

- DO NOT STAPLE
- PRINT ON ONE SIDE ONLY

FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	NACO
Year ended:	31 DECEMBER 2015
List no:	164T
Head or Main Office:	6A CLARENDON PLACE HYDE CHESHIRE SK14 2QZ
Website address (if available)	WWW.NACO.COOP
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	NEIL DAVID BUIST
Telephone Number:	0161 351 7900
Contact name for queries regarding	LYNNE CAROLE HIGGINBOTTOM
Telephone Number:	0161 351 7900
E-mail:	LCH@NACO.COOP

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 Officer as below or by telephone to: 020 7210 3734

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

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

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



(Revised February 2011)

NACO EXECUTIVE 2015

Attendees		Name	Class	Position
Called	Attended			
4	3	Mark Alexander	Co-operative Group	Regional Manager Co-operative Funeralcare
4	4	Phil Barr	Co-operative Group	Regional Manager Co-operative Funeralcare
2	2	Gary Chappell*	Co-operative Group	Operations Manager Co-operative Food
4	4	Jack Devers	Co-operative Group	Primary Operations Manager Co-operative Retail Logistics
4	2	Danny Doherty	All Others	Area Manager, Funerals Lincolnshire Co-operative Society
2	1	Karen Froggatt*	Co-operative Group	National Democratic Service Manager Co-operative Group
2	0	Simon Hay*	Co-operative Group	Regional Manager Co-operative Pharmacy
2	2	Gerri Hickton [^]	Co-operative Group	Management Trainee Co-operative Retail Logistics
2	2	Phil Holmes	All Others*	Finance Manager Co-operatives UK
4	2	Darren Leverington	Co-operative Group	Operations Manager Co-operative Food
4	0	Jonathan Marsh [#]	Co-operative Group	Technical Executive & Solicitor Co-operative Legal Services
4	4	Sue Powell	All Others	Project Manager The Phone Co-operative
4	3	Ann Rowland	All Others	HR Manager Chelmsford Star Co-operative Society
2	1	Sharon Weir*	Co-operative Group	Regional HR Manager Co-operative Food
2	1	Emma Willder [^]	All Others	Head of Finance & Corporate Services Co-op College
2	1	Amanda Woodward [^]	All Others	Funeral Department Manager Tamworth Co-operative
2	2	Sarah Wright [^]	Co-operative Group	Senior Litigation Executive Co-operative Legal Services

* = Resigned June 2015

= Never Attended

[^] = New Executive Member June 2015

RETURN OF MEMBERS

(see notes 10 and 11)

	NUMBER OF MEMBERS AT THE END OF THE YEAR				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	874	3	0	14	891
FEMALE	495	0	0	2	497
TOTAL	1369	3	0	16	A 1388

Number of members included in totals box 'A' above for whom no home or authorised address is held:

0
1388

Number of members at end of year contributing to the General Fund

OFFICERS IN POST

(see note 12)

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.

RETURN OF 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
PRESIDENT	DARREN LEVERINGTON	JACK DEVERS	10 JUNE 2015

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		313,039
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		313,039
Investment income (as at page 12)		15,823
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	135,305	
Total of other income (as at page 4)		135,305
		TOTAL INCOME
		464,167
EXPENDITURE		
Benefits to members (as at page 5)		192,855
Administrative expenses (as at page 10)		485,889
Federation and other bodies (specify)		
TUC	4,584	
LABOUR RESERCH	1,234	
Total expenditure Federation and other bodies		5,818
Taxation		
		TOTAL EXPENDITURE
		684,562
		Surplus (deficit) for year
		(220,395)
		Amount of general fund at beginning of year
		1,309,255
		Amount of general fund at end of year
		1,088,860

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
CONSTITUENT ASSOCIATION CLOSURE/DRAWDOWN	126,074	
SPONSORSHIP	3,500	
FINANCIAL ADVISORY CHARGE REFUNDED	1,251	
BENEVOLENT FUND ADMINISTRATION	1,500	
CONSTITUENT GRANTS	2,500	
CONFERENCE RESERVE	288	
CONSTITUENT MISC	192	
TOTAL OTHER INCOME		135,305
TOTAL OF ALL OTHER INCOME		135,305

