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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

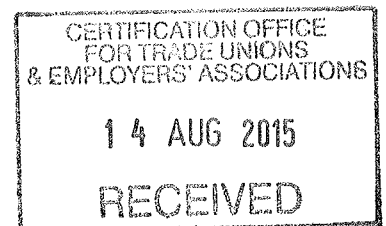
Name of Employers' Association:	<input type="text" value="SOUTH EAST EMPLOYERS"/>
Year ended:	<input type="text" value="31<sup>st</sup> March 2015"/>
List No:	<input type="text" value="237E"/>
Head or Main Office:	<input type="text" value="2 Crown Walk
Jewry Street
Winchester
Hampshire
S023 8BB"/>
Website address (if available)	<input type="text" value="http://www.seemp.co.uk"/>
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:	<input type="text" value="Jennifer McNeill"/>
Contact name for queries regarding the completion of this return:	<input type="text" value="Sally Lawrence"/>
Telephone Number:	<input type="text" value="01962 848103"/>
e-mail:	<input type="text" value="slawrence@winchester.gov.uk"/>

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 is:

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd 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



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
50				50

OFFICERS IN POST

Regional Director

Jennifer McNeill

Treasurer

Alexis Garlick

Executive Committee

Cllr Ian Leake	resigned 16 July 2014
Cllr Ron Flaherty	deceased 08 January 2015
Cllr Richard Burrett	re-elected 17 July 2014
Cllr Trevor Webb	resigned 16 July 2014
Cllr Reg Edwards	resigned 16 July 2014
Cllr Rory Love	re-elected 17 July 2014
Cllr Neville Whiteley	re-elected 17 July 2014
Cllr Maureen Holding	re-elected 17 July 2014
Cllr Barbara Cowin	resigned 16 July 2014
Cllr Mo Marsh	re-elected 17 July 2014
Cllr Paul Taylor	re-elected 17 July 2014
Cllr Ian Ward	re-elected 17 July 2014
Cllr Stanley Ward	resigned 07 May 2015
Cllr Bob Wade	re-elected 17 July 2014
Cllr Rob Blezzard	re-elected 17 July 2014
Cllr Paulina Stockell	re-elected 17 July 2014
Cllr Adrian Vinson	resigned 16 July 2014
Cllr Rob Stanton	re-elected 17 July 2014
Cllr John Burden	elected 17 July 2014
Cllr Jeanette Green	elected 17 July 2014
Cllr Andrew Pope	elected 17 July 2014
Cllr Stuart Munro	elected 17 July 2014

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
Executive Committee Member	Cllr Ian Leake	Cllr John Burden	16 July 2014/17 July 2014
Executive Committee Member	Cllr Trevor Webb	Cllr Jeanette Green	16 July 2014/17 July 2014
Executive Committee Member	Cllr Reg Edwards	Cllr Andrew Pope	16 July 2014/17 July 2014
Executive Committee Member	Cllr Barbara Cowin	Cllr Stuart Monro	16 July 2014/17 July 2014
Executive Committee Member	Cllr Stanley Ward		07 May 2015
Executive Committee Member	Cllr Adrian Vinson		16 July 2014
Executive Committee Member	Cllr Ron Flaherty		08 January 2015

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	INCOME		
408,187	From Members Subscriptions, levies, etc	381,404	
6,769 (20,000)	Investment income Bank interest (gross) Defined Benefit Pension Scheme	7,581 20,000	
			408,985
313,220 16,775	Other income Consultancy fees Other project funding	356,184 16,077	
			372,261
724,951	TOTAL INCOME		781,246
	EXPENDITURE		
	Administrative expenses		
433,914	Remuneration and expenses of staff	442,830	
109,627	Occupancy costs	46,429	
8,548	Printing, Stationery, Post	5,431	
7,761	Telephones	9,766	
5,462	Legal and Professional fees	5,931	
6,904	Insurance	6,697	
9,170	Equipment leases & maintenance	11,469	
47,000	Finance/IT contract	47,000	
1,508	Website	1,937	
1,127	Other IT costs	1,286	
3,150	Other charges Affiliation fees	3,150	
8,301	Conference and meeting fees	8,466	
79,267	External Consultancy and other training	69,962	
12,604	Other project expenditure	12,456	
734,343	TOTAL EXPENDITURE		672,810
(9,392)	Surplus/Deficit for year		108,436
400,000	Actuarial gain/(loss) in respect of defined benefit pension scheme		(290,000)
(1,874,782)	Amount of fund at beginning of year		(1,484,174)
(1,484,174)	Amount of fund at end of year		(1,665,738)

