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**Charity registration number: 313439**

# GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST

## Trustees' report and financial statements

## for the year ended 31 December 2025

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# GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST

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# GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST

## Reference and administrative details of the Trust, its Trustees and advisers for the year ended 31 December 2025

| | |
|---|---|
| **Trustees** | S Woolley, Chair<br>G Little<br>N Rae<br>A Pratten<br>S Orchard<br>R McKenzie<br>B Chacko<br>J Westerman CBE<br>A Prochaska<br>M Sanders<br>M Bennett |
| **Charity registered number** | 313439 |
| **Registered office** | 86 Wood Lane<br>Quorn<br>Leicestershire<br>LE12 8DB |
| **Company secretary** | G Little |
| **Independent auditors** | PKF Smith Cooper Audit Limited<br>Statutory Auditors<br>2 Lace Market Square<br>Nottingham<br>NG1 1PB |

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# GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST

## Trustees' report
## for the year ended 31 December 2025

The Trustees present their report with the financial statements of the charity for the year ended 31 December 2025.

### Objectives and activities

### a. Policies and objectives

The principal objective of the Trust is to provide educational courses and seminars for the individual members of the trade unions that are affiliated trade unions. It also produces publications and carries out project work in support of these activities and for the wider benefit of the community.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

During the year, the Trust provided learning and development opportunities to 2,419 students across its education programmes, helping individuals to develop leadership, communication and organisational skills, improve their understanding of employment law and equality issues, and increase their confidence to participate in workplace and trade union activities. Feedback from participants demonstrates that the Trust's activities have strengthened knowledge, skills, networks and opportunities for personal and professional development.

The Trustees are satisfied that the activities undertaken during the year have delivered clear and measurable public benefit by supporting education, lifelong learning, workplace engagement and the development of individuals and communities.

### Strategic report

### Achievements and performance

### a. Main achievements of the Trust and review of activities

*Core Education Programme Reach*

Building on 2024, 2025 was another period of significant growth for the GFTU Educational Trust. In July 2023, we launched our 2023/24 education programme of 38 courses. This recruited 537 students during 2023. In July 2024, we launched our 2024/25 education programme of 70 courses. In 2024, across both programmes, we recruited 1,657 students, more than tripling the reach of the Educational Trust. In July 2025, we launched our 2025/26 programme, with over 90 courses. In 2025, across both programmes, we trained 2,419 students, representing a 46% increase on 2024 and a 350% increase on 2023.

| | No of courses launched | | No of students registered | | Average students per course | |
|---|---|---|---|---|---|---|
| 2023 | 38 | | 537 | | 14.1 | |
| 2024 | 70 | +84% | 1657 | +209% | 23.7 | +68% |
| 2025 | 90 | +29% | 2419 | +46% | 26.9 | +14% |

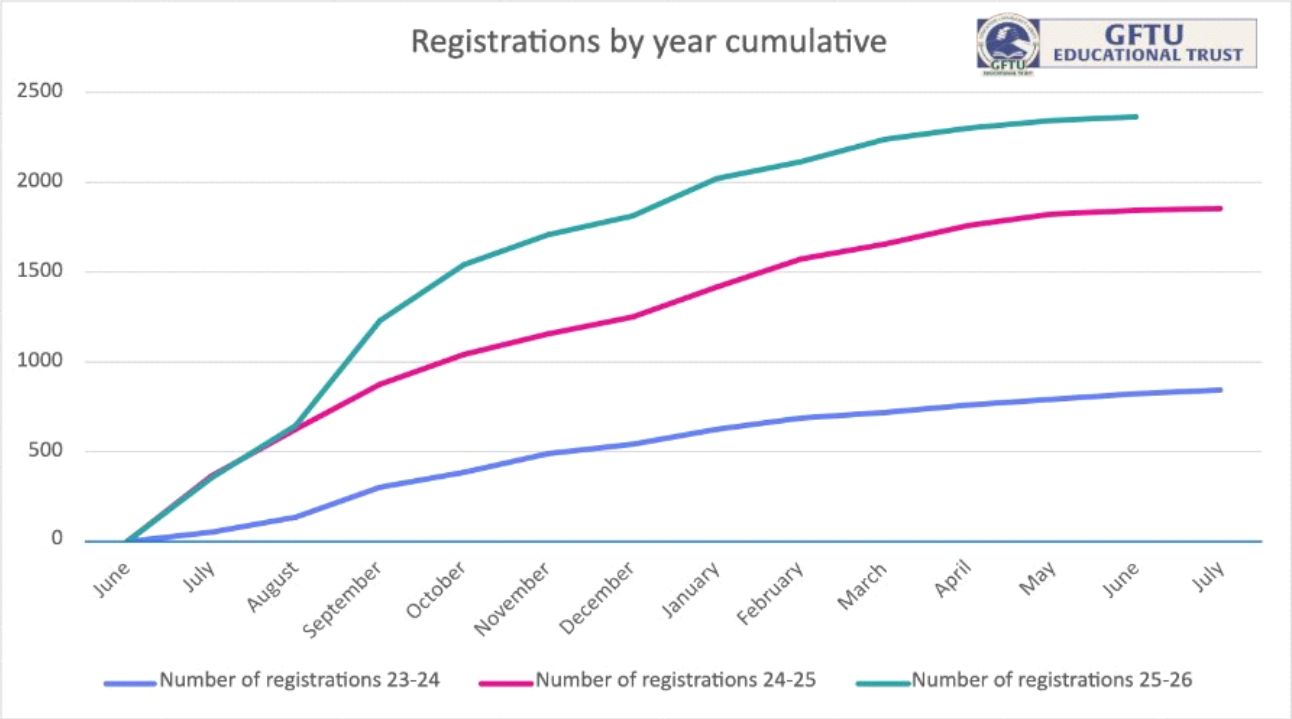
Growth across all three programmes (which are organised on an academic year basis from September-August) is shown in the following charts:

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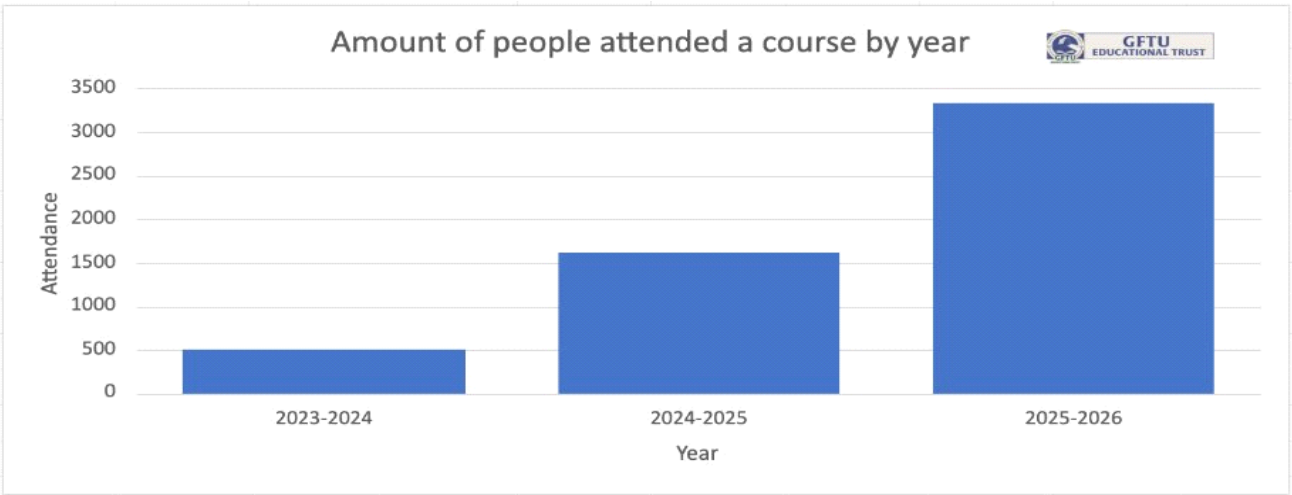