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues	20,494	brought forward Education and Training services	22,858
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications		Salary Costs	169,997
Advisory Services	2,364	Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
carried forward	22,858	Total (should agree with figure in General Fund)	192,855

(See notes 24 and 25)

FUND 2		REGISTERED CHARITY 262269		Fund Account		
Name:		£		£		
Income	From members					
	Investment income		6,559			
	Other income (specify)					
	CHANGE IN MARKET VALUE INVESTMENTS		2,336			
	Total other income as specified					
			Total Income	8,895		
Expenditure	Benefits to members		6,500			
	Administrative expenses and other expenditure		1,685			
	Total Expenditure				8,185	
	Surplus (Deficit) for the year				710	
	Amount of fund at beginning of year				202,955	
Amount of fund at the end of year (as Balance Sheet)				203,665		
Number of members contributing at end of year				-		

FUND 3				Fund Account		
Name:		£		£		
Income	From members					
	Investment income (as at page 12)					
	Other income (specify)					
	Total other income as specified					
			Total Income			
Expenditure	Benefits to members					
	Administrative expenses and other expenditure (as at page 10)					
	Total Expenditure					
	Surplus (Deficit) for the year					
Amount of fund at beginning of year						
Amount of fund at the end of year (as Balance Sheet)						
Number of members contributing at end of year						

(See notes 24 and 25)

FUND 4		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 5		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 6		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 7		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total income		
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
	Total expenditure		
	Surplus (deficit) for year		
	Amount of political fund at beginning of year		
	Amount of political fund at the end of year (as Balance Sheet)		
	Number of members at end of year contributing to the political fund		
	Number of members at end of the year not contributing to the political fund		
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union	
		£	£
Income	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
	Total other income as specified		
	Total income		
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
	Total expenditure		
	Surplus (deficit) for year		
	Amount held on behalf of trade union political fund at beginning of year		
	Amount remitted to central political fund		
	Amount held on behalf of central political fund at end of year		
	Number of members at end of year contributing to the political fund		
	Number of members at end of the year not contributing to the political fund		
	Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		

ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

	£
Administrative Expenses	
Remuneration and expenses of staff	200,466
Salaries and Wages included in above	£89,899
Auditors' fees	8,982
Legal and Professional fees	
Occupancy costs	24,608
Stationery, printing, postage, telephone, etc.	41,136
Expenses of Executive Committee (Head Office)	5,481
Expenses of conferences	12,895
Other administrative expenses (specify)	
TRAVEL & MEETINGS	25,300
TRAINING/PROMOTIONAL/RESEARCH	5,076
INVESTMENT MANAGEMENT/DONATIONS	3,340
Other Outgoings	
Interest payable:	
Bank loans (including overdrafts)	
Mortgages	
Other loans	
Depreciation	19,044
Taxation	
Outgoings on land and buildings (specify)	
Other outgoings (specify)	
CONSTITUENT ASSOCIATION/CONFERENCE RESERVE	139,561
Total	485,889
Charged to:	
General Fund (Page 3)	485,889
Fund (Account)	
Fund (Account)	
Fund (Account)	
Fund (Account)	
Total	485,889

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			47,774
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
FIXED TERM DEPOSIT			933
CHANGE IN MARKET VALUE INVESTMENTS			(42,204)
PROFIT ON SALE INVESTMENTS			9,320
		Total investment income	15,823
		Credited to:	
		General Fund (Page 3)	15,823
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	
		Total Investment Income	

BALANCE SHEET as at 31 DECEMBER 2015

(see notes 47 to 50)

Previous Year		£	£
58,891	Fixed Assets (at page 14)	40,337	
	Investments (as per analysis on page 15)		
1,216,351	Quoted (Market value £)	956,453	
	Unquoted		
	Total Investments		996,790
	Other Assets		
	Loans to other trade unions		
18,505	Sundry debtors	14,847	
39,658	Cash at bank and in hand	136,547	
	Income tax to be recovered		
	Stocks of goods		
13,506	Others (Prepaid Expenses)	14,135	
	Total of other assets		165,529
1,346,911	TOTAL ASSETS		1,162,319
	Fund (Account)		
	Fund (Account)		
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
37,656	Sundry creditors		73,459
	Accrued expenses		
	Provisions		
	Other liabilities		
	TOTAL LIABILITIES		73,459
1,309,255	TOTAL ASSETS		1,088,860