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		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)	

ACCOUNT 3		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		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)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		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)	

ACCOUNT 5		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		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)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	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)			

ACCOUNT 7		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
Total Income			
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	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)			

BALANCE SHEET AS AT 31st March 2015

(see notes 19 and 20)

Previous Year		£	£
0	Fixed Assets (as at page 11)	0	
	Investments (as per analysis on page 13)		
0	Quoted (Market value £)	0	
0	Unquoted	0	
	Total Investments		
	Other Assets		
535,653	Sundry debtors	507,603	
847,573	Reserve Deposits & Bank Accounts	913,753	
	Total of other assets	1,421,356	
1,383,226		TOTAL ASSETS	1,421,356
825,826	General Fund		914,262
(2,310,000)	Defined Benefit Pension Scheme Liability		(2,580,000)
(1,484,174)	TOTAL FUNDS		(1,665,738)
	Liabilities		
91,658	VAT Payable	85,551	
4,956	Sundry Creditors	10,548	
25,573	Accrued expenses	35,508	
435,213	Other liabilities – Deferred Grant/Income	375,487	
2,310,000	Defined Benefit Pension Scheme Liability	2,580,000	
2,867,400		TOTAL LIABILITIES	3,087,094
1,383,226		TOTAL ASSETS	1,421,356

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period				
Additions during period				
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period				
BOOK AMOUNT at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET				

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*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)

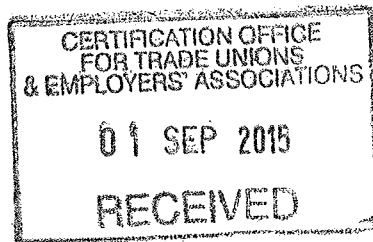
(see notes 23 to 25)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES	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)		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		YES	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		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES	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 £
INCOME			
From Members	381,404		381,404
From Investments	7,581		7,581
Defined Benefit Pension Scheme	20,000		20,000
Other Income (including increases by revaluation of assets)	372,261		372,261
Total Income	781,246		781,246
EXPENDITURE			
	672,810		672,810
Actuarial loss in respect of defined benefit pension scheme	290,000		290,000
Total Expenditure	962,810		962,810
Funds at beginning of year (including reserves)	(1,484,174)		(1,484,174)
Funds at end of year (including reserves)	(1,665,738)		(1,665,738)
ASSETS			
Other Assets			1,421,356
		Total Assets	1,421,356
LIABILITIES			
		Total Liabilities	(3,087,094)
NET ASSETS (Total Assets less Total Liabilities)			(1,665,738)



NOTES TO THE ACCOUNTS

(see note 36)

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

SOUTH EAST EMPLOYERS

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2015

1. Accounting policies

Basis of accounting

The accounts have been prepared on the basis of the historical cost convention and incorporate the results of the principal activity which is that of an employers' association.

The financial statements are prepared in accordance with applicable UK accounting standards and with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992.

The pension liability uses the Consumer Price Index (CPI) as the inflation measure for determining the minimum pension increase to be applied to the statutory index-linked features of retirement benefits. There is no expectation that the pension fund will need to be distributed in full during the next twelve months and therefore there will be no requirement to make good the pension fund liability. The net asset position of the organisation excluding the pension scheme deficit is £914,262, with the majority of this being cash reserves. On this basis, the executive committee considers it appropriate to prepare the financial statements on the going concern basis.