## Strategic report (continued)

### Achievements and performance (continued)




| Year | Attendance | % increase on year before | % increase on year 1 |
|---|---|---|---|
| 2023-2024 | 513 | | |
| 2024-2025 | 1610 | 214 | 214 |
| 2025-2026 | 3328 | 107 | 548 |
| | 5451 | | |



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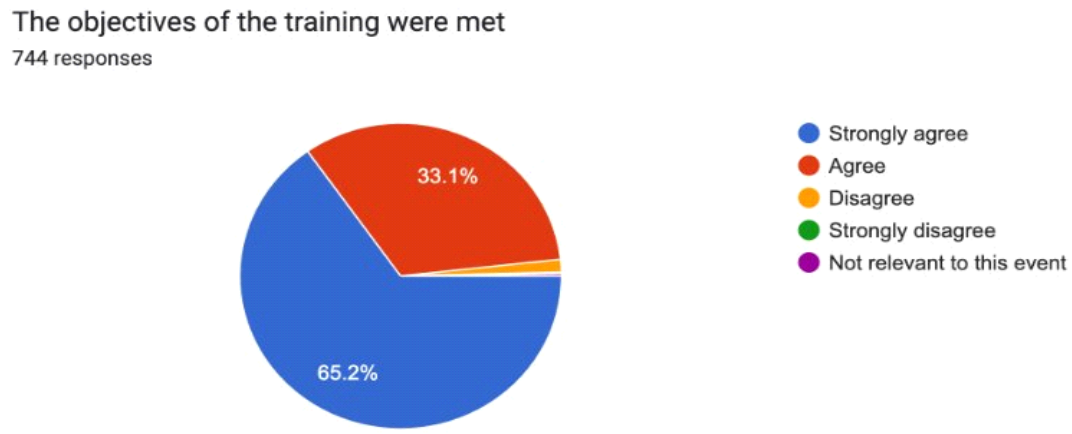


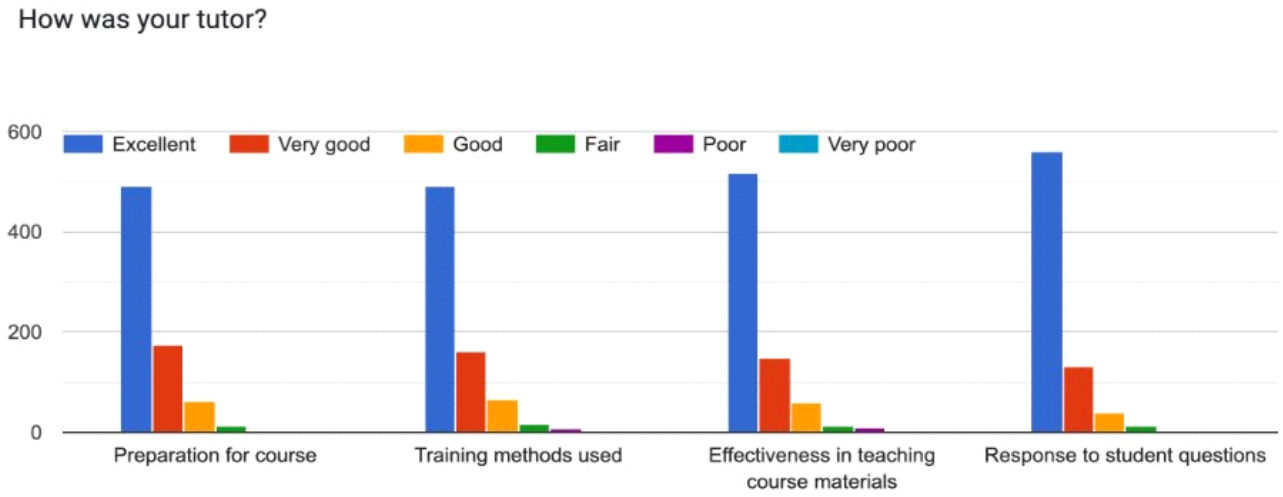
## Strategic report (continued)

### Achievements and performance (continued)

*Core Education Programme Impact*

Feedback across the programme continues to be consistently high. 65.2% of respondents strongly agreed that the objectives of their course were met and 98.3% agreed or strongly agreed with the same statement. Tutor feedback also remains incredibly high, as does overall feedback on our courses. This is shown in the following charts



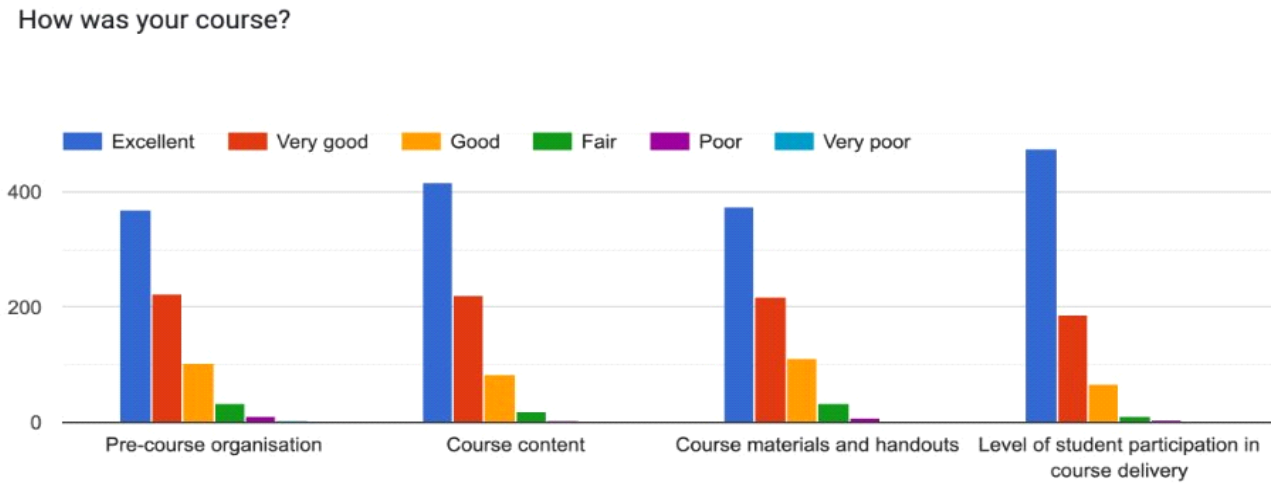



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**Strategic report (continued)**

**Achievements and performance (continued)**




In addition, the following impact was reported by students:

| **% of students reporting growth in the following areas:** | |
|---|---|
| Ability to build sustainable change in organisations and workplaces, including workplaces free from discrimination, bullying and harassment | 59.4% |
| Knowledge and awareness to build positive change in my unions and/or workplaces | 80.8% |
| My confidence and leadership skills to take part in trade union/ workplace activities | 71.4% |
| My knowledge and awareness of education opportunities and learning and employment pathways available to me and I feel supported to access them | 62.1% |
| Opportunity to have an effective voice | 69.5% |
| Opportunity to have fair work and to support development of fair employment for others, including affecting improved pay and conditions | 53.9% |
| Opportunity to build strong networks of support through networking or peer mentoring | 63% |
| **% students reporting development in the following skills:** | |
| Communication skills | 61.4% |
| Employment law and practice | 43.4% |
| Equality and diversity | 48.8% |
| Leadership skills | 41.7% |
| Organise my union group at work | 53.5% |

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## Strategic report (continued)

### Achievements and performance (continued)

*Wider Impact*

Alongside our core programme, we have significantly expanded our strategic education support and consultancy, working with a range of unions over recent years, including PCS, NAHT, BMA, TSSA, FBU, Equity, BFAWU, Aegis, Napo, RCM, BDA, HCSA, UKPHD and the Social Workers' Union. We have also delivered bespoke courses in Scotland, via funding from the Scottish TUC, and are looking to develop this relationship further in 2026 and beyond.