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
Cost or Valuation						
At start of year			56,454	80,930		137,384
Additions			1,073			1,073
Disposals			(5,944)			(5,944)
Revaluation/Transfer s						
At end of year			51,583	80,930		132,513
Accumulated Depreciation						
At start of year			45,171	33,322		78,493
Charges for year			3,294	16,333		19,627
Disposals			(5,944)			(5,944)
Revaluation/Transfer s						
At end of year			42,521	49,655		92,176
Net book value at end of year			9,062	31,275		40,337
Net book value at end of previous year			11,283	47,608		58,891

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	917,754	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Fixed Term Deposit	20,000	
James Sharp Cash Account	18,699	
TOTAL QUOTED (as Balance Sheet)	956,453	
Market Value of Quoted Investment		
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)		
Market Value of Unquoted Investments		

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

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

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	313,039		313,039
From Investments	15,823		15,823
Other Income (including increases by revaluation of assets)	135,305		135,305
Total Income	464,167		464,167
EXPENDITURE (including decreases by revaluation of	684,562		684,562
Total Expenditure	(220,395)		(220,395)
Funds at beginning of year (including reserves)	1,309,255		1,309,255
Funds at end of year (including reserves)	1,088,860		1,088,860
ASSETS			
Fixed Assets			40,337
Investment Assets			956,453
Other Assets			165,529
		Total Assets	1,162,319
LIABILITIES		Total Liabilities	73,459
NET ASSETS (Total Assets less Total Liabilities)			1,088,860

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

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

Note 1 Statement of Responsibilities of the Executive

Trade Union and Labour Relations Law and the rules of the Association require the Executive to have prepared financial statements for each financial year which give a true and fair view of the state of affairs of the Association, and of its income and expenditure for that period. In the preparation of these financial statements the Executive should seek to ensure that:

- Suitable accounting policies are selected and then consistently applied;
- Judgements and estimates made are reasonable and prudent;
- Applicable accounting standards have been followed and that any departures are disclosed and explained in the financial statements;
- The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Executive is responsible for ensuring that proper books of account are kept with respect to the Association's transactions and its assets and liabilities as necessary to give a true and fair view of the state of affairs of the Association. They should seek to ensure that a satisfactory system of control is established for the Association's books of account, its cash holdings and all its receipts and remittances, and that adequate precautions are taken against falsification of the books of account and facilitating its discovery

Note 2 Statement of Accounting Policies

- (a) The financial statements are prepared on the historic cost Accounting basis for the year ending 31st December 2015 and in Accordance with applicable accounting standards.
- (b) Income and Expenditure is accounted for on an accruals basis
- (c) Depreciation of motor cars – 25% p.a. of cost on a straight line basis
- (d) Depreciation of computer, telephone, office equipment and word processor – 25% p.a. of cost on a straight line basis
- (e) Income and Expenditure is included in the Revenue Account gross of Value Added Tax. Repayments of Value Added Tax by HM Customs and Excise are included in Other Income in the Revenue Account
- (f) Investments are stated at the year-end market value to accurately reflect the assets of NACO
- (g) The audited accounts represent the combined financial statements of the Association's General Fund and the Constituent Associations of NACO



ACCOUNTING POLICIES

(see notes 74 and 75)

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

<p>Assistant General Secretary's Signature: </p> <p>Name: Mr C R Lister</p> <p>Date: 31/5/2016</p>	<p>President's Signature: </p> <p>Name: Mr Jack Devers</p> <p>Date: 31/5/2016</p>
--	--

CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input checked="" type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

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 they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES/NO

If "No" please explain below.

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 the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 83)

YES/NO

If "No" please explain below.

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 all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in rule 83)


YES/NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 85)

AUDITOR'S REPORT (continued)

Please refer to separate sheet attached

Signature(s) of auditor or auditors:		
Name(s):	Hurst & Company Accountants LLP	
Profession(s) or Calling(s):	Chartered Accountants & Registered Auditors	
Address(es):	21 Tiviot Dale Stockport Cheshire SK1 1TD	
Date:	24 / 5 / 16	
Contact name and telephone number:	Helen Besant-Roberts Tel: 0161 477 2474	

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 NACO

We have audited the financial statements on pages 13 – 23.

