the fund were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants
Dublin
20 May 2021

INCOME AND EXPENDITURE ACCOUNT
General Fund
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Subscriptions	5(a)	2,788,834	2,900,491
Transfers	5(b)	856	2,682
Net rental income	12	528,502	435,176
		3,318,192	3,338,349
Overhead expenses			
Administration	6	2,623,213	2,908,512
Establishment	9	450,420	273,486
Loss on revaluation of investment properties	15	1,307,816	250,920
Investment income	10	(950,459)	(773,995)
Other (income)/expenditure	11	(1,863,805)	46,947
Bankers' club maintenance		17	10,051
		1,567,202	2,715,921
Operating surplus before unrealised (losses)/gains on investments		1,750,990	622,428
Unrealised (loss)/gain on investments	16(c)	(632,868)	2,751,200
Operating surplus before interest		1,118,122	3,373,628
Interest received and similar income, net	13	-	131
Operating surplus before taxation		1,118,122	3,373,759
Taxation on surplus on ordinary activities	14	(316,651)	(1,538,211)
Surplus after taxation		801,471	1,835,548
Dealt with as follows:			
Surplus transferred to accumulated fund balance		801,471	1,835,548

All amounts above relate to continuing activities.

Total other comprehensive income is set out on page 11 of the financial statements. Movements on the balance in the income and expenditure account are set out in the statement of changes in funds balances on page 16 of the financial statements. There is no difference between the surplus/(deficit) before taxation and the surplus/(deficit) to transferred to the accumulated fund balance stated above and their historical cost equivalents.

STATEMENT OF COMPREHENSIVE INCOME
General Fund
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Surplus for the financial year		801,471	1,835,548
Other comprehensive income:			
Remeasurement of net defined benefit liability	22	134,000	149,000
Other comprehensive income for the financial year		134,000	149,000
Total comprehensive income for the financial year		935,471	1,984,548

INCOME AND EXPDENITURE ACCOUNT
Benevolent Fund
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Income			-
Expenditure			
Contribution to general fund		(856)	(2,682)
Benefits payable		-	-
Deficit for year		(856)	(2,682)
Dealt with as follows:			
Deficit deducted from accumulated fund balance		(856)	(2,682)

All amounts above relate to continuing activities.

The fund has no other comprehensive income other than those included in the deficit above and, therefore, no statement of comprehensive income has been presented.

There is no difference between the surplus transferred to accumulated fund balance stated above and its historical cost equivalent.

STATEMENT OF FINANCIAL POSITION (COMBINED BALANCE SHEET)
As at 31 December 2020

	Notes	2020 €	2019 €
Fixed assets	15	10,656,005	10,602,129
Investment and deposits	16	28,359,664	30,042,073
Current assets			
Debtors (including €nil (2019: €nil) due after more than one year	17	238,668	1,004,283
Cash and bank balances		2,838,537	1,920,142
		3,077,205	2,924,425
Creditors: amounts falling due within one year	18	(3,122,268)	(2,135,636)
Net current (liabilities)/assets		(45,063)	788,789
Net assets excluding pension liability		38,970,606	41,432,991
Pension liability	22		(3,397,000)
Net assets including pension liability		38,970,606	38,035,991
Funds' employed			
Funds' balances			
Retained at beginning of year		38,035,991	36,054,125
Surplus for year		934,615	1,981,866
Total funds' balances		38,970,606	38,035,991

Honorary officers

President
Honorary Finance Officer

CASH FLOW STATEMENT (COMBINED CASH FLOW)
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Cash inflow/(outflow) from operating activities	21	3,849,605	(397,870)
Taxation paid		(467,538)	(411,606)
Net cash used from operating activities		3,382,067	(809,476)
Cash flow from investing activities			
Interest received		-	131
Purchase of tangible fixed assets	15	(1,513,213)	(2,559,595)
Disposal of fixed assets		-	561,842
Encashment of investments		(950,459)	(773,995)
Net cash used in investing activities		(2,463,672)	(2,771,617)
Cash flows from financing activities			
Interest paid		-	-
Net movements on bank loans		-	-
Net cash used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents in the year		918,395	(3,581,093)
Cash and cash equivalents at 1 January		1,920,142	5,501,235
Cash and cash equivalents at 31 December		2,838,537	1,920,142
Cash and cash equivalents consists of:			
Cash at bank and in hand		2,838,537	1,920,142
Short term deposits (included in current asset investments)		-	-
Cash and cash equivalents		2,838,537	1,920,142

STATEMENT OF CHANGES IN FUNDS' BALANCES (COMBINED)
Financial Year Ended 31 December 2020

	Notes	Fund balances €	Total €
At 1 January 2020		38,035,991	36,035,991
Movement during 2020:			
Surplus for the year		800,615	800,615
Other comprehensive income for the year		134,000	134,000
Total comprehensive income for the year		934,615	934,615
At 31 December 2020		38,970,606	38,970,606

NOTES TO THE FINANCIAL STATEMENTS

1 General information
FSU - Financial Services Union is the leading trade union representing staff in Ireland's financial services sector – with just over 10,600 members located in the Republic of Ireland, Northern Ireland and Great Britain. The Union is essentially a voluntary organisation – in which elected members organise a range of activities on behalf of their fellow members – with the assistance of a team of full-time staff who provide administrative, technical and professional support. The office of the Union is One Stephen Street Upper, Dublin 8, DO8 DE9P.

2 Statement of compliance
The financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the UK Financial Reporting Council). The financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

3 Summary of significant accounting policies
The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation
The financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through income and expenditure account, and the measurement of freehold land and buildings at their deemed cost on transition to FRS 102.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the General Council to exercise its judgement in the process of applying the Union's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

(b) Going concern
The Union meets its day-to-day working capital requirements through its cash balances and investments. The current economic conditions continue to create uncertainty over the level of demand for membership of the Union. The union's revised forecasts and projections, taking account of reasonably possible changes in trading performance, and having considered in detail the potential risks and likely impacts of the Coronavirus pandemic, continue to show that the union should be able to operate within the level of its current cash reserves and investments. See the note included in the General Council Report for further details on the specific reviews undertaken in relation to the Coronavirus. After making enquiries, , the General Council have a reasonable expectation that the union has adequate resources to continue in operational existence for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

(c) Exemptions for qualifying entities under FRS 102
FRS 102 allows a qualifying entity certain disclosure exemptions. As none of these exemptions are relevant to the circumstances of the Union no exemptions have been taken.

(d) Revenue recognition
Subscriptions
The amounts represent the total value of subscriptions received and receivable from members during the year.

(e) Tangible fixed assets
Tangible fixed assets are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs and borrowing costs capitalised.

(i) Freehold premises
Freehold premises are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses.

(ii) President's chain of office
The President's chain of office is carried at cost (or deemed cost) less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS – continued

(iii) Furniture and office equipment
Furniture and office equipment are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses.

(iv) Motor vehicles
Motor vehicles are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses.

(v) Depreciation and residual values
Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method over their estimated useful lives, as follows:

Freehold premises	50 years
Motor vehicles	5 years
Furniture and office equipment	10 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

The Union does not adopt a policy of revaluing tangible fixed assets.

(vi) Subsequent additions and major components
Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Union and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

(vii) Assets in the course of construction
Assets in the course of construction are stated at cost. These assets are not depreciated until it is available for use

(viii) Derecognition
Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income and expenditure account.

(f) Investment property
The cost of a purchased investment property is its purchase price plus any directly attributable costs, such as professional fees for legal services, property transfer taxes and other transaction costs. Costs incurred in undertaking market studies before the purchase of a property are expensed as incurred.

The cost of an investment property for which payment is deferred beyond normal credit terms is the present value of all future payments. Management discount future payments using the market rate of interest for a similar debt instrument. The difference between the present value and the amount payable is recognised as an interest expense over the period of credit.

Investment properties whose fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value recognised in income and expenditure.

The Company engaged independent valuation specialists to determine fair value at 31 December 2020. The key assumptions used to determine the fair value of investment property are further explained in note 15.

NOTES TO THE FINANCIAL STATEMENTS – continued

(g) Combined balance sheet
The combined balance sheet includes the balance sheets of:

(i) the general fund;
(ii) the defence fund; and
(iii) the benevolent fund.

In combining the balance sheets noted above, all internal indebtedness between the funds has been eliminated.

(h) Investments and dividend income
The Union's investments are carried at fair value. Fair value is "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction other than in a forced or liquidation sale". Estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

Realised gains and losses, being the difference between the net sale proceeds and the fair value, are included in the income and expenditure account as realised gains/(losses) on disposal of investments in investment income.

Unrealised gains and losses, being the difference between the fair value at the end of the year and the fair value at the beginning of the year or date of purchase if later, as adjusted for the reversal of unrealised gains and losses recognised in earlier accounting periods which are now realised, are included in the income and expenditure account as unrealised gains/losses on investments.

Dividend income from investments at fair value through surplus or deficit is recognised in the income and expenditure account as part of investment income.