Income

Subscription income is recognised in the year to which the subscriptions relate. Where it relates to a future period the income is deferred.

Course and seminar income represents the amount receivable by the organisation for training services and information provided in the normal course of business, after making due allowance for deferred amounts, exclusive of Value Added Tax. Amounts receivable for courses and seminars are recognised in the period in which the course or seminar is delivered.

Operating lease agreements

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

SOUTH EAST EMPLOYERS

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

1. Accounting policies (continued)

Pension costs and other post-retirement benefits

The organisation operates a defined benefit pension scheme for certain employees. The assets of the scheme are held separately from those of the organisation. Contributors to the scheme are charged to the Income and Expenditure account so as to spread the cost of pensions over the employees' working lives. The contributions are determined by a qualified actuary on the basis of triennial valuations.

Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value using an AA corporate bond rate.

Pension scheme assets are valued at market value at the Balance Sheet date.

The pension scheme deficit is recognised in full on the Balance Sheet.

2. Operating surplus

Operating surplus is stated after charging:

	2015	2014
	£	£
Auditors remuneration	4,200	4,120

2. Interest payable and similar charges

	2015	2014
	£	£
Net finance expense/(gain) in respect of defined benefit pension schemes	(20,000)	20,000

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

4. Debtors

	2015	2014
	£	£
Trade debtors	458,000	507,388
Other debtors	40,603	28,266
	<u>507,603</u>	<u>535,654</u>

5. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	10,548	4,955
Other taxation and social security	88,851	91,658
Other creditors	410,995	460,796
	<u>507,394</u>	<u>557,409</u>

6. Pension commitments

The organisation contributes to a Local Government Pension Scheme (LGPS) providing benefits based on final pensionable pay. The LGPS is a funded defined benefit scheme, with the assets of the scheme held separately from those of the organisation and are administered under an Admission agreement with Hampshire County Council Pension Fund.

The contributions are determined annually by the administrators of the Hampshire County Council Pension Fund based on a triennial actuarial valuation using the projected unit method and determined by a qualified actuary. The last valuation was carried out on 31 March 2013.

Principal Actuarial Assumptions

The organisation has applied the following financial assumptions in assessing the defined benefit liabilities:

	2015	2014	2013	2012
	%	%	%	%
Rate of increase in salaries	3.5	3.8	4.5	5.0
Rate of increase in pensions in payment	1.8	2.5	3.7	3.5
Discount rate	3.2	4.3	4.3	4.7
RPI inflation assumption	2.5	3.5	3.5	3.5
CPI inflation assumption	1.8	2.5	3.7	3.5

Effective from 1 April 2014, the organisation switched to use the Consumer Price Index (CPI) rather than the Retail Price Index (RPI) as the inflation measure for determining the minimum pension increase to be applied to the statutory index-linked features of retirement benefits.

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

6. Pension commitments (continued)

The fair value of the scheme assets, the present value of the scheme liabilities and the resulting deficit are:

	2015 £	2014 £	2013 £	2012 £
Total market value of assets	5,520,000	5,000,000	4,690,000	4,150,000
Present value of scheme liabilities	(2,200,000)	(7,310,000)	(7,550,000)	(6,570,000)
Net pension liability	(2,580,000)	(2,310,000)	(2,860,000)	(2,420,000)
		Value at 31 March 2015 £		Value at 31 March 2014 £
Equities		5,248,560		5,040,000
Property		440,000		375,000
Bonds		1,517,400		1,250,000
Cash		237,040		130,000
Other		137,000		135,000
Total market value of assets		5,520,000		5,000,000
Present value of scheme liabilities: - funded		(2,200,000)		(7,310,000)
Deficit in the scheme		(2,580,000)		(2,310,000)

An analysis of the defined benefit cost follows:

Analysis of the amount charged to operating surplus:

	2015 £	2014 £
Current service cost	(50,000)	(70,000)
Total operating charge	(50,000)	(70,000)

Analysis of the amount charged to finance costs:

