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# FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

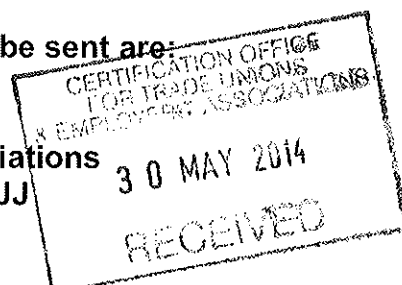
Name of Employers' Association:	National Hairdressers' Federation Ltd
Year ended:	31 <sup>st</sup> December 2013
List No:	CO/70E/
Head or Main Office:	One Abbey Court Fraser Road Priory Business Park Bedford MK44 3WH
Website address (if available)	www.nhf.info
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Tick as appropriate)
General Secretary:	Mrs Hilary Hall
Contact name for queries regarding the completion of this return:	Simon Thomson
Telephone Number:	01234 834382
e-mail:	simon.thomson@nhf.info

**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**  
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 020 7210 3734

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

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

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



**MEMBERS OF THE NATIONAL HAIRDRESSERS' FEDERATION LIMITED  
NATIONAL EXECUTIVE COUNCIL AS AT 31 DECEMBER 2013**

P Curry : President  
Mrs A Leonard : Vice President  
M Coray : Immediate Past President  
R Sparkes : Honorary Treasurer  
J Armstrong  
Mrs M Burnett  
Mrs E Clough  
J Cownley  
I Egerton  
Mrs A Goddard-Wilson  
L Griffiths  
D Harrison  
Mrs E Hayden  
A Rapkin  
M Thornhill  
Mrs A Walker  
Mrs J Wells

**OFFICER OF THE NATIONAL HAIRDRESSERS' FEDERATION LIMITED WHO IS NOT A  
MEMBER OF THE NATIONAL EXECUTIVE COUNCIL AS AT 31 DECEMBER 2013**

Mrs H Hall : CEO

# RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
<b>5,094</b>	<b>10</b>	<b>-</b>	<b>29</b>	<b>5,133</b>

## OFFICERS IN POST

(see note 10)

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

## CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
President	M Coray	P Curry	06 October 2013
Vice President	P Curry	Mrs A Leonard	06 October 2013
Immediate Past President	n/a	M Coray	06 October 2013
Honorary Treasurer	J Bonn	R Sparkes	06 October 2013
National Executive Council Member	Mrs A Leonard	Mrs M Burnett	06 October 2013
National Executive Council Member	vacant	J Cownley	03 February 2013
National Executive Council Member	Mrs G Elliott	Mrs J Wells	06 October 2013
National Executive Council Member	J Beattie	L Griffiths	06 October 2013

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	<b>INCOME</b>			
1,151,939	From Members	Subscriptions		1,150,784
35,621	Investment income	Interest and dividends		38,832
114,396	Other income	Insurance commission	103,879	
72,644		Advertising/sponsorship	66,253	
50,519		Competitions/seminars	29,454	
13,130		Miscellaneous receipts – sundry	16,112	
50,957		Sales to members	49,112	
(3,435)		Refund due from HMRC	-	
6,265		Refund of costs from HMRC	-	
35,000		World Hair Funds	-	
				264,810
1,527,036		<b>TOTAL INCOME</b>		1,454,426
	<b>EXPENDITURE</b>			
	Administrative expenses			
395,000		Remuneration and expenses of staff	385,789	
34,475		Occupancy costs	36,596	
52,470		Printing, stationery, postage & telephone	50,155	
36,384		Honoraria	36,565	
27,613		Legal and professional fees	25,101	
28,598		Office equipment charges	30,196	
141,587		Travel, publicity & promotion	171,977	
				736,379
18,452	Other charges	Bank charges	15,905	
42,620		Depreciation	34,007	
5,956		Cost of sales to members	8,866	
18,024		Affiliation fees, donations & subscriptions	14,310	
144,745		Conference and meeting fees	115,593	
97,207		Competition expenses	62,607	
450,745		Direct membership services	370,966	
7,043		Sundry & admin charges	6,696	
23,000		Exceptional item – recruitment costs	-	
25,647		Exceptional item – website development	21,111	
				650,061
33,824	Taxation			53,712
		<b>TOTAL EXPENDITURE</b>		1,440,152
		Surplus for year		14,274
		Gains on investments (realised £104,515; unrealised £116,744)		221,259
		Amount of fund at beginning of year		2,565,029
		Amount of fund at end of year		2,800,562

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

<b>ACCOUNT 2</b>	<i>Not applicable</i>	<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

<b>ACCOUNT 3</b>	<i>Not applicable</i>	<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

<b>ACCOUNT 4</b>	<i>Not applicable</i>	<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

<b>ACCOUNT 5</b>	<i>Not applicable</i>	<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