Fair value estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. They could be significantly affected by the changes in assumptions.

(i) Foreign currency
Normal exchange differences arising on revenue transactions are reflected in the result for the year. Purchases and sales of investments are translated at the rate ruling at the relevant transaction date. Bank balances are translated at the year-end rate.

(i) Functional and presentation currency
The Union's functional presentation currency is the Euro, denominated by the symbol '€'.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated to Euro using the closing rate.
Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income and expenditure account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income and expenditure account.

(j) Employee benefits
The Union provides a range of benefits to employees, including short term employee benefits such as annual bonus arrangements and paid holiday arrangements and post-employment benefits (in the form of defined benefit or defined contribution pension plans).

NOTES TO THE FINANCIAL STATEMENTS – continued

(i) Short term benefits

Short term employee benefits, including paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

(ii) Defined contribution pension plans

The Union operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the Union pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the Union in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due.
Amounts not paid are shown in accruals in the balance sheet.

(iii) Defined benefit pension plan

The Union operates a defined benefit plan for certain employees. FSU have closed the scheme with effect from 14 December 2020. This is considered to be the valuation date for assets and liabilities in the scheme. At the time of finalisation of the accounts, the wind up of the scheme was in progress. The Union has determined that the most appropriate accounting policy to recognise the closure of the scheme is such that both assets and liabilities would be brought to nil at the balance sheet date, with any adjustments required to assets (to reflect the additional contributions committed by the employer to fund enhanced discretionary benefits for members of the scheme), would be addressed as part of the overall settlement gain/loss in the financial statements. The net impact of this is such that assets and liabilities of the scheme are both nil at the balance sheet date, and the net pension assets/ liability shown on the face of the Balance Sheet is also nil. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Union engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in Euro and that have terms approximating the estimated period of the future payments (discount rate').

The fair value of plan assets out of which the obligations are to be settled is measured in accordance with the Union's accounting policy for financial assets. For most plan assets this is the quoted price in an active market. Where quoted prices are not available appropriate valuation techniques are used to estimate the fair value.

The cost of the defined benefit plan, recognised in the income and expenditure account as employee costs, except where included in the cost of an asset, comprises:

(a) the increase in pension benefit liability arising from employee service during the period; and
(b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in income and expenditure as 'finance expense'.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are presented as 'remeasurement of net defined benefit liability' in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS – continued

(k) Income tax

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (income and expenditure account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable surplus for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable surpluses and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable surpluses.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

(l) Impairment of non-financial assets

At the end of each financial year date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is estimated.

The recoverable amount of the asset (or cash-generating unit) is the higher of its fair value less costs to sell and it's value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value-in- use pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the income and expenditure account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in surplus or deficit.

If an impairment loss reverses (the reasons for the impairment loss have creased to apply), the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the income and expenditure account, unless the asset is carried at a revalued amount.

(m) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS – continued

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

(n) Related party transactions

The Union discloses transactions with related parties.

(o) Provisions and contingencies

(i) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in surplus or deficit, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Union's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(p) Financial assets, liabilities and instruments

The Union has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in surplus or deficit.

If there is decrease in the impairment loss arising from an event occurring after the impairment was

recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in surplus or deficit.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in surplus or deficit, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Unlisted securities are stated at cost less provision for any impairment in value.

Provision is made for doubtful debts using an exposures-based method, which is designed to provide for those debts which it is considered might be irrecoverable.

(ii) Financial liabilities
Basic financial liabilities, including trade and other creditors, bank loans, loans from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from related companies and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(q) Leased assets

(i) Operating leases
Operating leases do not transfer substantially all the risks and rewards of ownership to the lessor. Payments under operating leases are charged to the income and expenditure account on a straight-line basis over the period of the lease.

(ii) Lease incentives
Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the income and expenditure account, to reduce the lease expense, on a straight-line basis over the period of the lease.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

NOTES TO THE FINANCIAL STATEMENTS – continued

(a) Critical judgements in applying the entity's accounting policies

There are no critical judgements, apart from those involving estimates, made by the directors that have had significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The General Council make estimates and assumptions concerning the future in the process of preparing the financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Defined benefit pension scheme

Certain employees participate in a defined benefit pension plan. The calculation of the cost of these pension benefits and the present value of the defined benefit obligation incorporate a number of estimates and assumptions, including; life expectancy, salary increases, inflation and the discount rate on corporate bonds. The pension plan assets are measured at fair value at the end of each financial year. The assumptions and estimates used in calculating the cost for the financial year, the defined benefit obligation and the fair value of the plan assets at the end of each financial year reflect historical experience and current trends. See note 22 for the disclosures relating to the defined benefit pension plan.

(ii) Investments and Investment properties

Fair value estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. They could be significantly affected by the changes in assumptions.

5 (a) Subscriptions

	2020	2019
	€	€
Analysis of turnover by geographical market:		
Republic of Ireland	2,206,008	2,189,397
Northern Ireland	470,176	533,492
UK	112,650	177,602
	2,788,834	2,900,491

(b) Transfers

Benevolent Fund	(856)	2,682

6 Administration

	2020	2019
	€	€
Salaries and wages (note 7)	1,385,085	1,258,740
Staff pension scheme (note 7)	147,524	193,195
Staff training	25,627	30,213
Travelling and meeting expenses (note 8)	274,508	523,769
District secretaries' and Biennial delegate conferences	1,015	540
Postage and telephone	45,343	69,646
Printing, stationery and news sheet expenses	10,836	15,445
Subscriptions, affiliation fees and expenses	76,846	97,944
Audit fees	56,879	54,319
Legal fees	411	123,743
Professional fees	415,063	268,631
Recruitment expense	39,236	38,974
Sports and social activities	37,899	56,041
Bank interest and charges	8,997	7,753
Sundry expenses	108,132	134,609
Architects fees	(10,188)	34,950
	2,623,213	2,908,512

NOTES TO THE FINANCIAL STATEMENTS – continued

Auditors' remuneration

Remuneration (including expenses) for the audit of the financial statements and other services carried out by the Union's auditors is as follows:

	2020	2019
	€	€
Audit of financial statements	47,160	46,710
Other assurance services	16,546	16,355
Tax advisory services	32,000	16,290
Other non-audit services	89,670	27,705
	185,376	100,060

7 Employment

	2020	2019
	Number	Number

(i) Employees

The average number of persons employed by the Union, including key management, during the year is analysed below:

	2020	2019
Administration	21	22

	2020	2019
	€	€
(ii) Salaries and wages costs comprise:		
Wages and salaries	1,385,085	1,258,740
Other retirement benefit costs	147,524	193,195
Salary and wages costs	1,532,609	1,451,935

Of the total staff costs €nil (2019: €nil) has been capitalised into tangible fixed assets and €2,340,182 (2019: €1,702,824) has been treated as an expense in the income and expenditure account.

	2020	2019
	€	€

(iii) Key management compensation

Key management includes the General Council and members of key management. The compensation paid or payable to key management for employee services is shown below:

Salaries and other short-term benefits	162,115	127,833
Total key management compensation	162,115	127,833

No elected General Council members received any emoluments in the year (2019: €Nil) relating to their services to the Union.

The Union initiated a voluntary severance scheme in October 2018. The total amount that the Financial Services Union owed as at the reporting date was €nil (2019: €210,000).

8 Travelling and meeting expenses

	2020	2019
	€	€
General Council	106,251	169,593
Negotiation meetings	23,400	65,462
District meetings	53,657	50,784
Sector and other meetings	91,200	237,928
	274,508	523,768

NOTES TO THE FINANCIAL STATEMENTS – continued

9 Establishment

	2020	2019
	€	€
Rates	25,798	60,349
Light and heat	29,838	37,812
Maintenance, repairs and security	215,552	220,382
Insurance	32,095	27,558
Depreciation	151,522	84,529
Minor capital purchases	415	1,107
Profit on disposal of fixed assets	(4,800)	(158,251)
	450,420	273,486

10 Investment income

	2020	2019
	€	€
Realised gain on disposal of investments	950,459	773,995

11 Other (income)/expenditure

	2020	2019
	€	€
Plan introductions, changes, curtailments and settlements (note 22)	(2,075,000)	-
Administration expenses relating to wind up of scheme (note 22)	150,000	-
Pension finance losses (note 22)	28,000	69,000
Exchange loss	54,893	4,606
Marketing and other contributions	(21,698)	(26,659)
	(1,863,805)	46,947

12 Net rental income

	2020	2019
	€	€
Rental income	528,502	435,176

13 Net interest received and similar income

	2020	2019
	€	€
Bank interest	-	131
Total interest income on financial assets not measured at fair value through surplus or deficit		
	-	131
Total interest receivable and similar income	-	131