	2015 £	2014 £
Other finance costs: Interest on pension scheme liabilities	(310,000)	(310,000)
Other finance costs: Expected return on assets of the scheme	310,000	290,000
Total finance costs	-	(20,000)

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

6. Pension commitments (continued)

An analysis of the amount recognised in the statement of total recognised gains and losses is shown below:

	2015 £	2014 £
Total actuarial gain/losses)	(350,000)	400,000

An analysis of the movements in deficit during the year are shown below:

	2015 £	2014 £
At 1 April	(2,510,000)	(2,695,000)
Total operating charge	(50,000)	(70,000)
Total other finance costs	-	(20,000)
Actuarial (loss)/gain	(200,000)	400,000
Contributions	50,000	70,000
At 31 March	(2,550,000)	(2,915,000)

Assets and Liability Reconciliation

Reconciliation of liabilities

	2015 £	2014 £
At 1 April	7,310,000	7,580,000
Current service cost	50,000	70,000
Interest cost	510,000	310,000
Employee contributions	20,000	20,000
Actuarial loss/gain	700,000	(240,000)
Net benefits paid out	(200,000)	(240,000)
At 31 March	8,000,000	7,910,000

Reconciliation of assets

	2015 £	2014 £
At 1 April	5,000,000	4,590,000
Expected return on assets	310,000	290,000
Actuarial (loss)/gain on assets	410,000	170,000
Employer contributions	50,000	70,000
Employee contributions	20,000	20,000
Net benefits paid out	(200,000)	(240,000)
At 31 March	5,520,000	5,000,000

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

6. Pension commitments (continued)

Amounts for the current and previous three periods are as follows:

	2015	2014	2013	2012
	£'000	£'000	£'000	£'000
Fair value of scheme assets	5,520	5,000	4,590	4,150
Present value of scheme liabilities	(3,280)	(2,810)	(2,336)	(1,676)
Deficit in scheme	(2,280)	(2,810)	(2,696)	(2,426)
Experience adjustment on scheme assets	410	170	370	(30)
Experience adjustment on scheme liabilities	50	(230)	10	(70)

7. Commitments under operating leases

At 31 March 2015 the organisation had aggregate annual commitments under non-cancellable operating leases as set out below:

	2015	2014
	£	£
Operating leases which expire:		
Within 2 to 5 years	32,402	32,402
	<u>32,402</u>	<u>32,402</u>

The lease for Crown Walk was negotiated on the 24 December 2013. The term of the lease is 5 years with a rent free period of 4 weeks. The average cost of the lease is £35,816 per annum.

8. Related party transactions

During the year the organisation incurred consultancy charges from Silkstead Consultancy Ltd of £5,708 (2014 - £6,248). Keith Field is the director of Silkstead Consultancy Ltd and partner of Jennifer McNeil. At the year end, a balance of £nil (2014 - £nil) was outstanding in trade creditors.

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

9. Higher paid employees

The number of employees whose emoluments (excluding employer's pension contributions) exceeded £50,000 was:

	2015	2014
£60,000 - £64,000	1	1
£50,000 - £54,000	1	1

During the year the following amounts were paid to higher paid employees as shown above:

	2015		2014	
	Regional Director	Development Director	Regional Director	Development Director
	£'000	£'000	£'000	£'000
Salary	66	57	66	57
Other remuneration	5	3	5	2
Employers' pension contributions	13	9	13	9
	104	69	104	68

10. Income and expenditure account

	2015	2014
	£	£
Balance brought forward	(1,454,174)	(1,974,782)
Surplus/(deficit) for the financial year	108,435	(9,592)
Defined pension benefit scheme	(200,000)	490,000
Balance carried forward	11,965,735	(1,454,174)

11. Control

The organisation is controlled by the Executive Committee on behalf of the members of the organisation.