Our Knowledge Transfer Partnership with SOAS, University of London has continued to deliver support and education for trade union members in the field of political economy, including international courses and seminars with SOAS (University of London), The New School for Social Research (New York), the Centre for Heterodox Economics (University of Tulsa) and others.

We have also continued to support a growing number of research projects and collaborations, including contact with SOAS (University of London), Birkbeck School of Law, University of Liverpool, King's College (University of London), University of Wolverhampton, University of Glasgow, Royal Holloway (University of London), Open University and Wales Institute of Social Economic Research and Data.

*Friends of the GFTU Educational Trust*

Our Friends of the GFTU Educational Trust scheme continued to grow throughout 2025 and into 2026 and we currently have 43 friends giving regular donations and held a successful Gala Fundraising Dinner in 2024 with another planned in 2026.

### Financial review

#### a. Financial review

The results of the year are set out in the consolidated Statement of Financial Activities on page 16 and show a deficit of £538,345 (2024: £54,479 surplus). The group had net assets of £4,863 (2024: £543,208) as shown on the Balance Sheet on page 17, represented by a restricted fund surplus of £1,188,373 (2024: £1,505,794) and an unrestricted fund deficit of £1,183,510 (2024: £962,586).

The results for the Trust on an individual basis are reported in note 6 to the financial statements, reporting a loss for the year £259,963 (2024: £95,412).

The Trust continues to be, in part, financially supported by the Federation, which maintains adequate resources to fund the Trust's operations through the payment of a management charge. The Federation has assured the Trustees that it expects to maintain these payments to the Trust at a sufficient level to enable the Trust to continue its current activities.

In 2025 the General Federation of Trade Unions had a deficit of £43,155 (2024: £303,288) and showed a surplus before the payment of management charges to the Trust of £86,845 (2024: £193,288 deficit).

Trustees have engaged in constructive dialogue over the past year with the General Federation of Trade Unions, the result of which has been a strengthened relationship between the federation and the Trust. In 2026, the federation has returned levels of support for the Trust to 2021-2023 levels in the region of £200k - £250k a year and is budgeting to continue this support into the future. The federation has seen a significant uptick in affiliation and is continuing to grow. Trustees are reassured that the federation is in a position to make this ongoing commitment. This gives significant reassurance to the trust going forward.

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At the same time, the trustees have continued to diversify the Trust's sources of funding. Over the past five years, the Trust's independent income, aside from the support provided by the federation has grown 135% from £121,291 (2021) to £284,691 (2025) and this growth looks set to continue. Growth areas include increased provision of educational consultancy, increased fundraising activities and increased income from traded services, which exist to support the work of the trust.

Trustees continue to monitor the performance of the trading subsidiary carefully and acknowledge the significant loss in 2025. The Trust's trading subsidiary was set up in 2012 to run the Quorn Grange Hotel. As well as paying rent to the Trust, the hotel contributes any surpluses to the Trust and crucially provides the Trust with subsidised training rooms and free or low-cost residential accommodation for delegates on our courses. This is a key part of our strategy to ensure our training is affordable to everyone and has saved the trust an estimated £200,000 in external bookings throughout 2025.

The hotel is in a process of turn-around which has involved changing a number of processes and approaches to rebuild annual revenue, which was hit hard by the pandemic and then the subsequent cost of living crisis. The trustees, together with the directors of the trading company and the finance and general purposes committee of the GFTU, have continued to review hotel performance and make improvements throughout 2025 and 2026. The hotel made a significant loss in 2025 and is projected to make a smaller loss in 2026, with a break-even position reached by 2027 and a plan to grow profitability from that point onwards.

The General Federation of Trade Unions has given an undertaking to support the continued operations of the hotel for the next 12 months (and for the foreseeable future) and this includes underwriting the £796k owed by the subsidiary to the trust, which would be deducted from the monies owed to the federation by the trust if necessary. This gives trustees significant comfort that there is time for directors to implement the necessary changes at the hotel in order to restore profitability, with any risks to the trust being absorbed by the federation.

In accepting this support, trustees have safeguarded the Trust's assets, whilst continuing to monitor the hotel's financial position closely and liaise with directors of the trading company regarding ongoing improvements. On this basis, having considered alternative options, including sale of the hotel, trustees are confident that continuing to operate the hotel and training centre via the subsidiary trading company and continuing to make use of this facility for the provision of trade union education is in the best interests of the Trust and its beneficiaries.

Trustees continue to monitor the group financial position closely and will take immediate action if necessary to ensure that the Trust and its subsidiary are able to meet their financial responsibilities.

**b. Reserves policy**

The Trust maintains two funds: a General Reserve Fund, which is available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives, and Restricted Funds, which may only be applied for the specific purposes for which they were provided.

At 31 December 2025, the Trust held unrestricted funds in deficit of £1,183,510 (2024: deficit of £962,586) and restricted funds of £1,188,373 (2024: £1,505,794).

The Trustees recognise that the level of unrestricted reserves is currently below that which would ordinarily be considered desirable. However, in assessing the adequacy of reserves, the Trustees take account of the Trust's long-established relationship with GFTU, the ongoing commitment of GFTU to provide financial support, and the substantial asset base held within the Trust, including its property interests.

The Trustees have reviewed the Trust's financial forecasts and believe that the Trust remains able to meet its obligations as they fall due. Alongside continued support from GFTU, the Trustees are focused on improving the financial performance of the trading subsidiary and increasing independent income streams through educational consultancy, fundraising and traded activities. The medium-term objective remains to strengthen the unrestricted reserve position and return the Trust to a position of positive unrestricted reserves.

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## c. Going concern

As described in Note 1.2 to the financial statements, the Trustees have considered the appropriateness of preparing the financial statements on a going concern basis.

The Trust incurred a consolidated loss in the year ended 31 December 2025, before contributions received from the General Federation of Trade Unions ("GFTU"), and is forecast to incur a further loss in the year ending 31 December 2026. At 31 December 2025, the Trust owed £4,891k to GFTU. Whilst GFTU has confirmed that it will not seek repayment of this balance for a minimum period of twelve months from the date of approval of the financial statements, the Trust remains dependent upon the continued financial support of GFTU to meet its liabilities as they fall due.

The Trust continues to receive operational and financial support from GFTU, which it has done for many years. However, GFTU's ability to continue providing such support is dependent on a number of factors, including the successful negotiation of banking facilities, the potential realisation of certain assets and, over the longer term, the ability of GFTUET Trading Company Limited to achieve sustainable profitability.

At 31 December 2025, the Trust was owed £796k by GFTUET Trading Company Limited. The Trustees do not expect this balance to be repaid in the foreseeable future but consider it recoverable over the longer term due to the continued support available from GFTU, which may include the restructuring of intercompany and related party balances, together with anticipated improvements in the subsidiary's underlying trading performance.

These circumstances indicate the existence of a material uncertainty that may cast significant doubt on the Trust's ability to continue as a going concern. Nevertheless, having reviewed detailed cash flow forecasts and considered the support available from GFTU, the Trustees have a reasonable expectation that the Trust will have adequate resources to continue in operational existence and meet its obligations as they fall due for a period of at least twelve months from the date of approval of the financial statements. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

## d. Principal risks and uncertainties

The Trustees regularly review the principal risks facing the Trust and are satisfied that appropriate systems and controls are in place to manage them.

The principal risk to the Trust is the financial performance of its trading subsidiary, GFTUET Trading Company Limited, which operates the Quorn Grange Hotel and Training Centre. The subsidiary incurred a significant loss during the year and owes £796k to the Trust. The Trustees continue to monitor performance closely and have implemented a recovery plan. The General Federation of Trade Unions ("GFTU") has also committed to supporting the subsidiary's operations and underwriting amounts owed to the Trust, if required.