NOTES TO THE FINANCIAL STATEMENTS – continued

14 Taxation

	2020	2019
	€	€
Based on the dividends, surplus on investment income and interest received for the year:		
(a) Tax expense included in the income and expenditure account		
Current tax		
Irish corporation tax charge for the year	1,444,643	410,219
Adjustments in respect of prior years:		
Under provision from prior year		-
Current tax expense for the financial year	1,444,643	410,219
Deferred tax		
Deferred tax on financial instruments measured at fair value through income and expenditure account	-	1,127,992
Deferred tax expense for the financial year	(1,127,992)	1,127,992
Tax on surplus/(deficit) on ordinary activities	316,651	1,538,211
Surplus/(deficit) before tax	1,117,266	3,371,078
Taxed at the standard rate of corporation tax (20%)	223,453	674,216
Income and gains taxable at higher income tax rates	1,355,702	317,826
Non-deductible expenses/(non-taxable income)	(134,512)	(581,823)
Under-provision from prior year		-
Deferred tax	(1,127,992)	1,127,992
Tax on surplus(deficit) on ordinary activities	316,651	1,538,211

15 Fixed assets

	Freehold premises	Investment property	President's chain of office	Furniture and office equipment	Motor vehicles	Total
	€	€	€	€	€	€
Cost/valuation						
At 1 January 2020	3,892,921	6,920,537	2,716	1,663,884	21,455	12,501,513
Fair value adjustment	-	(1,307,815)	-	-	-	(1,307,815)
Additions	-	760,159	-	753,054	-	1,513,213
Disposal	-	-	-	-	-	-
At 31 December 2020	3,892,921	6,372,881	2,716	2,416,938	21,455	12,706,911
Depreciation						
At 1 January 2020	364,781	-	-	1,513,148	21,455	1,899,384
Charge to income and expenditure account	77,858	-	-	73,664	-	151,522
Disposal	-	-	-	-	-	-
At 31 December 2020	442,639	-	-	1,586,812	21,455	2,050,906
Net book value						
At 31 December 2020	3,450,282	6,372,881	2,716	830,126	-	10,656,005
At 31 December 2019	3,528,140	6,920,537	2,716	150,736	-	10,602,129

During the financial year, tangible fixed assets with a carrying amount of €nil were disposed of. The assets had a cost of €21,455 and accumulated depreciation and impairment of €21,455. The gain on the disposal of these tangible fixed assets was €4,800 (2019: €158,251). There was €1,513,212 worth of additions during the year. These related to the retro fit of IBOA house.

NOTES TO THE FINANCIAL STATEMENTS – continued

The net carrying amount of assets held under finance leases included in plant and machinery is €nil (2019: €nil).

The properties were valued at 31 December 2020 by an external valuer (Avison Young) using market-based evidence for similar properties sold in the local area.

16 (a) Investments

	2020	2019
	€	€
Managed Funds	28,349,093	30,031,502
Other	10,571	10,571
	28,359,664	30,042,073

(b) Financial risk management

The Union's objective is to achieve long-term capital appreciation through investment in a portfolio of equity-linked funds. Its risk management objectives and policies are consistent with this objective, but there can be no guarantee that it will be achieved.

The Union has delegated the management of its portfolio, including risk management, to the Investment Manager. In doing so it is dependent on the Investment Manager's ability and willingness to effect good investments and give appropriate direction to the Union.

The Union's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Union's financial performance. Unforeseen economic or political circumstances can have a sudden effect on markets. This could manifest itself by either significant buying or selling, or less inclination to trade until it is clear how prices in the market will be affected in the longer term. If the valuation date coincides with such an event, the data on which any valuation is based may not be clear, be incomplete or inconsistent, with an obvious impact on the certainty that can be attached to the valuation. In addition, a longer than normal marketing period may be required to achieve a sale in certain market conditions.

(c) Reconciliation of investments at 31 December to opening balance

	2020	2019
	€	€
Market value at 1 January	30,042,073	26,516,878
Interest earned	-	-
Withdrawals	(2,000,000)	-
Unrealised (loss)/gain	(632,868)	2,751,200
Realised gain **	950,459	773,995
Closing balance at 31 December	28,359,664	30,042,073

** Tax which has been deducted at source on certain realised gains is included within realised gains on disposal of investments.

17 Debtors

	2020	2019
	€	€
Other debtors	207,320	446,170
Prepayments	31,348	558,117
	238,668	1,004,283

Other debtors include €nil (2019: €nil) which is due after more than one year. Other debtors are stated after provisions for impairment of €nil (2019: €nil).

NOTES TO THE FINANCIAL STATEMENTS – continued

18 Creditors – amounts falling due within one year

	2020	2019
	€	€
Trade creditors	280,362	201,382
Other creditors including tax and social insurance	98,648	86,850
Accruals	1,675,368	628,627
Deferred tax liability	-	1,127,992
Corporation tax	1,067,890	90,785
	3,122,268	2,135,636

Trade and other creditors are payable at various date in the three months after the end of the financial year in accordance with the creditors usual and customary credit terms.

Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

	2020	2019
	€	€
Other creditors including tax and social insurance comprise:		
PAYE	53,290	32,096
PRSI	38,037	15,904
VAT	7,321	38,850
	98,648	86,850

19 Financial instruments

	Notes	2020	2019
		€	€
Financial assets at fair value through income and expenditure		28,359,664	30,301,501
Financial assets that are debt instruments measured at amortised cost:			
- Other debtors	17	207,335	446,170
		28,566,999	30,747,671
Cash at bank and in hand		2,838,537	1,920,142
Financial assets that are equity instruments measured at cost less impairment		-	-
Financial liabilities measured at fair value through income:			
- Derivative financial instruments		-	-
Financial liabilities measured at amortised cost:			
- Trade creditors	18	280,362	201,382
- Other creditors	18	2,841,906	1,934,302
		3,122,268	2,135,684

20 Fund balances

	Opening balance	Surplus/ (deficit)	Closing balance
	€	€	€
General fund	37,999,630	935,471	38,935,101
Benevolent fund	29,861	(856)	29,005
Other funds *	6,500	-	6,500
	38,035,991	934,615	38,970,606

	2020	2019
	€	€
* Other funds comprise the following:		
Benevolent fund reserve	1,981	1,981
J Titterington prize fund	1,288	1,288
Denroche Trust fund	1,225	1,225
PC Bell fund	736	736
Fraser fund	1,270	1,270
	6,500	6,500

NOTES TO THE FINANCIAL STATEMENTS – continued

21 Cash inflow/(outflow) from operating activities

	Notes	2020	2019
		€	€
Amounts included in the cash flow statement are reconciled or analysed as follows:			
(a) Cash flow from operating activities			
Operating surplus before interest		1,117,266	3,370,946
Depreciation	15	151,522	84,529
Gain on disposal of fixed assets		-	(158,251)
Loss on revaluation on buildings – non cash	15	1,307,816	250,920
Decrease/ (increase) in debtors		765,615	(685,253)
(Increase)/decrease other non-cash movements on investments and pensions		(479,246)	(3,023,200)
Increase/(decrease) in creditors		986,632	(237,562)
Cash inflow/(outflow) from operating activities		3,849,605	(397,870)

	2020	2019
	€	€
(b) Operating surplus before interest		
General fund	1,118,122	3,373,628
Benevolent Fund	(856)	(2,682)
Operating surplus before interest	1,117,266	3,370,946

22 Retirement benefits

Up until 17 November 2020, the Union sponsored a defined benefit pension scheme with assets held under trust in a separately administered fund. The Union decided to terminate its obligation to contribute to the fund with effect from 17 November 2020 and, as a result, the trustees determined to wind-up the scheme at that date. For accounting purposes, this date is considered to be the valuation date for the purposes of assessing the impact of the wind-up of the scheme. At the time of finalisation of the accounts, the administration of wind-up of the scheme by the trustees was in progress. The Union has determined that the appropriate accounting policy to recognise the termination of its obligation to fund the scheme is that both assets and liabilities would be brought to nil at the balance sheet date, with an adjustment to assets to reflect the additional contributions committed by the employer to fund enhanced discretionary benefits for members of the scheme. The impact of this would be addressed as part of the overall settlement gain/loss in the financial statements. The net impact of this is such that assets and liabilities of the scheme are both nil at the balance sheet date, and the net pension assets/ liability shown on the face of the Balance Sheet is also nil. The disclosures outlined below reflect this accounting treatment.

A comprehensive actuarial valuation, using the projected unit credit method, was carried out at 17 November 2020 by Towers Watson, independent consulting actuaries. Adjustments to the valuation at that date have been made based on the following assumptions in measuring the defined benefit obligation at the end of the financial year:

The principal actuarial assumptions at the balance sheet date:	2020	2019
Rate of increase in salaries	2.4%	2.5%
Rate of increase in pensions in payment	1.4%	1.5%
Discount rate	0.9%	1.2%
Inflation assumption	1.4%	1.5%

	2020	2019
	Years	Years
Mortality assumptions used are as follows:		
Longevity at age 65 for current pensioners		
Male	21.0	21.0
Female	24.0	24.0
Longevity at age 45 for future pensioners		
Male	24.0	24.0
Female	27.0	27.0

NOTES TO THE FINANCIAL STATEMENTS – continued

Risks and rewards arising from the assets

At 31 December 2020 the scheme assets were assumed to be nil, in accordance with the accounting policy adopted on closure of the scheme. Up until the point of closure, assets had been invested in a diversified portfolio that consisted primarily of equities and bonds.