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>signed by Jennifer McNeill</u>	Treasurer's Signature <u>signed by Alexis Garlick</u>
Name: JENNIFER MCNEILL	Name: ALEXIS GARLICK
Date: <u>10/08/15</u>	Date: <u>11/08/15</u>

CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	X	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	X	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	X	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	X	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES	X	NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	X	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 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 43 and 44)

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 43)
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 note 43)
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 AR27 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 45)

AUDITOR'S REPORT (continued)

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Signature(s) of auditor or auditors:	Wilkins Kennedy LLP	
Name(s):	Wilkins Kennedy LLP	
Profession(s) or Calling(s):	Statutory Auditor and Chartered Accountants	
Address(es):	Templars House, Lulworth Close Chandlers Ford SO53 3TL	
Date:	5 August 2015	
Contact name and telephone number:	O Rowe – 0230 247070	

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

SOUTH EAST EMPLOYERS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

SOUTH EAST EMPLOYERS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

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SOUTH EAST EMPLOYERS

LEGAL AND ADMINISTRATIVE INFORMATION YEAR ENDED 31 MARCH 2015

Regional Director	Jennifer McNeill	
Treasurer	Alexis Garlick	
Executive Committee	Cllr Ian Leake	resigned 16 July 2014
	Cllr Ron Flaherty	deceased 08 January 2015
	Cllr Richard Burrett	re-elected 17 July 2014
	Cllr Trevor Webb	resigned 16 July 2014
	Cllr Reg Edwards	resigned 16 July 2014
	Cllr Rory Love	re-elected 17 July 2014
	Cllr Neville Whiteley	re-elected 17 July 2014
	Cllr Maureen Holding	re-elected 17 July 2014
	Cllr Barbara Cowin	resigned 16 July 2014
	Cllr Mo Marsh	re-elected 17 July 2014
	Cllr Paul Taylor	re-elected 17 July 2014
	Cllr Ian Ward	re-elected 17 July 2014
	Cllr Stanley Ward	resigned 07 May 2015
	Cllr Bob Wade	re-elected 17 July 2014
	Cllr Rob Blezzard	re-elected 17 July 2014
	Cllr Paulina Stockell	re-elected 17 July 2014
	Cllr Adrian Vinson	resigned 16 July 2014
	Cllr Rob Stanton	re-elected 17 July 2014
	Cllr John Burden	elected 17 July 2014
	Cllr Jeanette Green	elected 17 July 2014
	Cllr Andrew Pope	elected 17 July 2014
	Cllr Stuart Munro	elected 17 July 2014
Business address	2 Crown Walk Jewry Street Winchester S023 8BB	
Auditors & Accountants	Wilkins Kennedy LLP Statutory Auditors and Chartered Accountants Templars House Lulworth Close Chandlers Ford Hampshire S053 3TL	
Bankers	Lloyds Bank plc 49 High Street Winchester Hampshire S023 9BU	

SOUTH EAST EMPLOYERS

**STATEMENT OF EXECUTIVE COMMITTEE RESPONSIBILITIES
YEAR ENDED 31 MARCH 2015**

Employers' Association legislation requires the organisation to prepare accounts for the financial year which give a true and fair view of the state of affairs of the organisation and of the surplus or deficit of the organisation for that year. In preparing those accounts the organisation delegates authority to the Executive Committee and Regional Director to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the organisation will continue in business.

The Executive Committee is responsible for ensuring that arrangements are made for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation and to enable them to ensure that the accounts comply with the relevant legislation. It is also responsible for ensuring that there is a satisfactory system of control over these records, through the appointment of Trustees of the organisation, and for safeguarding the assets of the organisation and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

In so far as the Executive Committee, as individuals, are aware:

- there is no relevant audit information of which the organisation's auditor is unaware; and
- the Executive Committee have taken all steps that they ought to have taken to make themselves aware of any audit information and to ensure that the auditor is aware of that information.