The Trustees recognise the importance of maintaining a sustainable and diversified funding base. To reduce reliance on any single source of income, the Trust continues to grow income from educational consultancy, fundraising and traded activities, alongside the ongoing support provided by the GFTU.

As a registered charity, the Trust must comply with charity law, company law, data protection legislation and funding requirements. Failure to comply with legal or regulatory obligations could result in reputational damage, financial penalties or restrictions on future activities. The Trustees receive regular reports on financial management and compliance matters and take professional advice where appropriate to ensure that the Trust continues to operate within the relevant legal and regulatory framework.

The Trustees are satisfied that these arrangements provide reasonable assurance that the Trust is able to manage its principal risks and continue pursuing its charitable objectives.

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## Structure, governance and management

### a. Constitution

The Trust, an unincorporated organisation, charity number 313439, is a recognised charity, operated under the rules of its Trust Deed dated 29 October 1970. The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed (as amended). The General Federation of Trade Unions has the power to appoint the Trustees, subject to there not being a majority of Trustees who are also officers, employees or Trustees of the Federation. The Trustees have reviewed the application and relevance of the Trust deed and made no amendments. Developments in legislation and guidance from the Charity Commissioners have been considered.

### b. Methods of appointment or election of Trustees

The Trust Deed provides that the General Federation of Trade Unions may appoint trustees, subject to there being a majority of independent trustees. Should a vacancy for an independent trustee occur, the Trustees seek nominations for the individuals having regard to any specific skills needed.

### c. Organisational structure and decision-making policies

The board of trustees meet regularly to discuss the development of the Trust along with finance and issues relevant to the running of the Trust. The day to day operations of the charity are managed by the Secretary who has delegated authority, within the terms of delegation approved by the trustees, for all operational matters.

### d. Policies adopted for the induction and training of Trustees

New trustees are fully briefed by the Secretary with regard to their legal obligations under the charities legislation, the content of the Trust Deed, the decision making processes and recent financial performance. Trustees are encouraged to attend appropriate external training events where they will facilitate the undertaking of their role.

### e. Related party relationships

The General Federation of Trade Unions Educational Trust was established by the General Federation of Trade Unions (GFTU) in 1970. The GFTU continues to provide financial, administrative, and strategic support to the Trust. It also plays a role in the appointment of Trustees, a majority of whom must be independent of the GFTU. The GFTU is considered a related party due to this common foundational and operational relationship.

The Trust continues to maintain its close relationship with the GFTU whose principal activity is to provide services to members of affiliated trade unions. The Federation has confirmed its continuing support in order that the Trust can carry out its charitable objectives.

The Trust owns 100% of the issued share capital of GFTUET Trading Company Limited, a company established to undertake non-primary purpose trading activities on behalf of the Trust. The subsidiary operates the Quorn Grange Hotel and Training Centre.

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## Structure, governance and management (continued)

### f. Significant events and risk management

The Trustees have assessed the major risks to which the Group and the Trust are exposed, those specifically related to the operations and finances of the Group and the Trust and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The principal risk remains the financial performance of the Trust's wholly owned trading subsidiary, GFTUET Trading Company Limited, which operates the Quorn Grange Hotel and Training Centre. The subsidiary incurred a significant loss during the year of £278k, has an outstanding debt to HMRC of £149k which is being paid off under a time to pay arrangement, and owed the Trust £796k at 31 December 2025.

The Trustees have reviewed the recoverability of this balance and the subsidiary's prospects. The hotel remains a strategically important asset, supporting the delivery of the Trust's educational activities.

The General Federation of Trade Unions ("GFTU") has reaffirmed its commitment to supporting both the Trust and the subsidiary and has undertaken to underwrite the amount owed to the Trust if required.

The Trustees continue to mitigate financial risks by growing independent income streams through educational consultancy, fundraising activities, and traded services. Further details are provided in the Financial Review section of this report.

## Plans for future periods

A key priority will be improvement of the Trust's trading subsidiary financial performance, with the aim of restoring profitability while preserving the strategic benefits it provides to the Trust's educational activities.

The Trustees remain committed to expanding access to high-quality trade union education and building on the significant growth achieved in recent years. During 2026 and beyond, the Trust will continue to develop its education programme, strengthen relationships with trade unions and educational partners, and expand its consultancy and research activities.

The Trustees will continue to diversify income streams through consultancy, fundraising and traded services and developing new funding opportunities.

The Trustees will continue to strengthen the relationship with the GFTU, which has committed to providing long-term support to the Trust and has increased that support to match 2021 levels.

The Trustees will also continue to review the Trust's governance, resources and operational capacity to ensure it remains well placed to deliver sustainable growth and maximise its impact for beneficiaries in the years ahead.

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## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:

05953FEF871A489...

.....

**S Woolley**
Chair of Trustees

Date: 8/10/2026

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## Independent auditors' report to the Members of General Federation of Trade Unions Educational Trust

### Opinion

We have audited the financial statements of General Federation of Trade Unions Educational Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Trust balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

We draw attention to Note 2 to the financial statements concerning the recoverability of amounts due from the Trust's subsidiary undertaking of £796k. As explained in the note, repayment of this balance is not expected in the foreseeable future and no impairment provision has been recognised. The Trustees' assessment of recoverability is dependent upon the continued financial support available from the General Federation of Trade Unions and is relevant to their wider assessment of the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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## Independent auditors' report to the Members of General Federation of Trade Unions Educational Trust (continued)

### Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Trust incurred a consolidated loss in the year ended 31 December 2025 and is forecast to incur a further loss in the year ending 31 December 2026. At 31 December 2025, the Trust owed £4,891k to the General Federation of Trade Unions ("GFTU"), whilst being owed £796k by its subsidiary undertaking, GFTUET Trading Company Limited. The Trust remains dependent upon the continued financial support of GFTU to meet its liabilities as they fall due.

As described in Note 1.2, the ability of GFTU to continue providing financial support is dependent upon a number of factors, including the successful negotiation of banking facilities, the potential realisation of certain assets and, over the longer term, the ability of GFTUET Trading Company Limited to achieve sustainable profitability. These events and conditions, together with the other matters set out in Note 1.2, indicate the existence of a material uncertainty that may cast significant doubt on the Trust's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities

### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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## Independent auditors' report to the Members of General Federation of Trade Unions Educational Trust (continued)

### Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the Group's and the parent charity'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 Trustees either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and industry, we identify the key laws and regulations affecting the charity. We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions.

We focussed on those areas that could give rise to a material misstatement in the charity's financial statements. Our procedures included, but were not limited to:

- enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias. In particular the assumptions used in relation to the defined benefit pension scheme, investment property valuations and impairment of tangible fixed assets.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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**Independent auditors' report to the Members of General Federation of Trade Unions Educational Trust (continued)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
PKF Smith Cooper Audit Limited
9CF75EAC1D95466...