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity reflect long term real rates of return experienced in the respective markets.

The fair value of scheme assets was:	2020 €'000	2019 €'000
Equities	-	3,532
Bonds	-	4,036
Other	-	2,522
	-	10,090

Movement in the deficit for the year:		
Deficit in scheme at 1 January	(3,397)	(3,669)
Current service cost	(128)	(116)
Other finance charge	(28)	(69)
Remeasurement effects recognised in OCI	134	149
Plan introductions, changes, curtailments and settlements *	2,075	-
Employer Contributions	1,494	308
Administration expenses relating to wind-up	(150)	-
Deficit in scheme at 31 December	-	(3,397)

* The €2,075k gain arises due to the settlement of the Union's defined benefit obligations and has been recognised as part of other income in note 11 to the financial statements. The accounting gain shown above arises as a result of the difference in the valuation of defined benefit obligations under accounting rules for continuing schemes under FRS102 and the amount for which the obligations are actually settled on the wind-up of the defined benefit pension scheme. Although the scheme had a surplus on a statutory funding standard basis, the assets would not have been sufficient to provide members with a similar level of benefit after the wind-up. Therefore, an agreement was reached between the Union and the trustees of the pension scheme for the Union to contribute an additional one-off contribution of c.€1m as part of the settlement process to enhance overall benefits to members. The €2.075m shown above is the impact of the cost of the total benefits including the enhancement net of the write back of the previously recognised liability under FRS102 to bring the scheme assets and liabilities down to nil following settlement.

The following amounts have been recognised in respect of the defined benefit pension scheme in the income and expenditure account:

	2020 €'000	2019 €'000
Charged to income and expenditure account		
Current service cost	(128)	(116)
Curtailments and settlements	2,075	-
Administration costs incurred during the year	-	-
Interest income/(expense)		
Interest income	119	155
Interest expense	(147)	(224)
Net interest	(28)	(69)
Total defined benefit credit/(cost) recognised in income and expenditure	1,919	(185)

Analysis of amount recognised in statement of comprehensive income		
Return/loss on plan assets	(644)	(1,580)
Actuarial loss/(gain) arising during the year	510	1,431
Remeasurement effects recognised in OCI	(134)	(149)

NOTES TO THE FINANCIAL STATEMENTS – continued

Analysis of change to fair value of assets and liabilities during the year

	Scheme assets €	Scheme liabilities €	Pension deficit €
At 1 January 2020	10,090	(13,487)	(3,397)
Current service cost	-	(128)	(128)
Interest expense	-	(147)	(147)
Interest Income	119		119
Return on plan assets	644	-	644
Actuarial (oss) arising during the year		(510)	(510)
Plan introductions, changes, curtailments and settlements	(11,547)	13,622	2,075
Benefits paid	(650)	650	-
Contributions by scheme participants	-	-	-
Employer contributions paid	1,494	-	1,494
Administration expenses relating to wind up	(150)	-	(150)
At 31 December 2020	-	-	-

Defined contribution scheme

The company also operates a defined contribution scheme to provide benefits for employees. Contributions made to the defined contribution scheme during the year amounted to €70,124 (2019: €66,286). The contributions in relation to the two schemes payable at the year end was €5,615 (2019: €4,689).

23 Contingent liability

There have been no significant events affecting the Union since the year end.

Disputes with third parties, arise in the normal course of business. While any disputes involve an element of uncertainty, the General Council believe there were no contingent liabilities which would have a material adverse effect on the Union's financial position.

24 Reporting currency

The currency used in these financial statements is the Euro, which is denoted by the symbol "€".

25 Events since the end of the financial year

There have been no significant events affecting the Union since the year end.

26 Related party transactions

There were no related party transactions during the year. See note 7 for disclosure of the key management compensation.

27 Controlling parties

FSU – The finance union is a voluntary organisation controlled by its General Council on behalf of its members.

28 Approval of the financial statements

The financial statements were approved by the General Council on 20 May 2021.

FSU - FINANCIAL SERVICES UNION (FORMERLY IRISH BANK OFFICIALS' UNION)

SECTION 2

GENERAL FUND

FINANCIAL STATEMENTS

31 DECEMBER 2020

Independent auditors' report to the General Council of FSU - Financial Services Union
Report on the audit of the non-statutory financial statements

Opinion
In our opinion, FSU - Financial Services Union's non-statutory financial statements (the "financial statements"):
- give a true and fair view of the fund's assets, liabilities and financial position as at 31 December 2020 and of its surplus and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"); and
- have been properly prepared in accordance with the provisions of the Trade Union Acts 1896 to 2014. We have audited the financial statements, which comprise:
- the statement of financial position (balance sheet) as at 31 December 2020;
- the income and expenditure account (general fund) and statement of comprehensive income for the year then ended;
- the cash flow statement for the year then ended;
- the statement of changes in funds' balances for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)"). Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We remained independent of the fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern
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 fund's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the General Council' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the fund's ability to continue as a going concern.

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

Reporting on other information
The other information comprises all of the information in the General Councils' Report and Financial Statements other than the financial statements and our auditors' report thereon. The General Council are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the General Council for the financial statements

As explained more fully in the General Councils' Responsibilities Statement set out on page 3, the General Council are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The General Council are also responsible for such internal control as they 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 General Council are responsible for assessing the fund'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 General Council either intend to liquidate the fund or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 (Ireland) 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:
https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the General Council as a body in accordance with the Trade Union Acts 1896 to 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the fund, save where expressly agreed by our prior consent in writing.

Matters on which we have agreed to report

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the fund were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants
Dublin
20 May 2021

INCOME AND EXPENDITURE ACCOUNT
General Fund
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Subscriptions	5(a)	2,788,834	2,900,491
Transfers	5(b)	856	2,682
Net rental income	12	528,502	435,176
		3,318,192	3,338,349
Overhead expenses			
Administration	6	2,623,213	2,900,152
Establishment	9	450,420	273,486
Loss on revaluation of investment properties		1,307,816	250,920
Investment income	10	(950,459)	(773,995)
Other (income)/expenditure	11	(1,863,805)	46,947
Bankers' club maintenance		17	10,051
		1,567,202	2,715,921
Operating surplus before unrealised (losses)/gains on investments		1,750,990	622,428
Unrealised (loss)/gain on investments		(632,868)	2,751,200
Operating surplus before interest		1,118,122	3,373,628
Interest received and similar income, net	13	-	131
Operating surplus before taxation		1,118,122	3,373,759
Taxation on surplus on ordinary activities	14	(316,651)	(1,538,211)
Surplus after taxation		801,471	1,835,548

All amounts above relate to continuing activities.

Total comprehensive income is set out on page 42 of the financial statements. Movements on the income and expenditure account are set out in the statement of changes in fund balances on page 45 of the financial statements. There is no difference between the surplus before taxation and the surplus transferred to the accumulated fund balance stated above and their historical cost equivalents.

STATEMENT OF OTHER COMPREHENSIVE INCOME
General Fund
Financial Year Ended 31 December 2020

	2020 €	2019 €
Surplus for the financial year	801,471	1,835,548
Other comprehensive income:		
Remeasurement of net defined benefit liability	134,000	149,000
Other comprehensive income for the financial year	134,000	149,000
Total comprehensive income for the financial year	935,471	1,984,548

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
General Fund
As at 31 December 2020

	Notes	2020 €	2019 €
Fixed assets	15	10,656,005	10,602,129
Investment and deposits	16	28,359,663	30,042,073
Amounts due to other funds	17	(29,006)	(29,861)
Current assets			
Debtors (including €nil (2019: €nil) due after more than one year	18	238,683	1,004,283
Cash and bank balances		2,838,524	1,920,142
		3,077,207	2,924,425
Creditors: amounts falling due within one year	19	(3,122,268)	(2,135,636)
Net current assets		(45,061)	788,789
Net assets excluding pension liability		38,941,601	41,403,130
Pension liability	22		(3,397,000)
Net assets including pension liability		38,941,601	38,006,130
Funds' employed			
Funds' balances			
Retained at beginning of year		38,006,130	36,021,582
Surplus for year		935,471	1,984,548
Total funds' balance		38,941,601	38,006,130