This report is made solely to the Association's members, as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the NACO Executive and Auditors

The NACO Executive is responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, the annual report is not consistent with the financial statements, the Association has not kept proper accounting records or if the financial statements do not agree to the accounting records and if we have not received all the information and explanations we require for our audit.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any

apparent misstatements of material inconsistencies with the financial statements.

Basis of Opinion

We conducted our audit in accordance with the International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. Those standards require us to comply with the Auditing Practices Board Ethical Standards for Auditors.

An audit involves obtaining evidence about the amount and disclosures in the financial statements sufficient to give reasonable assurances that they financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates and judgements made by the Executive and the overall preparation of the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Association's affairs as at 31 December 2015 and of its excess of expenditure over income for the year ended.

Hurst & Company Accountants LLP
Chartered Accountants
Statutory Auditors
Lancashire Gate
Tiviot Dale
Stockport

18th March 2016

STATEMENT MADE BY THE NACO EXECUTIVE UNDER SECTION 32 (A) OF THE TRADE UNION AND LABOUR RELATIONS (CONSOLIDATION) ACT, 1992

- (a) The total expenditure of NACO for the year ended 31st December 2015 is £684,562 and income for the year ended 31st December 2015 is £464,167 of which £313,039 consisted of receipts in respect of membership.
- (b) The salary paid to and other benefits provided to or in respect of :
- i) Each member of the Executive
 - ii) the President, and
 - iii) the General Secretary

For the year ending 31st December 2015 are as follows:

President: Annual allowance of - NIL

Other members of the Executive - NIL

General Secretary:

Salary £91,812

Pension Contribution by NACO £17,581

Car Benefit £1,050

- (c) The report made by the Independent auditor on the financial statements for the year ended 31st December 2015 is shown on page 11.
- (d) A member who is concerned that some irregularity may be occurring or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concern with such one or more of the following as it seems appropriate to raise it with; the officials of the union, the trustees of the property of the union,

the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

When a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officers or trustees, he should consider obtaining independent legal advice.

- e) For the purpose mentioned in the statement in (d) above members should in the first instance raise any queries or complaints in writing with the Assistant General Secretary, at the registered address of NACO, specifying the query or complaint, stating that the complaint or query is raised under Section 32a of the Trade Union and Labour Relations (Consolidation) Act, 1992 and sending copies to the Association's President and Association's auditors.

The Assistant General Secretary will provide a written answer to the query or complaint within 28 days of the written communication from the member or, if that is not possible, will indicate within 28 days what steps are being taken to obtain an answer. The Assistant General Secretary will send copies of his response to the Association's President and auditors.

If the member remains unsatisfied, then he/she may request that the Assistant General Secretary put the written query/complaint to the next meeting of the Executive.

The internal procedure thereafter shall be in accordance with Rule 33, "Appeals Tribunal".

	NOTE	2015 £	2014 £
Membership Subscriptions	3	313,039	347,214
Net Conference Income/(Expenses)	6	-	(3,022)
Other Income	5	135,305	25,110
Profit/(Loss) on Sale of Investments		9,320	77,389
Profit/(Loss) on Sale of Fixed Assets		-	2,471
		<u>457,664</u>	<u>449,162</u>
Operating Expenses	7	<u>(684,562)</u>	<u>(493,635)</u>
		<u>(226,898)</u>	<u>(44,473)</u>
Interest from Investments	4	48,707	47,813
Change in market value of investments	4	<u>(42,204)</u>	<u>(53,990)</u>
Pre-Tax Surplus/(Deficit)		<u>(220,395)</u>	<u>(50,650)</u>
Taxation	14	-	-
SURPLUS/(DEFICIT) AVAILABLE FOR TRANSFER		<u><u>(220,395)</u></u>	<u><u>(50,650)</u></u>
General Management Fund			
Registered Office	12	(93,316)	52,515
Constituent Associations	12	(124,291)	11,887
Constituent Association Reserve	12	(2,500)	(7,000)
Conference Reserve	12	(288)	(3,022)
		<u><u>(220,395)</u></u>	<u><u>(50,650)</u></u>

(Notes in amplification of this Account and the Balance Sheet are to be found on the following pages). There were no other gains or losses for the year other than those passing through the Revenue Account.