**PKF Smith Cooper Audit Limited**
Statutory Auditors
2 Lace Market Square
Nottingham
NG1 1PB

Date: 9/10/2026

PKF Smith Cooper Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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## GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST

### Consolidated Statement of financial activities (incorporating income and expenditure account) for the year ended 31 December 2025

| | Note | Restricted funds 2025 £ | Unrestricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Income received from GFTU | | **-** | **130,000** | **130,000** | *110,000* |
| Trading activities: | | | | | |
| Hotel | | **1,295,184** | **-** | **1,295,184** | *1,353,052* |
| Hotel - exceptional other operating income | | **-** | **-** | **-** | *300,000* |
| Investment income | | **61** | **-** | **61** | *56* |
| Other income | 3 | **-** | **284,630** | **284,630** | *258,054* |
| **Total income** | | **1,295,245** | **414,630** | **1,709,875** | *2,021,162* |
| **Expenditure on:** | | | | | |
| Trading activities | | | | | |
| Hotel | | **1,612,666** | **-** | **1,612,666** | *1,498,693* |
| Charitable activities: | 4 | | | | |
| Education Trust expenditure | | **-** | **635,554** | **635,554** | *669,011* |
| Amounts due to GFTU foregone (note 23) | | **-** | **-** | **-** | *(201,021)* |
| **Total expenditure** | | **1,612,666** | **635,554** | **2,248,220** | *1,966,683* |
| **Net movement in funds** | | **(317,421)** | **(220,924)** | **(538,345)** | *54,479* |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | | **1,505,794** | **(962,586)** | **543,208** | *488,729* |
| Net movement in funds | | **(317,421)** | **(220,924)** | **(538,345)** | *54,479* |
| **Total funds carried forward** | | **1,188,373** | **(1,183,510)** | **4,863** | *543,208* |

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

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**GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST**
**Registered number: 313439**

## Consolidated balance sheet as at 31 December 2025

| | Note | | 2025 £ | | *2024 £* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 10 | | **2,900,836** | | *3,055,785* |
| Investment property | 11 | | **2,345,000** | | *2,345,000* |
| | | | **5,245,836** | | *5,400,785* |
| **Current assets** | | | | | |
| Stocks | | **13,357** | | *12,431* | |
| Debtors: amounts falling due within one year | 13 | **178,719** | | *410,886* | |
| Cash at bank and in hand | | **29,826** | | *15,666* | |
| | | **221,902** | | *438,983* | |
| Creditors: amounts falling due within one year | 14 | **(5,462,875)** | | *(5,296,560)* | |
| **Net current liabilities** | | | **(5,240,973)** | | *(4,857,577)* |
| **Total assets less current liabilities** | | | **4,863** | | *543,208* |
| **Total net assets** | | | **4,863** | | *543,208* |
| **Charity funds** | | | | | |
| Restricted funds | 15 | | **1,188,373** | | *1,505,794* |
| Unrestricted funds | 15 | | **(1,183,510)** | | *(962,586)* |
| **Total funds** | | | **4,863** | | *543,208* |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
05953FEF871A489...

.....
**S Woolley**
Chair of Trustees
Date: 8/10/2026

Docusign Envelope ID: B351EC12-CCDA-882B-8272-2EBD8C9CE5F0

**GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST**
**Registered number: 313439**

## Trust balance sheet
## as at 31 December 2025

| | Note | | 2025 £ | | *2024 £* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 10 | | **2,842,215** | | *2,905,165* |
| Investments | 12 | | **2** | | *2* |
| Investment property | 11 | | **2,345,000** | | *2,345,000* |
| | | | **5,187,217** | | *5,250,167* |
| **Current assets** | | | | | |
| Debtors: amounts falling due after more than one year | 13 | **795,744** | | - | |
| Debtors: amounts falling due within one year | 13 | **33,063** | | *884,541* | |
| Cash at bank and in hand | | **10,471** | | *4,048* | |
| | | **839,278** | | *888,589* | |
| Creditors: amounts falling due within one year | 14 | **(5,030,081)** | | *(4,882,379)* | |
| **Net current liabilities** | | | **(4,190,803)** | | *(3,993,790)* |
| **Total assets less current liabilities** | | | **996,414** | | *1,256,377* |
| **Total net assets** | | | **996,414** | | *1,256,377* |
| **Charity funds** | | | | | |
| Restricted funds | 15 | | **2,052,351** | | *2,052,351* |
| Unrestricted funds | 15 | | **(1,055,937)** | | *(795,974)* |
| **Total funds** | | | **996,414** | | *1,256,377* |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
05953FEF871A489...

**S Woolley**
Chair of Trustees
Date: 8/10/2026

Docusign Envelope ID: B351EC12-CCDA-882B-8272-2EBD8C9CE5F0

## GENERAL FEDERATION OF TRADE UNIONS EDUCATIONAL TRUST

### Consolidated statement of cash flows for the year ended 31 December 2025

| | 2025 £ | *2024 £* |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities | **(100,830)** | *(167,660)* |
| **Cash flows from investing activities** | | |
| Rents from investment property | **118,253** | *115,267* |
| Purchase of tangible fixed assets | **(3,263)** | *(4,764)* |
| **Net cash provided by investing activities** | **114,990** | **110,503** |
| **Cash flows from financing activities** | | |
| **Net cash provided by financing activities** | **-** | **-** |
| **Change in cash and cash equivalents in the year** | **14,160** | **(57,157)** |
| Cash and cash equivalents at the beginning of the year | **15,666** | *72,823* |
| **Cash and cash equivalents at the end of the year** | **29,826** | *15,666* |

The notes on pages 20 to 39 form part of these financial statements

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**Notes to the financial statements**
**for the year ended 31 December 2025**

## 1. Accounting policies

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011.and applicable regulations

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Trust and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. No separate statement of financial activities is presented for the parent undertaking in accordance with UK GAAP.

The financial statements are presented in sterling which is the functional currency of the Group and are rounded to the nearest £1.

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## 1. Accounting policies (continued)

### 1.2 Going concern

The financial statements have been prepared on a going concern basis. In assessing the appropriateness of this basis of preparation, the Trustees have considered whether there are events or conditions which may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements.

The Trust incurred a consolidated loss in the year ended 31 December 2025, before contributions received from the General Federation of Trade Unions ("GFTU"), and is forecast to incur a further consolidated loss in the year ending 31 December 2026.

At 31 December 2025, the Trust owed £4,891k to its related undertaking, GFTU. No formal repayment terms or interest arrangements are in place in respect of this balance. However, GFTU has confirmed that it will not seek repayment of amounts due for a minimum period of twelve months from the date of approval of these financial statements.

The Trust continues to receive operational and financial support from GFTU and has done so for many years. The members of GFTU have confirmed their intention to continue to provide support for a minimum of 12 months from the date of approval of the financial statements. However, the ability of GFTU to provide financial support to the Trust is dependent on a number of factors, including the successful negotiation of banking facilities, the potential realisation of certain assets in the short term and, over the longer term, the ability of the GFTUET Trading Company to achieve sustainable profitability.

The GFTUET Trading Company incurred losses in the year ended 31 December 2025 and is forecast to incur additional losses in the year ended 31 December 2026. At 31 December 2025, the Trust was owed £795k by the GFTUET Trading Company. Whilst repayment is not expected in the foreseeable future, the Trustees consider the balance recoverable due to the financial support available from GFTU and therefore no impairment provision has been recognised, (see Note 2 to the financial statements).

No impairment provision has been recognised against this balance. The Trustees consider the debt to be recoverable on the basis that, should the GFTUET Trading Company be unable to repay the balance due, GFTU has indicated that it would provide financial support in respect of the amount outstanding. In the absence of a sufficient improvement in the trading performance of the GFTUET Trading Company, such support may take the form of a restructuring of intercompany and related party balances, including the waiver by GFTU of part of the amounts owed to it by the Trust.

The Trust remains dependent upon the continued financial support of GFTU to meet its liabilities as they fall due whilst it seeks to secure additional sources of funding and while the GFTUET Trading Company seeks to achieve sustainable profitability.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Trust's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the Trust were unable to continue as a going concern.

Notwithstanding the existence of this material uncertainty, the Trustees have reviewed detailed cash flow forecasts and, having considered the support available from GFTU, have a reasonable expectation that the Trust will have sufficient resources to continue in operational existence and meet its obligations as they fall due for at least twelve months from the date of approval of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

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## 1. Accounting policies (continued)

### 1.3 Income

Donations and similar is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Management charges are recognised in the year they are receivable.

Income from hotel trading activities represents fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue from the sale of food and drink is recognised at point of sale. Revenue from accommodation, events and room hire is recognised over the period to which the services relate.