Honorary officers

President
Honorary Finance Officer

CASH FLOW STATEMENT
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Cash inflow/(outflow) from operating activities		3,849,592	(389,443)
Taxation paid		(467,538)	(411,606)
Net cash generated from/(used in) operating activities		3,382,054	(801,049)
Cash flow from investing activities			
Interest received		-	131
Purchase of tangible fixed assets		(1,513,213)	(2,559,595)
Disposal of tangible fixed assets		-	561,842
Encashment of investments		(950,459)	(773,995)
Net cash used in investing activities		(2,463,672)	(2,771,617)
Cash flows from financing activities			
Interest paid		-	-
Net movements on bank loans		-	-
Net cash used in financing activities		-	-
Net decrease in cash and cash equivalents in the year		918,382	(3,349,341)
Cash and cash equivalents at 1 January		1,920,142	5,269,483
Cash and cash equivalents at 31 December		2,838,524	1,920,142
Cash and cash equivalents consists of:			
Cash at bank and in hand		2,838,524	1,920,142
Short term deposits (included in current asset investments)		-	-
Cash and cash equivalents		2,838,524	1,920,142

Amounts included in the cash flow statement are reconciled or analysed as follows:

(a) Cash flow from operating activities

	Notes	2020	2019
Operating surplus(deficit) before interest		1,118,122	3,381,987
Depreciation	15	151,522	84,529
Gain on disposal of fixed assets		-	(158,251)
Loss on revaluation on investment properties – non cash	15	1,307,816	250,920
Decrease/(increase) in debtors		765,600	(685,253)
Decrease other non-cash movements on investments and pensions		(479,245)	(3,023,200)
Decrease in creditors		985,777	(240,175)
Cash inflow/(outflow) from operating activities		(3,849,592)	(389,443)

STATEMENT OF CHANGES IN FUND BALANCES
General Fund
Financial Year Ended 31 December 2020

	Notes	Fund balances €	Total €
At 1 January 2020		38,006,130	38,006,130
Movement during 2020			
Surplus for the year		801,471	801,471
Other comprehensive income for the year		134,000	134,000
Total comprehensive income for the year		935,471	935,471
At 31 December 2020	21	38,941,601	38,941,601

NOTES TO THE FINANCIAL STATEMENTS

1 General information
FSU - Financial Services Union is the leading trade union representing staff in Ireland's financial services sector – with just over 11,000 members located in the Republic of Ireland, Northern Ireland and Great Britain. The Union is essentially a voluntary organisation – in which elected members organise a range of activities on behalf of their fellow members – with the assistance of a team of full-time staff who provide administrative, technical and professional support. The office of the Union is One Stephen Street Upper, Dublin 8, DO8 DE9P.

2 Statement of compliance
The financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the UK Financial Reporting Council). The financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

3 Summary of significant accounting policies
The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation
The financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through surplus or deficit, and the measurement of freehold land and buildings at their deemed cost on transition to FRS 102.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the General Council to exercise its judgement in the process of applying the Union's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

(b) Going concern
The Union meets its day-to-day working capital requirements through its cash balances and investments. The current economic conditions continue to create uncertainty over the level of demand for membership of the Union. The union's revised forecasts and projections, taking account of reasonably possible changes in trading performance, and having considered in detail the potential risks and likely impacts of the Coronavirus pandemic, continue to show that the union should be able to operate within the level of its current cash reserves and investments. See the note included in the General Council Report for further details on the specific reviews undertaken in relation to the Coronavirus. After making enquiries, the General Council have a reasonable expectation that the union has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

(c) Exemptions for qualifying entities under FRS 102
FRS 102 allows a qualifying entity certain disclosure exemptions. As none of these exemptions are relevant to the circumstances of the union no exceptions have been taken.

(d) Revenue recognition
Subscriptions
The amounts represent the total value of subscriptions received and receivable from members during the year.

(e) Tangible fixed assets
Tangible fixed assets are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs and borrowing costs capitalised.

(i) Freehold premises
Freehold premises are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses.

(ii) President's chain of office
Furniture and office equipment are carried at cost (or deemed cost) less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS – continued

(iii) Furniture and office equipment
Furniture and office equipment are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses.

(iv) Motor vehicles
Motor vehicles are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses.

(v) Depreciation and residual values
Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method over their estimated useful lives, as follows:

Freehold premises	50 years
Motor vehicles	5 years
Furniture and office equipment	10 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

The Union does not adopt a policy of revaluing tangible fixed assets.

(vi) Subsequent additions and major components
Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Union and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

(vii) Assets in the course of construction
Assets in the course of construction are stated at cost. These assets are not depreciated until it is available for use.

(viii) Derecognition
Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income and expenditure account.

(f) Investment property

The cost of a purchased investment property is its purchase price plus any directly attributable costs, such as professional fees for legal services, property transfer taxes and other transaction costs. Costs incurred in undertaking market studies before the purchase of a property are expensed as incurred.

The cost of an investment property for which payment is deferred beyond normal credit terms is the present value of all future payments. Management discount future payments using the market rate of interest for a similar debt instrument. The difference between the present value and the amount payable is recognised as an interest expense over the period of credit.

Investment properties whose fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value recognised in income and expenditure.

The Company engaged independent valuation specialists to determine fair value at 31 December 2019 The key assumptions used to determine the fair value of investment property are further explained in note 15.

NOTES TO THE FINANCIAL STATEMENTS – continued

(g) Investments and dividend income

The Union's investments are carried at fair value. Fair value is "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction other than in a forced or liquidation sale". Estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

Realised gains and losses, being the difference between the net sale proceeds and the fair value, are included in the income and expenditure account as realised gains/(losses) on disposal of investments in investment income.

Unrealised gains and losses, being the difference between the fair value at the end of the year and the fair value at the beginning of the year or date of purchase if later, as adjusted for the reversal of unrealised gains and losses recognised in earlier accounting periods which are now realised, are included in the income and expenditure account as unrealised gains/losses on investments.

Dividend income from investments at fair value through surplus or deficit is recognised in the income and expenditure account as part of investment income.

Fair value estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. They could be significantly affected by the changes in assumptions.

(h) Foreign currency

Normal exchange differences arising on revenue transactions are reflected in the result for the year. Purchases and sales of investments are translated at the rate ruling at the relevant transaction date. Bank balances are translated at the year-end rate.

(i) Functional and presentation currency

The Union's functional presentation currency is the Euro, denominated by the symbol '€'.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income and expenditure account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income and expenditure account.

(i) Employee benefits

The Union provides a range of benefits to employees, including short term employee benefits such as annual bonus arrangements and paid holiday arrangements and post-employment benefits (in the form of defined benefit or defined contribution pension plans).

(i) Short term benefits

Short term employee benefits, including paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

(ii) Defined contribution pension plans

The Union operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the Union pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the Union in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

(iii) Defined benefit pension plan
The Union operates a defined benefit plan for certain employees. FSU have closed the scheme with effect from 14 December 2020. This is considered to be the valuation date for assets and liabilities in the scheme. At the time of finalisation of the accounts, the wind up of the scheme was in progress. The Union has determined that the most appropriate accounting policy to recognise the closure of the scheme is such that both assets and liabilities would be brought to nil at the balance sheet date, with any adjustments required to assets (to reflect the additional contributions committed by the employer to fund enhanced discretionary benefits for members of the scheme), would be addressed as part of the overall settlement gain/loss in the financial statements. The net impact of this is such that assets and liabilities of the scheme are both nil at the balance sheet date, and the net pension assets/liability shown on the face of the Balance Sheet is also nil. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Union engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in Euro and that have terms approximating the estimated period of the future payments (discount rate').

The fair value of plan assets out of which the obligations are to be settled is measured in accordance with the Union's accounting policy for financial assets. For most plan assets this is the quoted price in an active market. Where quoted prices are not available appropriate valuation techniques are used to estimate the fair value.

The cost of the defined benefit plan, recognised in the income and expenditure account as employee costs, except where included in the cost of an asset, comprises:

(a) the increase in pension benefit liability arising from employee service during the period; and
(b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in income and expenditure as 'finance expense'.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are presented as 'remeasurement of net defined benefit liability' in other comprehensive income.

(iv) Annual bonus plan
The Union operates an annual bonus plan for employees. An expense is recognised in the income and expenditure account when the Union has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

(j) Income tax

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (income and expenditure account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense. Current or deferred taxation assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS – continued

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable surplus for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable surpluses and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable surpluses.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

(k) Impairment of non-financial assets

At the end of each financial year date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is estimated.

The recoverable amount of the asset (or cash-generating unit) is the higher of it's fair value less costs to sell and it's value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value-in- use pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the income and expenditure account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in surplus or deficit.

If an impairment loss reverses (the reasons for the impairment loss have creased to apply), the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the income and expenditure account, unless the asset is carried at a revalued amount.

(l) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

(m)Related party transactions

The Union discloses transactions with related parties.

(n) Provisions and contingencies

(i) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in surplus or deficit, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Union's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(o) Financial assets, liabilities and instruments

The Union has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in surplus or deficit.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in surplus or deficit.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in surplus or deficit, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions. Unlisted securities are stated at cost less provision for any impairment in value.

Provision is made for doubtful debts using an exposures-based method, which is designed to provide for those debts which it is considered might be irrecoverable.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from related companies and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(p) Leased assets

(i) Operating leases

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessor. Payments under operating leases are charged to the income and expenditure account on a straight-line basis over the period of the lease.