FIXED ASSETS	NOTE	2015		2014	
		£	£	£	£
Investments	8		956,453		1,216,351
Tangible Assets	9		40,337		58,891
Current Assets					
Debtors	10	14,847		18,505	
Pre-paid expenses		14,135		13,506	
Cash in Hand		2,168		1,691	
Cash in Bank		134,379		37,967	
			<u>165,529</u>		<u>71,669</u>
LESS					
Current Liabilities					
Creditors falling due within one year	11	(73,459)	92,070	(37,656)	34,013
			<u>1,088,860</u>		<u>1,309,255</u>
NET ASSETS REPRESENTED BY					
General Management Fund					
Registered Office	12	916,333		1,009,649	
Constituent Associations	12	100,292		224,583	
Conference Reserve	12	37,392		37,680	
Constituent Association Reserve	12	34,843		37,343	
			<u>1,088,860</u>		<u>1,309,255</u>

The Revenue Account and Balance Sheet were approved by NACO Executive on the 18th March 2016.

Jack Devers President

Bob Lister Assistant General Secretary

(Notes in amplification of the Balance Sheet and Revenue Account are to be found on the following pages)

	NOTE	2015 £	£	2014 £	£
Cash from operating activities	13a	(177,760)		(90,950)	
Returns on investments and servicing of finance	13b	48,707		47,813	
Taxation	13c	-		-	
Capital expenditure & Financial investment	13d	225,942		8,812	
			<u>96,889</u>		<u>(51,949)</u>
Reconciliation in net cash flow to movement in net funds					
Increase/(Decrease) in cash in the period		96,889		(51,949)	
Increase/(Decrease) in liquid resources	13e		96,889		(51,949)
Net Funds as at 1st January 2015			39,658		91,607
Net Funds as at 31st December 2015			<u>136,547</u>		<u>39,658</u>

Note 1**Statement of Responsibilities of the Executive**

Trade Union and Labour Relations Law and the rules of the Association require the Executive to have prepared financial statements for each financial year which give a true and fair view of the state of affairs of the Association, and of its income and expenditure for that period. In the preparation of these financial statements the Executive should seek to ensure that:

- Suitable accounting policies are selected and then consistently applied;
- Judgements and estimates made are reasonable and prudent;
- Applicable accounting standards have been followed and that any departures are disclosed and explained in the financial statements;
- The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Executive is responsible for ensuring that proper books of account are kept with respect to the Association's transactions and its assets and liabilities as necessary to give a true and fair view of the state of affairs of the Association. They should seek to ensure that a satisfactory system of control is established for the Association's books of account, its cash holdings and all its receipts and remittances, and that adequate precautions are taken against falsification of the books of account and facilitating its discovery

Note 2**Statement of Accounting Policies**

- (a) The financial statements are prepared on the historic cost Accounting basis for the year ending 31st December 2015 and in Accordance with applicable accounting standards.
- (b) Income and Expenditure is accounted for on an accruals basis
- (c) Depreciation of motor cars – 25% p.a. of cost on a straight line basis
- (d) Depreciation of computer, telephone, office equipment and word processor – 25% p.a. of cost on a straight line basis
- (e) Income and Expenditure is included in the Revenue Account gross of Value Added Tax. Repayments of Value Added Tax by HM Customs and Excise are included in Other Income in the Revenue Account
- (f) Investments are stated at the year-end market value to accurately reflect the assets of NACO
- (g) The audited accounts represent the combined financial statements of the Association's General Fund and the Constituent Associations of NACO.