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. No expenditure is netted off incoming resources. All costs have been attributed to the functional categories of resources expended in the Statement of Financial Activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Governance costs comprise all costs involving the accountability of the Group and its compliance with regulation and good practice. These costs include costs relating to statutory audit and professional fees together with an apportionment of overheads and support costs.

Costs of hotel and training company trading activities comprise cost of sales, establishment, employment, administration, depreciation and financial costs of generating the income from hotel trading activities.

All expenditure is inclusive of irrecoverable VAT.

### 1.5 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Trust but are presented separately due to their size or incidence.

### 1.6 Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Subsidiary undertakings are liable to Corporation and Capital Gains Tax.

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## 1. Accounting policies (continued)

### 1.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|---|---|
| Land and buildings | - 2% straight line |
| Improvements to property | - 20% straight line |
| Fixtures, fittings and equipment | - 20% straight line or 33% reducing balance |

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

### 1.8 Investment property

Investment properties are initially measured at cost and subsequently remeasured to fair value at each reporting date. Changes in fair value are recognised in the SOFA.

### 1.9 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

### 1.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

### 1.11 Debtors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

### 1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### 1.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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## 1. Accounting policies (continued)

### 1.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

### 1.15 Pensions

**Defined contribution scheme**
The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**Defined benefit scheme**
Certain members of staff have joint contracts of employment with this entity and the General Federations of Trade Unions (GTFU) and have participated in the Defined Benefit Pension Scheme (DBPS) operated by the GFTU. However, the GFTU is the only admitted body to the DBPS and no financial commitments exist in respect of ongoing contributions to be made by the Trust to the scheme, these are solely the responsibility of the GFTU. Therefore, the actuarial impact of the DBPS is reflected in the financial statements of the GFTU only.

The pension costs of the staff who work for the Trust are charged to the income and expenditure account as they become payable.

### 1.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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## 2. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions 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 discussed below.

### Tangible fixed assets

Management judgement is required in determining the carrying value of the hotel property operated by the Trust's subsidiary undertaking, including the future economic benefits expected to be derived from the asset. Significant judgement is also applied in assessing the asset's useful economic life, residual value and whether any indicators of impairment exist at the reporting date.

The hotel property is depreciated over an estimated useful economic life of 50 years, which represents the period over which the Trustees expect to consume the economic benefits embodied in the asset. Depreciation is calculated on the difference between the asset's cost and its estimated residual value.

The residual value of the hotel property is determined with reference to an independent professional valuation. The Trustees review this valuation annually and consider whether it remains appropriate in light of prevailing market conditions and property-specific factors.

At each reporting date, the Trustees undertake an impairment assessment to determine whether the carrying value of the hotel property exceeds its recoverable amount. This assessment includes consideration of the property's fair value, trading performance and future prospects. Based on the most recent independent valuation and the Trustees' assessment of the asset's recoverable amount, no impairment has been recognised in the current year.

The valuation of the hotel property, together with the assessment of its useful economic life and residual value, involves significant estimation uncertainty. Changes in these assumptions could have a material effect on the depreciation charge and the carrying value of the asset reported in the financial statements.Management judgement is required in assessing the fair value of tangible fixed assets, including the future economic benefit expected to be generated by those assets. Specifically, the investment made in the purchase and refurbishment of the hotel, operated by the Trust's subsidiary undertaking. The assessment of the useful economic life and method of depreciating those assets also requires judgement.

Depreciation is charged to the SoFA based on the useful economic life selected of 50 years, which is the period over which the Trust expects to consume the economic benefits of the hotel. Depreciation is charged based on the difference between the cost and residual value of the asset.

At each balance sheet date, the trustees undertake an impairment review to ensure that the carrying value of the hotel is not in excess of residual value. The residual value of the asset is based on a professional third party valuation.

### Investment properties

The Trust measures its investment properties at fair value, with changes in fair value recognised within the Statement of Financial Activities in the period in which they arise.

Fair values are determined by the Trustees with reference to valuations obtained from an independent local estate agent with relevant market knowledge and experience. The valuations are based on available market evidence, including recent transactions involving comparable properties in similar locations and condition.

The Trustees consider the use of an independent local estate agent to be appropriate given the nature of

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## 2. Critical accounting estimates and areas of judgment (continued)

the properties and the availability of comparable market data. However, the valuation of investment property involves judgement and is inherently subject to estimation uncertainty, particularly where market activity is limited or comparable information is not readily available.

**Amounts owed by group undertakings**

As at 31 December 2025, the Trust held an intercompany receivable of £796k due from GFTUET Trading Company Limited, a subsidiary undertaking. The recoverability of this balance has been assessed by the Trustees as part of their annual impairment review in accordance with the applicable financial reporting framework.

At the balance sheet date, GFTUET Trading Company Limited did not have sufficient working capital to repay the amounts due to the Trust. The Trustees have therefore considered the wider financial position of the subsidiary, together with forecast financial information and the ongoing support available from the General Federation of Trade Unions ("GFTU"). Whilst the Trustees do not expect the balance to be repaid, in whole or in substantial part, in the foreseeable future, they believe the balance remains recoverable over the longer term through a combination of improving trading performance within the subsidiary and the continued financial support of GFTU.

In particular, the Trustees have considered GFTU's stated intention to continue supporting the Trust and, if necessary, to facilitate the recovery of amounts owed by the subsidiary through the restructuring of intercompany and related party balances, including the potential waiver by GFTU of amounts owed to it by the Trust.

Based on this assessment, the Trustees are satisfied that no impairment provision is required in respect of the intercompany receivable as at 31 December 2025. However, given that repayment is not expected within the foreseeable future, the balance has been classified as falling due after more than one year.

## 3. Other incoming resources

| | **Unrestricted funds 2025 £** | **Total funds 2025 £** | *Total funds 2024 £* |
|---|---|---|---|
| MEWS housing rent | 118,253 | **118,253** | *115,267* |
| Accounts services and commissions | 85,606 | **85,606** | *91,777* |
| Other income | 80,771 | **80,771** | *51,010* |
| | 284,630 | **284,630** | *258,054* |
| *Total 2024* | *258,054* | *258,054* | |

In the Consolidated statement of financial activities, all other material income headings relate to one item and therefore no separate income note has been disclosed.

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**Notes to the financial statements**
**for the year ended 31 December 2025**

## 4. Analysis of expenditure on charitable activities

### Summary by fund type

| | Unrestricted funds 2025 £ | Total 2025 £ | *Total 2024 £* |
|---|---|---|---|
| Education | 635,554 | **635,554** | *467,990* |
| *Total 2024* | *467,990* | *467,990* | |

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**Notes to the financial statements**
**for the year ended 31 December 2025**

## 5. Analysis of expenditure by activities

| | Support costs 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|
| Education | 635,554 | **635,554** | *467,990* |
| *Total 2024* | *467,990* | *467,990* | |

### Analysis of support costs

| | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|
| Staff costs | **393,134** | *406,040* |
| Depreciation | **66,213** | *85,835* |
| Occupancy costs | **24,875** | *37,737* |
| Other costs | **143,607** | *(68,822)* |
| Governance costs | **7,725** | *7,200* |
| | **635,554** | *467,990* |

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**Notes to the financial statements**
**for the year ended 31 December 2025**