(ii) Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the income and expenditure account, to reduce the lease expense, on a straight-line basis over the period of the lease.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

There are no critical judgements, apart from those involving estimates, made by the directors that have had significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The General Council make estimates and assumptions concerning the future in the process of preparing the financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results.

NOTES TO THE FINANCIAL STATEMENTS – continued

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Defined benefit pension scheme

Certain employees participate in a defined benefit pension plan. The calculation of the cost of these pension benefits and the present value of the defined benefit obligation incorporate a number of estimates and assumptions, including; life expectancy, salary increases, inflation and the discount rate on corporate bonds. The pension plan assets are measured at fair value at the end of each financial year. The assumptions and estimates used in calculating the cost for the financial year, the defined benefit obligation and the fair value of the plan assets at the end of each financial year reflect historical experience and current trends. See note 22 for the disclosures relating to the defined benefit pension plan.

(ii) Investments and Investment properties

Fair value estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. They could be significantly affected by the changes in assumptions.

5 (a) Subscriptions

	2020	2019
	€	€
Analysis of turnover by geographical market:		
Republic of Ireland	2,206,008	2,189,397
Northern Ireland	470,176	533,492
UK	112,650	177,602
	2,788,834	2,900,491

(b) Transfers		
Benevolent Fund	856	2,682

6 Administration

	2020	2019
	€	€
Salaries and wages (note 7)	1,385,085	1,258,740
Staff pension scheme (note 7)	147,524	193,195
Staff training	25,627	30,213
Travelling and meeting expenses (note 8)	274,508	523,768
District secretaries' and Biennial delegate conferences	1,015	540
Postage and telephone	45,343	69,646
Printing, stationery and news sheet expenses	10,836	15,445
Subscriptions, affiliation fees and expenses	76,846	97,944
Audit fees	56,879	54,319
Legal fees	411	123,743
Professional fees	415,063	268,631
Recruitment expense	39,236	38,974
Sports and social activities	37,899	56,041
Bank interest and charges	8,997	7,753
Sundry expenses	108,132	134,609
Architects fees	(10,188)	34,950
	2,623,213	2,908,512

NOTES TO THE FINANCIAL STATEMENTS – continued

(i) Auditors' remuneration
Remuneration (including expenses) for the statutory audit of the financial statements and other services carried out by the company's auditors is as follows:

	2020	2019
	€	€
Audit of financial statements	47,160	46,710
Other assurance services	16,546	16,355
Tax advisory services	32,000	16,290
Other non-audit services	89,670	20,705
	185,376	100,060

7 Employment

	2020	2019
	Number	Number

(i) Employees
The average number of persons employed by the Union, including key management, during the year is analysed below:

	2020	2019
Administration	21	22

	2020	2019
	€	€
(ii) Salaries and wages costs comprise:		
Wages and salaries	1,385,085	1,258,740
Other retirement benefit costs	147,524	193,195
Salary and wages costs	1,532,609	1,451,935

Of the total staff costs €nil (2019: €nil) has been capitalised into tangible fixed assets and €1,532,609 (2019: €1,451,934) has been treated as an expense in the income and expenditure account.

	2020	2019
	€	€

(iii) Key management compensation
Key management includes the General Council and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2020	2019
Salaries and other short-term benefits	162,115	127,833
Total key management compensation	162,115	127,833

No elected General Council members received any emoluments in the year (2019: €Nil) relating to their services to the Union.

The Union initiated a voluntary severance scheme in October 2018. The total amount that the Financial Services Union owed as at the reporting date was €nil (2019: €210,000).

8 Travelling and meeting expenses

	2020	2019
	€	€
General Council	106,251	169,593
Negotiation meetings	23,400	65,462
District meetings	53,657	50,784
Sector and other meetings	91,200	237,928
	274,508	523,768

NOTES TO THE FINANCIAL STATEMENTS – continued

9 Establishment

	2020	2019
	€	€
Rates	25,798	60,349
Light and heat	29,838	37,812
Maintenance, repairs and security	215,552	220,382
Insurance	32,095	27,558
Depreciation	151,522	84,529
Minor capital purchases	415	1,107
Profit on disposal of fixed assets	(4,800)	(158,251)
	450,420	273,486

10 Investment income

	2020	2019
	€	€
Realised gain on disposal of investments	950,459	773,995
	950,459	773,995

11 Other (income)/expenditure

	2020	2019
	€	€
Plan introductions, changes, curtailments and settlements (note 22)	(2,075,000)	-
Administration expenses relating to wind up of scheme (note 22)	150,000	-
Pension finance losses (note 22)	28,000	69,000
Exchange loss	54,893	4,606
Marketing and other contributions	(21,698)	(26,659)
	(1,863,805)	46,947

12 Net rental income

	2020	2019
	€	€
Rental income	528,502	435,176

13 Net interest received and similar income

	2020	2019
	€	€
Bank interest	-	131
Total interest income on financial assets not measured at fair value through surplus or deficit	-	131
Total interest receivable and similar income	-	131

14 Taxation

	2020	2019
	€	€
Based on the dividends, surplus on investment income and interest received for the year:		
(a) Tax expense included in the income and expenditure account		
Current tax		
Irish corporation tax charge for the year	1,444,643	410,219
Adjustments in respect of prior years:		
Under provision from prior year		-
Current tax expense for the financial year	1,444,643	410,219

NOTES TO THE FINANCIAL STATEMENTS – continued

Deferred tax

Deferred tax on financial instruments measured at fair value through income and expenditure account	-	1,127,992
Deferred tax expense for the financial year	(1,127,992)	1,127,992
Tax on surplus/(deficit) on ordinary activities	316,651	1,538,211
Surplus/(deficit) before tax	1,118,122	3,382,119
Taxed at the standard rate of corporation tax (20%)	223,624	676,424
Income and gains taxable at higher income tax rates	1,355,702	317,826
Non deductible expenses/(non-taxable income)	(134,683)	(584,031)
Under-provision from prior year		
Deferred tax	(1,127,992)	1,127,992
Tax on surplus/(deficit) on ordinary activities	316,651	1,538,211

15 Fixed assets

	Freehold premises	Investment property	President's chain of office	Furniture and office equipment	Motor vehicles	Total
	€	€	€	€	€	€
Cost/valuation						
At 1 January 2020	3,892,921	6,920,537	2,716	1,663,884	21,455	12,501,513
Fair value adjustment	-	(1,307,815)	-	-	-	(1,307,815)
Additions	-	760,159	-	753,054	-	1,513,213
Disposal	-	-	-	-	-	-
At 31 December 2020	3,892,921	6,372,881	2,716	2,416,938	21,455	12,706,911
Depreciation						
At 1 January 2020	364,781	-	-	1,513,148	21,455	1,899,384
Charge to income and expenditure account	77,858	-	-	73,664	-	151,522
Disposal	-	-	-	-	-	-
At 31 December 2020	442,639	-	-	1,586,812	21,455	2,050,906
Net book value						
At 31 December 2020	3,450,282	6,372,881	2,716	830,126	-	10,656,005
At 31 December 2019	3,528,140	6,920,537	2,716	150,736	-	10,602,129

During the financial year, tangible fixed assets with a carrying amount of €nil were disposed of. The assets had a cost of €21,455 and accumulated depreciation and impairment of €21,455. The gain on the disposal of these tangible fixed assets was €4,800 (2019: €158,251). There was €1,513,264 worth of additions during the year. These related to the retro fit of IBOA house.

The net carrying amount of assets held under finance leases included in plant and machinery is €nil (2019: €nil).

The properties were valued at 31 December 2020 by an external valuer (Avison Young) using market-based evidence for similar properties sold in the local area.

NOTES TO THE FINANCIAL STATEMENTS – continued

16 (a) Investments

	2020	2019
	€	€
Managed Funds	28,349,093	30,031,502
Other	10,571	10,571
	28,359,664	30,042,073

(b) Financial risk management

The Union's objective is to achieve long-term capital appreciation through investment in a portfolio of equity-linked funds. Its risk management objectives and policies are consistent with this objective, but there can be no guarantee that it will be achieved.

The Union has delegated the management of its portfolio, including risk management, to the Investment Manager. In doing so it is dependent on the Investment Manager's ability and willingness to effect good investments and give appropriate direction to the Union.

The Union's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Union's financial performance. Unforeseen economic or political circumstances can have a sudden effect on markets. This could manifest itself by either significant buying or selling, or less inclination to trade until it is clear how prices in the market will be affected in the longer term. If the valuation date coincides with such an event, the data on which any valuation is based may not be clear, be incomplete or inconsistent, with an obvious impact on the certainty that can be attached to the valuation. In addition, a longer than normal marketing period may be required to achieve a sale in certain market conditions.