	2015		2014	
	£	£	£	£
Note 3				
Members' Subscriptions				
Subscriptions received	313,039		347,214	
	<u>313,039</u>		<u>347,214</u>	
	<u><u>313,039</u></u>		<u><u>347,214</u></u>	
Note 4				
Investment Income				
Registered Office	39,412		39,843	
Constituent Associations	9,295		7,970	
	<u>48,707</u>		<u>47,813</u>	
	<u><u>48,707</u></u>		<u><u>47,813</u></u>	
Change in market value of investments				
Registered Office	(30,105)		(57,808)	
Constituent Associations	(12,099)		3,818	
	<u>(42,204)</u>		<u>(53,990)</u>	
	<u><u>(42,204)</u></u>		<u><u>(53,990)</u></u>	
Note 5				
Other Income				
Registered Office				
Conference Management Fees (see note 6)	-		1,000	
Other Income	6,251		12,993	
CA Accounts Closed	126,074		-	
Constituent Associations				
From CA Reserves	2,500		7,000	
From Conference Reserves	288		3,022	
Other Income	192		1,095	
	<u>135,305</u>		<u>25,110</u>	
	<u><u>135,305</u></u>		<u><u>25,110</u></u>	

Note 6	2015		2014	
Conference Income & Expenditure	£	£	£	£
Registered Office				
Income	-		25,835	
Expenditure	-		(27,857)	
Conference Management Fees (see note 5)	-		(1,000)	
	<u> </u>		<u> </u>	
	<u> </u>	<u> </u>		<u> </u>
		-		(3,022)

The Co-operative Funeral Service Managers' Association conference is biennial, therefore no conference activity

Conference Management fees relate to the recharge from Registered Office for Conference Management costs.

Note 7 **Operating Expenses**

Registered Office (see note 7a)	518,630	445,392
NACO Executive	5,481	6,862
AGM	12,895	13,681
Constituent Associations	10,699	12,086
Affiliation Fees	5,818	5,098
Donations & Presentations	2,177	494
Constituent Reserves	128,574	7,000
Conference Reserves	288	3,022
	<u> </u>	<u> </u>
	<u>684,562</u>	<u>493,635</u>

	2015		2014	
	£	£	£	£
Note 7a				
Registered Office				
Personnel Costs	385,617		316,522	
Occupancy Costs	24,608		26,632	
Office Administration Costs	41,136		30,083	
Other Costs	67,269		72,155	
		<u>518,630</u>		<u>445,392</u>

Note 8	Balance	Additions	Withdrawals	Interest	Change in	Balance	Investment
Registered Office	1.1.15			Capitalised	in market	31.12.15	Income
					value		
Fixed Term Investments	20,000	-	-	-	-	20,000	933
Equities incl. Preference Shares	885,765		75,531	11	(30,105)	780,140	38,479
James Sharp Cash Account	49,158	71,899	141,417	38,468	-	18,108	-
Constituent Associations							
Equities	252,580	-	102,867	-	(12,099)	137,614	9,295
James Sharp Cash Account	8,848	113,738	131,290	9,295	-	591	-
	<u>1,216,351</u>	<u>185,637</u>	<u>451,105</u>	<u>47,774</u>	<u>(42,204)</u>	<u>956,453</u>	<u>48,707</u>

Note 9	Motor Cars	Premises Fixtures & Fittings	Computer Telephone Furniture Photocopier	Total
Fixed Assets	£	£	£	£
Cost				
Balance B/Fwd	80,930	2,331	54,123	137,385
Additions	-	-	1,073	1,073
Disposals	-	-	(5,944)	(5,944)
	<u>80,930</u>	<u>2,331</u>	<u>49,252</u>	<u>132,513</u>
Depreciation				
Balance B/Fwd	33,322	291	44,880	78,493
Provided this Period	16,333	583	2,711	19,627
Disposals/Retirements	-	-	(5,944)	(5,944)
	<u>49,655</u>	<u>874</u>	<u>41,647</u>	<u>92,176</u>
Net Book Value 2015	31,275	1,457	7,605	40,337
Net Book Value 2014	47,608	2,040	9,243	58,891

Note 10	2015	2014
Debtors	£	£
Subscription Arrears	5,826	4,410
Constituent Associations	60	2,313
Other Debtors	8,173	11,060
Interest Accrued	788	722
	<u>14,847</u>	<u>18,505</u>

Note 11	2015	2014
Creditors	£	£
Registered Office	47,949	25,946
Constituent Associations	4,719	2,313
Provision for External Repairs	4,000	4,000
Holiday Pay Accrual	16,791	5,397
	<u>73,459</u>	<u>37,656</u>