## 6. Educational Trust statement of financial activities

| | Restricted Funds 2025 £ | Unrestricted Funds 2025 £ | Total Funds 2025 £ | *Total Funds 2024 £* |
|---|---|---|---|---|
| **Income** | | | | |
| Income received from GFTU | - | **130,000** | **130,000** | *110,000* |
| Fundraising and donations | - | **11,452** | **11,452** | *-* |
| Quorn Grange Hotel rent | - | **54,000** | **54,000** | *26,000* |
| MEWS housing rent | - | **118,253** | **118,253** | *115,267* |
| Other rent | - | **-** | **-** | *6,925* |
| Accounts services and commisson | - | **108,473** | **108,473** | *100,012* |
| Other income | - | **69,319** | **69,319** | *51,010* |
| | **-** | **491,497** | **491,497** | *409,214* |
| **Expenditure** | | | | |
| Staff costs | - | **393,134** | **393,134** | *406,040* |
| Depreciation | - | **66,213** | **66,213** | *85,835* |
| Occupancy costs | - | **40,229** | **40,229** | *37,737* |
| Other costs | - | **198,508** | **198,508** | *166,541* |
| Governance costs | - | **13,376** | **13,376** | *9,494* |
| Exceptional item - settlement payment | - | **40,000** | **40,000** | *-* |
| Amounts due to GFTU written off | - | **-** | **-** | *(201,021)* |
| | **-** | **751,460** | **751,460** | *504,626* |
| **Net income before net gains on investments** | - | **(259,963)** | **(259,963)** | *(95,412)* |
| Gain on revaluation of investment property | - | **-** | **-** | *-* |
| **Net movement in funds** | **-** | **(259,963)** | **(259,963)** | *(95,412)* |
| **Reconciliation of funds:** | | | | |
| Total funds brought forward | **2,052,351** | **(795,974)** | **1,256,377** | *1,351,789* |
| Net movement in funds | - | **(259,963)** | **(259,963)** | *(95,412)* |
| **Total funds carried forward** | **2,052,351** | **(1,055,937)** | **996,414** | 1,256,377 |

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## 7. Auditors' remuneration

| | 2025 £ | *2024 £* |
|---|---|---|
| Fees payable to the Trust's auditor for the audit of the Trust's annual accounts | **7,675** | *7,525* |

## 8. Staff costs

| | Group 2025 £ | *Group 2024 £* | Trust 2025 £ | *Trust 2024 £* |
|---|---|---|---|---|
| Wages and salaries | **1,119,062** | *1,137,570* | **333,758** | *347,639* |
| Social security costs | **113,261** | *81,920* | **40,195** | *33,473* |
| Pension costs | **37,434** | *42,203* | **19,181** | *24,928* |
| | **1,269,757** | *1,261,693* | **393,134** | *406,040* |

The average number of persons employed by the Trust during the year was as follows:

| | Group 2025 No. | *Group 2024 No.* | Trust 2025 No. | *Trust 2024 No.* |
|---|---|---|---|---|
| Research and Campaign | **2** | *2* | **2** | *2* |
| Administration | **8** | *9* | **8** | *9* |
| Education | **3** | *2* | **3** | *2* |
| Fundraising | **1** | *1* | **1** | *1* |
| Hotel Staff | **39** | *42* | **-** | *-* |
| | **53** | *56* | **14** | *14* |

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel remuneration during the year totalled £126,573 (2024: £157,422) for short-term employment benefits and £8,365 (2024: £13,229) for post-employment benefits.

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## 9. Trustees' remuneration and expenses

No trustee received any remuneration from the Trust during the year in respect of their services as a trustee.

Mr G Little, a trustee, is employed by the General Federation of Trade Unions (GFTU). His remuneration is determined and paid by the GFTU. As part of his role, he devotes a proportion of his time to activities relating to the Trust which would otherwise be undertaken by an employee of the Trust. The GFTU therefore levies a management charge on the Trust in respect of the time provided.

During the year, the amount recharged in respect of Mr G Little's time was £34,272 (2024: £28,520). This forms part of the total employment cost recharges from the GFTU disclosed in note 22 to the financial statements.

During the year ended 31 December 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

## 10. Tangible fixed assets

**Group**

| | Land and buildings £ | Property improvements £ | Fixtures, fittings and equipment £ | Total £ |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 January 2025 | **4,318,120** | **282,342** | **607,357** | **5,207,819** |
| Additions | **-** | **2,449** | **814** | **3,263** |
| Disposals | **-** | **-** | **(19,847)** | **(19,847)** |
| At 31 December 2025 | **4,318,120** | **284,791** | **588,324** | **5,191,235** |
| **Depreciation** | | | | |
| At 1 January 2025 | **1,525,078** | **204,504** | **422,452** | **2,152,034** |
| Charge for the year | **36,661** | **53,837** | **62,201** | **152,699** |
| On disposals | **-** | **-** | **(14,334)** | **(14,334)** |
| At 31 December 2025 | **1,561,739** | **258,341** | **470,319** | **2,290,399** |
| **Net book value** | | | | |
| At 31 December 2025 | **2,756,381** | **26,450** | **118,005** | **2,900,836** |
| *At 31 December 2024* | *2,793,042* | *77,838* | *184,905* | *3,055,785* |

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## 10. Tangible fixed assets (continued)

**Trust**

| | Freehold property £ | Property improvements £ | Fixtures, fittings and equipment £ | Total £ |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 January 2025 | **4,318,120** | **8,442** | **397,331** | **4,723,893** |
| Additions | **-** | **2,449** | **814** | **3,263** |
| At 31 December 2025 | **4,318,120** | **10,891** | **398,145** | **4,727,156** |
| **Depreciation** | | | | |
| At 1 January 2025 | **1,525,078** | **7,138** | **286,512** | **1,818,728** |
| Charge for the year | **36,661** | **325** | **29,227** | **66,213** |
| At 31 December 2025 | **1,561,739** | **7,463** | **315,739** | **1,884,941** |
| **Net book value** | | | | |
| At 31 December 2025 | **2,756,381** | **3,428** | **82,406** | **2,842,215** |
| *At 31 December 2024* | *2,793,042* | *1,304* | *110,819* | *2,905,165* |

## 11. Investment property

**Group and Trust**

| | Freehold investment property £ |
|---|---|
| **Valuation** | |
| At 1 January 2023 | **2,345,000** |
| At 31 December 2025 | **2,345,000** |

The investment property was reviewed on a desk-top basis as at 31 December 2025 by Frank Innes, based on market values for similar properties in the area.

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## 12. Fixed asset investments

| Trust | Investments in subsidiary companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 January 2025 | **2** |
| At 31 December 2025 | **2** |

### Principal subsidiaries

The following was a subsidiary undertaking of the Trust:

| Name | Company number | Principal activity | Class of shares | Holding |
|---|---|---|---|---|
| GFTUET Trading Company Limited | 08282681 | Quorn Grange Hotel | Ordinary | 100% |

The financial results of the subsidiaries for the year were:

| Names | Income £ | Expenditure £ | Profit / (loss) for the year £ | Net assets / (liabilities) £ |
|---|---|---|---|---|
| GFTUET Trading Company Limited | **1,411,151** | **(1,689,533)** | **(278,382)** | **(991,548)** |

The registered office of the subsidiary undertaking is the same as that of the parent charity.

The subscribers to the shares of GFTUET Trading Company Limited are G Little and S Woolley, trustees to the Trust and the Trust is the beneficial owner of those shares.