(c) Reconciliation of investments at 31 December to opening balance

	2020	2019
	€	€
Market value at 1 January	30,042,073	26,516,878
Interest earned	-	-
Withdrawals	(2,000,000)	-
Unrealised (loss)/gain	(632,868)	2,751,200
Realised gain **	950,459	773,995
Closing balance at 31 December	28,359,664	30,042,073

** Tax which has been deducted at source on certain realised gains is included within realised gains on disposal of investments.

17 Amounts due to other funds

	2020	2019
	€	€
Benevolent Fund	(29,005)	(29,861)
	(29,005)	(29,861)

18 Debtors

	2020	2019
	€	€
Other debtors	207,320	446,170
Prepayments	31,348	558,117
	238,668	1,004,283

Other debtors include €nil (2019: €nil) which is due after more than one year. Other debtors are stated after provisions for impairment of €nil (2019: €nil).

NOTES TO THE FINANCIAL STATEMENTS – continued

19 Creditors – amounts falling due within one year

	2020	2019
	€	€
Trade creditors	280,362	201,382
Other creditors including tax and social insurance	98,648	86,850
Accruals	1,675,368	628,627
Deferred tax liability	-	1,127,992
Corporation tax	1,067,890	90,785
	3,122,268	2,135,636

Trade and other creditors are payable at various date in the three months after the end of the financial year in accordance with the creditors usual and customary credit terms.

Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

	2020	2019
	€	€
Other creditors including tax and social insurance comprise:		
PAYE	53,290	32,096
PRSI	38,037	15,904
VAT	7,321	38,850
	98,648	86,850

20 Financial instruments

	Notes	2020	2019
		€	€
Financial assets at fair value through income and expenditure		28,359,664	30,301,501
Financial assets that are debt instruments measured at amortised cost:			
- Other debtors	17	207,335	446,170
		28,566,999	30,747,671
Cash at bank and in hand		2,838,537	1,920,142
Financial assets that are equity instruments measured at cost less impairment		-	-
Financial liabilities measured at fair value through income:			
- Derivative financial instruments		-	-
Financial liabilities measured at amortised cost:			
- Trade creditors		280,362	201,382
- Other creditors		2,841,906	882,482
		3,122,268	1,083,864

21 Fund balances

	Opening balance	Surplus/ (deficit)	Closing balance
	€	€	€
General fund	37,999,630	935,471	38,935,101
Other funds *	6,500	-	6,500
	35,997,457	935,471	38,941,601

	2020	2019
	€	€
* Other funds comprise the following:		
Benevolent fund reserve	1,981	1,981
J Titterington prize fund	1,288	1,288
Denroche Trust fund	1,225	1,225
PC Bell fund	736	736
Fraser fund	1,270	1,270
	6,500	6,500

NOTES TO THE FINANCIAL STATEMENTS – continued

22 Retirement benefits

Up until 17 November 2020, the Union sponsored a defined benefit pension scheme with assets held under trust in a separately administered fund. The Union decided to terminate its obligation to contribute to the fund with effect from 17 November 2020 and, as a result, the trustees determined to wind-up the scheme at that date. For accounting purposes, this date is considered to be the valuation date for the purposes of assessing the impact of the wind-up of the scheme. At the time of finalisation of the accounts, the administration of wind-up of the scheme by the trustees was in progress. The Union has determined that the appropriate accounting policy to recognise the termination of its obligation to fund the scheme is that both assets and liabilities would be brought to nil at the balance sheet date, with an adjustment to assets to reflect the additional contributions committed by the employer to fund enhanced discretionary benefits for members of the scheme. The impact of this would be addressed as part of the overall settlement gain/loss in the financial statements. The net impact of this is such that assets and liabilities of the scheme are both nil at the balance sheet date, and the net pension assets/liability shown on the face of the Balance Sheet is also nil. The disclosures outlined below reflect this accounting treatment.

A comprehensive actuarial valuation, using the projected unit credit method, was carried out at 17 November 2020 by Towers Watson, independent consulting actuaries. Adjustments to the valuation at that date have been made based on the following assumptions in measuring the defined benefit obligation at the end of the financial year:

The principal actuarial assumptions at the balance sheet date:

	2020	2019
	€	€
Rate of increase in salaries	2.4%	2.5%
Rate of increase in pensions in payment	1.4%	1.5%
Discount rate	0.9%	1.2%
Inflation assumption	1.4%	1.5%

	2020	2019
	Years	Years
Mortality assumptions used are as follows:		
Longevity at age 65 for current pensioners		
Male	21.0	21.0
Female	24.0	24.0
Longevity at age 45 for future pensioners		
Male	24.0	24.0
Female	27.0	27.0

Risks and rewards arising from the assets

At 31 December 2020 the scheme assets were assumed to be nil, in accordance with the accounting policy adopted on closure of the scheme. Up until the point of closure, assets had been invested in a diversified portfolio that consisted primarily of equities and bonds.

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity reflect long term real rates of return experienced in the respective markets.

The fair value of scheme assets was:

	2020	2019
	€'000	€'000
Equities	-	3,532
Bonds	-	4,036
Other	-	2,522
	-	10,090

NOTES TO THE FINANCIAL STATEMENTS – continued

Movement in the deficit for the year:		
Deficit in scheme at 1 January	(3,397)	(3,669)
Current service cost	(128)	(116)
Other finance charge	(28)	(69)
Remeasurement effects recognised in OCI	134	149
Plan introductions, changes, curtailments and settlements *	2,075	-
Employer Contributions	1,494	308
Administration expenses relating to wind-up	(150)	-
Deficit in scheme at 31 December	-	(3,397)

* The €2,075k gain arises due to the settlement of the Union's defined benefit obligations and has been recognised as part of other income in note 11 to the financial statements. The accounting gain shown above arises as a result of the difference in the valuation of defined benefit obligations under accounting rules for continuing schemes under FRS102 and the amount for which the obligations are actually settled on the wind-up of the defined benefit pension scheme. Although the scheme had a surplus on a statutory funding standard basis, the assets would not have been sufficient to provide members with a similar level of benefit after the wind- up. Therefore, an agreement was reached between the Union and the trustees of the pension scheme for the Union to contribute an additional one-off contribution of c.€1m as part of the settlement process to enhance overall benefits to members. The €2.075m shown above is the impact of the cost of the total benefits including the enhancement net of the write back of the previously recognised liability under FRS102 to bring the scheme assets and liabilities down to nil following settlement.

The following amounts have been recognised in respect of the defined benefit pension scheme in the income and expenditure account:

	2020 €'000	2019 €'000
Charged to income and expenditure account		
Current service cost	(128)	(116)
Curtailments and settlements	2,075	-
Administration costs incurred during the year	-	-
Interest income/(expense)		
Interest income	119	155
Interest expense	(147)	(224)
Net interest	(28)	(69)
Total defined benefit credit/(cost) recognised in income and expenditure	1,919	(185)

	2020 €'000	2019 €'000
Analysis of amount recognised in statement of comprehensive income		
	644	1,580
	(510)	(1,431)
	134	149

NOTES TO THE FINANCIAL STATEMENTS – continued

Analysis of change to fair value of assets and liabilities during the year

	Scheme assets €	Scheme liabilities €	Pension deficit €
At 1 January 2020	10,090	(13,487)	(3,397)
Current service cost	-	(128)	(128)
Interest expense	-	(147)	(147)
Interest Income	119		119
Return on plan assets	644	-	644
Actuarial (gain)/loss arising during the year		(510)	(510)
Plan introductions, changes, curtailments and settlements	(11,547)	13,622	2,075
Benefits paid	(650)	650	-
Contributions by scheme participants	-	-	-
Employer contributions paid	1,494	-	1,494
Administration expenses relating to wind up	(150)	-	(150)
At 31 December 2020	-	-	-
At 1 January 2019	8,236	(11,905)	(3,669)
Current service cost	-	(116)	(116)
Interest expense	-	(224)	(224)
Interest income	155	-	155
Return on plan assets	1'580	-	1580
Actuarial (gain)/loss arising during the year	-	(1,431)	(1,431)
Plan introductions, changes, curtailments and settlements	-	-	-
Benefits paid	(189)	189	-
Contributions by scheme participants	-	-	-
Employer contributions paid	308	-	308
Administration	-	-	-
At 31 December 2019	10,090	(13,487)	(3,397)

Defined contribution scheme

The company also operates a defined contribution scheme to provide benefits for employees. Contributions made to the defined contribution scheme during the year amounted to €70,124 (2019: €66,286). The contributions in relation to the two schemes payable at the year end was €5,615 (2019: €4,689).

22 Contingent liability

Under the provisions of rule 9 of the Rules of the Defence Fund, there existed a contingent liability to repay the returnable portion of members' subscriptions out of the funds of the Defence Fund. These payments were made in December 2018. The balance of the funds will be transferred to the general fund in 2020. There have been no other significant events affecting the Union since the year end.

Disputes with third parties, arise in the normal course of business. While any disputes involve an element of uncertainty, the General Council believe there were no contingent liabilities which would have a material adverse effect on the Union's financial position.