<b>ACCOUNT 6</b>	<i>Not applicable</i>	<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	Surplus (Deficit) for the year		
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

<b>ACCOUNT 7</b>	<i>Not applicable</i>	<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
		<b>Total Income</b>	
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
			<b>Total Expenditure</b>
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

## BALANCE SHEET AS AT 31 DECEMBER 2013

(see notes 19 and 20)

Previous Year		£	£
448,645	<b>Fixed Assets</b> (as at page 8)		416,743
	<b>Investments</b> (as per analysis on page 9)		
1,292,614	Quoted (Market value)	1,601,758	
7	Unquoted (note 3)	7	
	<b>Total Investments</b>		1,601,765
	<b>Other Assets</b>		
80,509	Sundry debtors	72,895	
449,726	Cash at bank and in hand	330,743	
502,913	Short term deposits (note 3)	501,655	
15,539	Stocks of goods	-	
	<b>Total of other assets</b>		905,293
2,789,953		<b>TOTAL ASSETS</b>	2,923,801
5,428	Member Shares		5,133
	Income and expenditure Fund		
477,483	• National operations	580,963	
1,444,377	• Regions & networking groups	1,544,615	
448,645	Tangible fixed assets fund	416,743	
136,364	Revaluation fund	253,108	
52,732	Restructure fund	-	
			2,795,429
	<b>Liabilities</b>		
65,509	Sundry creditors	53,724	
159,415	Accrued expenses	43,515	
-	Corporation tax	26,000	
224,924		<b>TOTAL LIABILITIES</b>	123,239
2,789,953		<b>TOTAL ASSETS</b>	2,923,801



# FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Total
	£	£	£
<b>COST OR VALUATION</b>			
At start of period	493,789	154,961	648,750
Additions during period	-	2,105	2,105
Less: Disposals during period	-	-	-
Less: DEPRECIATION:			
At start of period	99,569	100,536	200,105
Charges for the period	9,876	24,131	34,007
Total to end of period	109,445	124,667	234,112
<b>BOOK AMOUNT</b> at end of period	384,344	32,399	416,743
Freehold			
Leasehold (50 or more years unexpired)	384,344		
Leasehold (less than 50 years unexpired)			
<b>AS BALANCE SHEET</b>	384,344	32,399	416,743

# ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
<b>QUOTED</b>	British Government & British Government Guaranteed Securities	1,601,758
	British Municipal and County Securities	-
	Other quoted securities (to be specified)	-
	<b>TOTAL QUOTED (as Balance Sheet)</b>	<b>1,601,758</b>
	*Market Value of Quoted Investments	
<b>UNQUOTED</b>	British Government Securities	-
	British Municipal and County Securities	-
	Mortgages	-
	Other unquoted securities (to be specified)	
	- World Hair Ltd	1
- Priory Park Management Ltd	6	
	<b>TOTAL QUOTED (as Balance Sheet)</b>	<b>7</b>
	*Market Value of Unquoted Investments	

\* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 23 to 25)

<b>Does the association, or any constituent part of the association, have a controlling interest in any limited company?</b>		<input type="checkbox"/>	<input type="checkbox"/> NO
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
<b>INCORPORATED EMPLOYERS' ASSOCIATIONS</b>			
<b>Are the shares which are controlled by the association registered in the association's name</b>		<input type="checkbox"/> YES	<input type="checkbox"/> NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
<b>UNINCORPORATED EMPLOYERS ASSOCIATIONS</b>			
<b>Are the shares which are controlled by the association registered in the names of the association's trustees?</b>		<input type="checkbox"/> YES	<input type="checkbox"/> NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

# SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	1,150,784	-	1,150,784
From Investments	38,832	-	38,832
Other Income (including increases by revaluation of assets)	486,069	-	486,069
<b>Total Income</b>	1,675,685	-	1,675,685
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	1,440,152	-	1,440,152
<b>Funds at beginning of year</b> (including reserves)	2,565,029	-	2,565,029
<b>Funds at end of year</b> (including reserves)	2,800,562	-	2,800,562
<b>ASSETS</b>			
Fixed Assets			416,743
Investment Assets			1,601,765
Other Assets			905,293
		<b>Total Assets</b>	2,923,801
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	123,239
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			2,800,562

# NOTES TO THE ACCOUNTS

(see note 36)

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

None

# ACCOUNTING POLICIES

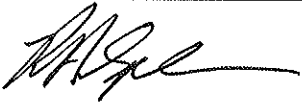

(see notes 37 and 38)

See attached.

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Treasurer's Signature:  Name: R Sparkes Date: 11 <sup>th</sup> May 2014	President's Signature:  Name: P Curry Date: 11 <sup>th</sup> May 2014
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## CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	√	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	√	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	√	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	√	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES	√	NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	√	NO	

# AUDITOR'S REPORT

(see notes 42 to 47)

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

1. In the opinion of the auditors or auditor do the accounts which they have audited and which are contained in this return give a true and fair view of the matters to which they relate?