	2015 £	2014 £
Note 12		
General Management Fund		
Registered Office		
Balance B/Fwd 1st January 2015	1,009,649	1,062,164
Transfer from Revenue Account	(93,316)	52,515
Transfer from Constituent Associations	-	-
Balance C/Fwd 31st December 2015	<u>916,333</u>	<u>1,009,649</u>
Constituent Associations		
Balance B/Fwd 1st January 2015	224,583	212,696
Transfer from Revenue Account	(124,291)	11,887
Transfer to CA Reserve	-	-
Transfer to Conference Reserve	-	-
Balance C/Fwd 31st December 2015	<u>100,292</u>	<u>224,583</u>
Conference Reserve		
Balance B/Fwd 1st January 2015	37,680	40,702
Transfer from Revenue Account	(288)	(3,022)
Transfer from Constituent Associations	-	-
Balance C/Fwd 31st December 2015	<u>37,392</u>	<u>37,680</u>
Constituent Association Reserve		
Balance B/Fwd 1st January 2015	37,343	44,343
Grant issued to Constituent Association	(2,500)	(7,000)
Transfer from Constituent Associations	-	343
Balance C/Fwd 31st December 2015	<u>34,843</u>	<u>37,343</u>

	2015		2014
	£		£
Note 13			
Cash Flow Statement			
Note 13a Cash from operating activities			
Operating Surplus/(Deficit)	(226,898)		(44,473)
(Profit)/Loss on Sale of Fixed Assets	-		(2,471)
(Profit)/Loss on Sale of Investments	(9,320)		(77,389)
Depreciation Charge	19,627		23,053
(Increase)/Decrease in Debtors	3,028		15,131
(Decrease)/Increase in Creditors	35,803		(4,801)
Net Cash (Outflow)/Inflow from Operating Activities	<u>(177,760)</u>		<u>(90,950)</u>
Note 13b Returns on investments and servicing of finance			
Investment income received	48,707		47,813
	<u>48,707</u>		<u>47,813</u>
Note 13c Taxation			
Corporation tax paid	-		-
Note 13d Capital expenditure and financial investments			
Purchase of tangible fixed assets	(1,073)		(59,024)
Purchase of fixed asset investments	(233,411)		(506,516)
Proceeds from Sale of Investments	460,426		543,798
Sale of Plant and Machinery	-		12,930
	<u>225,942</u>		<u>(8,812)</u>
Note 13e Analysis of net cash			
	As at 1st	Cash Flow	As at
	1st January		31st December
	2015		2015
	£	£	£
Cash in Hand	1,691	477	2,168
Cash at bank	37,967	96,412	134,379
	<u>39,658</u>	<u>96,889</u>	<u>136,547</u>

Note 14	2015	2014
Calculation of Tax Liability	£	£
Calculation of Profit		
Non trading loan relationship income:		
Fixed term deposit interest	(933)	(862)
Miscellaneous income and gains		
Other income	-	-
Total Profits	<u>(933)</u>	<u>(862)</u>
Expenses of Management		
Operating expenses	-	-
Provident Benefits in respect of legal fees	5,040	3,858
	<u>5,040</u>	<u>3,858</u>
Losses and Allowances		
Losses brought forward	19,203	16,207
Offset in the current period	(933)	(862)
Current year losses carried forward	5,040	3,858
Losses Carried forward	<u>23,310</u>	<u>19,203</u>

As an incorporated Association NACO falls within the charge to corporation tax. Income from membership subscriptions applied for the benefit of members will not be subject to corporation tax. However, bank interest and other investment income (excluding dividends) will be subject to corporation tax.

NACO also falls within the special provisions of S467 ICTA 1988 in relation to trade unions. This rule is that provided the union is precluded from assuring to any person an amount exceeding £4,000 or £825 a year by way of annuity, any non-trading income will be exempt from corporation tax provided the income or gains are applied for provident benefits.

The legal and professional fees incurred by NACO fall within this definition. Accordingly, NACO's taxable investment income will be reduced by the amounts of those expenses for the purposes of corporation tax.