23 Reporting currency

The currency used in these financial statements is the Euro, which is denoted by the symbol "€".

24 Events since the end of the financial year

There have been no significant events affecting the Union since the year end.

NOTES TO THE FINANCIAL STATEMENTS – continued

25 Related party transactions

There have been no related party transactions during the year other than inter fund transfers. See year end balances with related entities at note 17. See note 7 for disclosure of the key management compensation.

26 Controlling parties

FSU – The finance union is a voluntary organisation controlled by its General Council on behalf of its members.

27 Approval of the financial statements

The financial statements were approved by the General Council on 20 May 2021.

FINANCIAL SERVICES UNION (FORMERLY IRISH BANK OFFICIALS' UNION)

SECTION 3

BENEVOLENT FUND

FINANCIAL STATEMENTS

31 DECEMBER 2020

Independent auditors' report to the General Council of FSU - Financial Services Union
Report on the audit of the non-statutory financial statements

Opinion
In our opinion, FSU - Financial Services Union's non-statutory financial statements (the "financial statements"):
- give a true and fair view of the fund's assets, liabilities and financial position as at 31 December 2020 and of its deficit and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"); and
- have been properly prepared in accordance with the provisions of the Trade Union Acts 1896 to 2014. We have audited the financial statements, which comprise:
- the statement of financial position (balance sheet) as at 31 December 2020;
- the income and expenditure account (benevolent fund) and statement of comprehensive income for the year then ended;
- the cash flow statement for the year then ended;
- the statement of changes in funds' balances for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)").
Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We remained independent of the fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern
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 fund's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the General Council' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the fund's ability to continue as a going concern.

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

Reporting on other information
The other information comprises all of the information in the General Councils' Report and Financial Statements other than the financial statements and our auditors' report thereon. The General Council are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the General Council for the financial statements
As explained more fully in the General Councils' Responsibilities Statement set out on page 3, the General Council are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The General Council are also responsible for such internal control as they 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 General Council are responsible for assessing the fund'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 General Council either intend to liquidate the fund or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 (Ireland) 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:
https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report
This report, including the opinions, has been prepared for and only for the General Council as a body in accordance with the Trade Union Acts 1896 to 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the fund, save where expressly agreed by our prior consent in writing.

Matters on which we have agreed to report

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the fund were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants
Dublin
20 May 2021

INCOME AND EXPENDITURE ACCOUNT
Benevolent Fund
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Income			-
Expenditure			
Contribution to general fund		(856)	(2,682)
Operating deficit before taxation		(856)	(2,682)
Taxation	9	-	-
Operating deficit after taxation		(856)	(2,682)
Dealt with as follows:			
Deficit deducted from accumulated fund balance		(856)	(2,682)

All amounts above relate to continuing activities.

The fund has no comprehensive income other than those included in the deficit above and, therefore, no statement of comprehensive income has been presented.

There is no difference between the deficit before taxation and the deficit deducted from accumulated fund balance stated above and their historical cost equivalents.

BALANCE SHEET
Benevolent Fund
As at 31 December 2020

	2020 €	2019 €
Employment of funds		
Amount due from general fund (including €nil (2019: €nil) due after more than one year)	29,005	29,861
Funds employed		
Fund balance		
Retained at beginning of year	29,861	32,543
Deficit for year	(856)	(2,682)
	29,005	29,861

Honorary officers

President
Honorary Finance Officer

CASH FLOW STATEMENT
Financial Year Ended 31 December 2020

	2020	2020
	€	€
Cash inflow from operating activities (Note (a))	-	-
Taxation paid	-	-
Net cash generated from operating activities	-	-
Cash flow from investing activities		
Interest paid	-	-
Interest received	-	-
Dividends received	-	-
Interest element in finance leases	-	-
Purchase of tangible fixed assets	-	-
Encashment of investments	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Interest Paid	-	-
Net movements on bank loans	-	-
Net cash used in financing activities	-	-
Net Increase in cash and cash equivalents in the year	-	-
Cash and cash equivalents at 1 January	-	-
Cash and cash equivalents at 31 December	-	-
Cash and cash equivalents consists of:		
Cash at bank and in hand	-	-
Short term deposits (included in current asset investments)	-	-
Cash and cash equivalents	-	-

Amounts included in the cash flow statement are reconciled or analysed as follows:

(a) Cash flow from operating activities		
Operating deficit before interest	(856)	(2,682)
Decrease in debtors	856	2,682
Cash inflow/(outflow) from operating activities	-	-

STATEMENT OF CHANGES IN EQUITY
Year Ended 31 December 2020

	Fund balance	Total
	€	€
Balance at 1 January 2019	32,543	32,543
Deficit for the financial year		
Other comprehensive income	(2,682)	(2,682)
Total comprehensive expense for the financial year		
Balance at 31 December 2019	29,861	29,861
Balance at 1 January 2020	29,861	29,861
Deficit for the financial year		
Other comprehensive income	(856)	(856)
Total comprehensive income for the financial year	(856)	(856)
Balance at 31 December 2020	29,005	29,005

Honorary officers

President

Honorary Finance Officer

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Financial Services Union is the leading trade union representing staff in Ireland's financial services sector – with just over 11,000 members located in the Republic of Ireland, Northern Ireland and Great Britain. The Union is essentially a voluntary organisation – in which elected members organise a range of activities on behalf of their fellow members – with the assistance of a team of full-time staff who provide administrative, technical and professional support. The office of the Union is One Stephen Street Upper, Dublin 8, DO8 DE9P.

The purpose of the Benevolent Fund is to make grants to members of the union who, through no fault of their own, are in need of financial assistance, and who are eligible to apply for grants according to the rules.

2 Statement of compliance

The financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the UK Financial Reporting Council). The financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through income and expenditure.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the General Council to exercise its judgement in the process of applying the Union's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

(b) Going concern

The Union meets its day-to-day working capital requirements through its cash balances and obtaining financing from related entities if required. After making enquiries, the General Council have a reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

(c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. As none of these exemptions are relevant to the **circumstances of the union no exceptions have been taken.**

(d) Revenue recognition

Under rule 8 of the Rules of the Defence Fund all income arising from assets of the fund is transferred to the General Fund.

(e) Foreign currency

Normal exchange differences arising on revenue transactions are reflected in the result for the year. Purchases and sales of investments are translated at the rate ruling at the relevant transaction date. Bank balances are translated at the year-end rate.

(i) Functional and presentation currency

The Union's functional presentation currency is the Euro, denominated by the symbol '€'.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

NOTES TO THE FINANCIAL STATEMENTS – continued

At each period end foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income and expenditure account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the income and expenditure account.

(f) Income tax

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (income and expenditure account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable surplus for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable surpluses and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable surpluses.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

(h) Related party transactions

The Union discloses transactions with related parties.

(i) Provisions and contingencies

(i) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in surplus or deficit, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Union's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(j) Financial assets, liabilities and instruments

The Union has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets and other receivables, cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in surplus or deficit.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in surplus or deficit.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in surplus or deficit, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Unlisted securities are stated at cost less provision for any impairment in value.

Provision is made for doubtful debts using an exposures-based method, which is designed to provide for those debts which it is considered might be irrecoverable.

NOTES TO THE FINANCIAL STATEMENTS – continued

(ii) Financial liabilities

Basic financial liabilities, including other creditors and loans from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other creditors and loans from related companies and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Other creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

There are no critical judgements, apart from those involving estimates, made by the General Council that have had significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The General Council make estimates and assumptions concerning the future in the process of preparing the financial statements. Accounting estimates will, by definition, seldom equal the related actual results. There are no significant estimates and assumptions that will have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5 Reporting currency

The currency used in these financial statements is the Euro, which is denoted by the symbol "€".

6 Amounts due from general fund

	2020	2019
	€	€
Amounts due from general fund	29,005	29,861

Amounts due to from the general fund are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

7 Employees

Employee and key management remuneration are borne by the general fund; refer to the general fund financial statements for further details.

8 General Council remuneration

No General Council members received any emoluments in the year (2019: €Nil) relating to their services of the Union.

NOTES TO THE FINANCIAL STATEMENTS – continued

9 Taxation	2020	2019
	€	€
Tax expense included in the income and expenditure account		
Current tax		
Irish corporation tax change for the year		-
Current tax expense for the financial year		-
Deferred tax		
Deferred tax on financial instruments measured at fair value through income and expenditure account		-
Deferred tax gain/(expense) for the financial year		-
Tax on loss on ordinary activities		-
Deficit before tax	(856)	(2,682)
Taxed at the standard rate of corporation tax (20%)	(171)	(536)
Income and gains taxable at higher income tax rates		-
Non-deductible expenses	171	536
Deferred tax		-
Tax on deficit on ordinary activities	-	-

10 Events after the end of the reporting period

There have been no events between the Balance Sheet date and the date on which the financial statements were approved by the General Council, which would require adjustment to the financial statements or any additional disclosures.

11 Approval of financial statements

The directors approved the financial statements on 20 May 2020.

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