Yes

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
  - (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
  - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with section 28 of the 1992 Act; and
  - (c) whether the accounts to which the report relates agree with the accounting records?

Yes

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
  - (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
  - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and its accounts and remittances.

Yes

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis on which the report has been conducted and/or some other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.

See attached.

## AUDITOR'S REPORT (continued)

See attached.

Signature(s) of auditor or auditors:	Grant Thornton UK LLP	
Name(s):	Grant Thornton UK LLP	
Profession(s) or Calling(s):	Chartered Accountants and Statutory Auditor	
Address(es):	Grant Thornton House 202 Silbury Boulevard Central Milton Keynes MK9 1LW	
Date:	14 May 2014	
Contact name and telephone number:	Ann Tomkins 01908 660666	

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



# Independent auditor's report to the members of National Hairdressers' Federation Limited

We have audited the financial statements of National Hairdressers' Federation Limited for the year ended 31 December 2013 which comprise the principal accounting policies, the income and expenditure account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the society's members, as a body, in accordance with regulations made under Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of officers and committee members and auditor**

As explained more fully in the Statement of NEC Responsibilities set out on page 7, the NEC is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

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

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 December 2013 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the Industrial and Provident Societies Acts, 1965 to 2002.

# Independent auditor's report to the members of National Hairdressers' Federation Limited

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

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts, 1965 to 2002 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the society has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

*Grant Thornton UK LLP*  
Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
**Milton Keynes**

*14 May 2014*

**NATIONAL HAIRDRESSERS' FEDERATION LIMITED**  
**ANNUAL RETURN - 31 December 2013**

**PRINCIPAL ACCOUNTING POLICIES**

A summary of the principal accounting policies is set out below.

**Basis of accounting**

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and under the historical cost convention.

The principal accounting policies of the society are set out below. The policies have remained unchanged from the previous year.

**Going concern**

The NEC have not identified any material uncertainties that may cast significant doubt about the ability of the Federation to continue as a going concern. The Federation's income levels, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position has been assessed. The Federation has sufficient financial resources. As a consequence, the NEC believe that the Federation is well placed to manage its business risks successfully. The NEC have a reasonable expectation that the Federation has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adapt the going concern basis of accounting in preparing the annual financial statements.

**Scope of the financial statements**

These financial statements incorporate the transactions, assets and liabilities of the National Operations together with those of the Regions and Networking Groups of the National Hairdressers' Federation Limited.

**Membership fees and insurance commission**

Membership fees and insurance commission income are recognised in the income and expenditure account on a receipts basis unless amounts received are specifically identified as relating to future accounting periods, in which case, these receipts are treated as deferred income within the financial statements.

**Other income**

All income, other than membership fees and insurance commission, is credited to the income and expenditure account on an accruals basis.

**Taxation**

In accordance with an agreement with HM Revenue & Customs, the charge for taxation is based on the interest receivable, investment income and other non-membership income for the period after deducting allowable expenses.

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease terms.

**Pension costs**

Contributions in respect of personal pension schemes are charged to the income and expenditure

**NATIONAL HAIRDRESSERS' FEDERATION LIMITED**  
**ANNUAL RETURN - 31 December 2013**

account in the period in which they are paid to the scheme.

**Cash flow statement**

The NEC have taken advantage of the Financial Reporting Standard No 1 (revised 1996) exemption for small companies from including a cash flow statement in the financial statements.

**Tangible fixed assets**

Tangible fixed assets are stated at their original purchase price plus incidental costs of acquisition. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold property	50 years straight line
Office furniture, fittings and equipment	4 years straight line
Computer equipment and software	Over 3 years

**Investments**

Non-listed investments are valued at cost with provision being made for any permanent diminution in value. Listed investments are stated at their market value as at the end of the financial period.

**Stocks**

Stocks are valued at the lower of cost and net realisable value with provision being made for slow moving, obsolete or defective items.

**Short-term bank deposits**

Short term bank deposits are funds not accessible instantly at the balance sheet date.

**Fund accounting**

The general funds consist of those funds which the Federation may use in furtherance of its objectives at the discretion of the NEC.

**Designated funds are funds set aside by the NEC for specific purposes.**

Funds belonging to the individual Regions and Networking Groups are treated as designated funds as they are deemed as being for use by the relevant individual Region and Networking Group only.

**Liquid resources**

Liquid resources comprise monies held on short term deposits within the United Kingdom.

**Joint venture**

The shareholding in World Hair Limited represents 50% of the total called up and fully paid ordinary share capital. In accordance with FRS 9, NHF jointly controls the venture with one or more other entities. None of the entities alone can control this entity but all together can do so and decisions on financial and operating policy essential to the activities, economic performance and financial position of that venture require each venturer's consent. On this basis the joint venture has been accounted for as an investment.