## 13. Debtors

| | Trust 2025 £ | *Trust 2024 £* |
|---|---|---|
| **Due after more than one year** | | |
| Amounts owed by group undertakings | **795,744** | - |

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## 13. Debtors (continued)

| | Group 2025 £ | *Group 2024 £* | Trust 2025 £ | *Trust 2024 £* |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **116,669** | *64,583* | **19,889** | *2,953* |
| Amounts owed by group undertakings | **-** | *-* | **-** | *873,186* |
| Amounts owed by participating interests | **16,050** | *-* | **-** | *-* |
| Other debtors | **33,264** | *337,901* | **438** | *-* |
| Prepayments and accrued income | **12,736** | *8,402* | **12,736** | *8,402* |
| | **178,719** | *410,886* | **33,063** | *884,541* |

## 14. Creditors: Amounts falling due within one year

| | Group 2025 £ | *Group 2024 £* | Trust 2025 £ | *Trust 2024 £* |
|---|---|---|---|---|
| Amounts due to GFTU | **4,891,664** | *4,993,210* | **4,891,664** | *4,847,614* |
| Trade creditors | **188,140** | *169,436* | **26,399** | *12,351* |
| Other taxation and social security | **196,402** | *54,721* | **-** | *1,840* |
| Other creditors | **186,669** | *79,193* | **112,018** | *20,574* |
| | **5,462,875** | *5,296,560* | **5,030,081** | *4,882,379* |

Amounts due to the GFTU are classified within one year in absence of a formal loan agreement between the two parties and is therefore technically repayable on demand. However, the GFTU have confirmed that there is no expectation that amounts would need to be repaid in the foreseeable future.

| | Group 2025 £ | *Group 2024 £* | Trust 2025 £ | *Trust 2024 £* |
|---|---|---|---|---|
| Deferred income at 1 January 2025 | **9,425** | *15,771* | **9,425** | *15,771* |
| Resources deferred during the year | **37,943** | *9,425* | **37,943** | *9,425* |
| Amounts released from previous periods | **(9,425)** | *(15,771)* | **(9,425)** | *(15,771)* |
| | **37,943** | *9,425* | **37,943** | *9,425* |

Deferred income relates to course fees received in advance of delivery and grant income received in advance of entitlement.

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**Notes to the financial statements**
**for the year ended 31 December 2025**

## 15. Statement of funds

### Statement of funds - current year

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Balance at 31 December 2025 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General reserve fund | **(1,361,533)** | **414,630** | **(635,554)** | **(1,582,457)** |
| Revaluation reserve | **398,947** | **-** | **-** | **398,947** |
| | **(962,586)** | **414,630** | **(635,554)** | **(1,183,510)** |
| **Restricted funds** | | | | |
| Restricted Funds - all funds | **1,505,794** | **1,295,245** | **(1,612,666)** | **1,188,373** |
| **Total of funds** | **543,208** | **1,709,875** | **(2,248,220)** | **4,863** |

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## 15. Statement of funds (continued)

### Statement of funds - prior year

| | *Balance at 1 January 2021 £* | *Income £* | *Expenditure £* | *Balance at 31 December 2024 £* |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General reserve fund | *(1,261,597)* | *368,054* | *(467,990)* | *(1,361,533)* |
| Revaluation reserve | *398,947* | - | - | *398,947* |
| | *(862,650)* | *368,054* | *(467,990)* | *(962,586)* |
| **Restricted funds** | | | | |
| Restricted Funds - all funds | *1,351,379* | *1,653,108* | *(1,498,693)* | *1,505,794* |
| **Total of funds** | *488,729* | *2,021,162* | *(1,966,683)* | *543,208* |

Restricted reserve fund - investment
During 2012 the Trust disposed of its managed investments portfolio and used the realised proceeds to purchase a hotel property and a limited company to operate the hotel business. As such, the income and expenditure from the hotel trading activities, and any realised or unrealised gain/(loss) on revaluation is treated as restricted funds in the Consolidated Statement of Financial Activities.

## 16. Analysis of net assets between funds

### Analysis of net assets between funds - current year

| | **Restricted funds 2025 £** | **Unrestricted funds 2025 £** | **Total funds 2025 £** |
|---|---|---|---|
| Tangible fixed assets | 2,481,156 | 419,680 | **2,900,836** |
| Investment property | - | 2,345,000 | **2,345,000** |
| Current assets | 178,368 | 43,534 | **221,902** |
| Creditors due within one year | (1,471,151) | (3,991,724) | **(5,462,875)** |
| **Total** | 1,188,373 | (1,183,510) | **4,863** |

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## 16. Analysis of net assets between funds (continued)

**Analysis of net assets between funds - prior year**

| | *Restricted funds 2024 £* | *Unrestricted funds 2024 £* | *Total funds 2024 £* |
|---|---|---|---|
| Tangible fixed assets | *2,604,092* | *451,693* | *3,055,785* |
| Investment property | *-* | *2,345,000* | *2,345,000* |
| Current assets | *420,581* | *18,402* | *438,983* |
| Creditors due within one year | *(1,518,879)* | *(3,777,681)* | *(5,296,560)* |
| **Total** | *1,505,794* | *(962,586)* | *543,208* |

## 17. Reconciliation of net movement in funds to net cash flow from operating activities

| | **Group 2025 £** | *Group 2024 £* |
|---|---|---|
| Net income/expenditure for the year (as per Statement of Financial Activities) | **(538,345)** | *54,479* |
| **Adjustments for:** | | |
| Depreciation charges | **152,699** | *116,449* |
| Rents from investment property | **(118,253)** | *(115,267)* |
| Loss on disposal of fixed assets | **5,513** | *21,360* |
| Increase in stocks | **(926)** | *(3,277)* |
| Decrease/(increase) in debtors | **232,167** | *(306,428)* |
| Increase in creditors | **166,315** | *65,024* |
| **Net cash used in operating activities** | **(100,830)** | *(167,660)* |

## 18. Analysis of cash and cash equivalents

| | **Group 2025 £** | *Group 2024 £* |
|---|---|---|
| Cash in hand | **29,826** | *15,666* |

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## 19. Analysis of changes in net debt

| | At 1 January 2025 £ | Cash flows £ | At 31 December 2025 £ |
|---|---|---|---|
| Cash at bank and in hand | **15,666** | **14,160** | **29,826** |
| | **15,666** | **14,160** | **29,826** |

## 20. Pension commitments

The Charity and its subsidiary operates a defined contribution pension scheme for its employees. The pension costs for the year represents contributions payable by the Charity and its subsidiary to the scheme which amounted to £37,434 (2024: £42,403)

Contributions totalling £5,774 (2024: £2,410) were payable to the scheme at the end of the year and are included within accruals.

## 21. Operating lease commitments

At 31 December 2025 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2025 £ | *Group 2024 £* | Trust 2025 £ | *Trust 2024 £* |
|---|---|---|---|---|
| Not later than 1 year | **8,983** | *4,251* | **4,956** | - |
| Later than 1 year and not later than 5 years | **5,976** | *9,121* | **882** | - |
| | **14,959** | *13,372* | **5,838** | - |

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## 22. Related party transactions

GFTUET Trading Company Limited

The Trust owns 100% of the issued share capital of GFTUET Trading Company Limited, a company established to undertake non-primary purpose trading activities on behalf of the Trust. The subsidiary operates the Quorn Grange Hotel and Training Centre.

During the year, the Educational Trust charged the Trading Company rent and other fees totalling £76,867 (2024: £83,505) and purchased goods and services from the Trading Company amounting to £115,906 (2024: £62,110).

At the year end, £795,744 (2024: £873,186) was due from the Trading Company to the Educational Trust.

The amount has been reclassified from debtors falling due within one year to debtors falling due after more than one year. Following a review of the subsidiary's financial position and expected cash flows, the trustees do not consider repayment of this balance to be probable, in full or in part, within the next 12 months. Accordingly, the balance has been presented as falling due after more than one year in the balance sheet.

The amount is unsecured, interest free and repayable when sufficient funds are available within the subsidiary.

These transactions and balances have been eliminated on consolidation and are therefore not reflected in the group financial statements.

General Federation of Trade Unions

The Educational Trust was established by the General Federation of Trade Unions ("GFTU") and continues to receive financial support from it.

During the year, GFTU paid management charges of £130,000 (2024: £110,000) to the Trust and recharged employment costs of £358,014 (2024: £406,040) to the Trust. During the year, an amount of £nil (2024: £201,021) owing by the Trust to GFTU was written off.

At the year end, £4,891,664 (2024: £4,847,614) was due from the Trust to GFTU.

Other related parties

Strike Map UK Ltd is considered a related party by virtue of a common directorship. During the year, the Trust made sales to the company totalling £11,488 (2024: £10,718).

At the year end, amounts due from Strike Map UK Ltd included within debtors totalled £1,066 (2024: £553).