On behalf of the committee

Signed by : Jennifer McNeill

.....
Jennifer McNeill
Regional Director

Approved by the Executive Committee on *16 July 2015*

SOUTH EAST EMPLOYERS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST EMPLOYERS YEAR ENDED 31 MARCH 2015

We have audited the financial statements of South East Employers for the year ended 31 March 2015 which comprise 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 organisation'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 organisation's members 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 organisation and the organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Executive Committee and auditor

The Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 require the officers of South East Employers to: prepare financial statements and keep proper accounting records which give a true and fair view of the state of affairs of South East Employers and explain its transactions; establish and maintain a satisfactory system of control of the accounting records, cash holding and all the receipts and remittances; prepare an annual return for the Certification Officer giving a true and fair view of the revenue account and balance sheet and provide members of South East Employers with a statement of income and expenditure for the year. 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the 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 organisation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Committee; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the organisation's affairs as at 31 March 2015 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992.

SOUTH EAST EMPLOYERS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF SOUTH EAST EMPLOYERS
YEAR ENDED 31 MARCH 2015

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where The Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 require us to report to you if, in our opinion:

- proper books of account have not been kept by the organisation in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the organisation in accordance with the requirements of the legislation;
- the revenue account to which our report relates, and the balance sheet are not in agreement with the books of account of the organisation; and
- we have not obtained all the information and explanations necessary for the purposes of our audit.

.....
Wilkins Kennedy LLP
Chartered Accountants & Statutory Auditor
Templars House
Lulworth Close
Chandlers Ford
Hampshire
SO53 3TL

Date:.....

SOUTH EAST EMPLOYERS
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2015

	2015	2014
Note	£	£
Income	753,665	738,182
Administrative expenses	(672,810)	(734,343)
Operating surplus	80,855	3,839
Interest receivable	7,581	6,769
Interest (payable) and similar (charges)/gains	20,000	(20,000)
Surplus/(deficit) for the financial year	108,436	(9,392)

All of the activities of the organisation are classed as continuing.

The notes on pages 10 to 16 form part of these financial statements.

SOUTH EAST EMPLOYERS
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 MARCH 2015

	2015	<i>2014</i>
	£	£
Surplus/(deficit) for the financial year	108,436	<i>(9,392)</i>
Actuarial (loss)/gain in respect of defined benefit pension scheme (note 6)	(290,000)	<i>400,000</i>
Total gains and (losses) recognised since the last annual report	<u>(181,564)</u>	<u><i>390,608</i></u>

The notes on pages 10 to 16 form part of these financial statements.

SOUTH EAST EMPLOYERS

**BALANCE SHEET
31 MARCH 2015**

		2015		2014	
	Note	£	£	£	£
Current assets					
Debtors	4	507,603		535,653	
Cash at bank		913,753		847,573	
		1,421,356		1,383,226	
Creditors: Amounts falling due within one year	5	(507,094)		(557,400)	
Net current assets			914,262		825,826
Net assets excluding pension liability			914,262		825,826
Defined benefit pension scheme Liability	6		(2,580,000)		(2,310,000)
Net (liabilities)/assets including pension liability			(1,665,738)		(1,484,174)
Capital and reserves					
Income and expenditure account:	10				
General reserve			914,262		825,826
Pension liability	6		(2,580,000)		(2,310,000)
			(1,665,738)		(1,484,174)

The financial statements were approved by the Executive Committee and are signed on their behalf by:

Signed by : Jennifer McNeill

Alexis Garlick FCCA

.....
Jennifer McNeill
Regional Director

.....
Alexis Garlick FCCA
Treasurer

Dated:..... *16 July 2015*

The notes on pages 10 to 16 form part of these financial statements.

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

1. Accounting policies

Basis of accounting

The accounts have been prepared on the basis of the historical cost convention and incorporate the results of the principal activity which is that of an employers' association.

The financial statements are prepared in accordance with applicable UK accounting standards and with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992.

The pension liability uses the Consumer Price Index (CPI) as the inflation measure for determining the minimum pension increase to be applied to the statutory index-linked features of retirement benefits. There is no expectation that the pension fund will need to be distributed in full during the next twelve months and therefore there will be no requirement to make good the pension fund liability. The net asset position of the organisation excluding the pension scheme deficit is £914,262, with the majority of this being cash reserves. On this basis, the executive committee considers it appropriate to prepare the financial statements on the going concern basis.

Income

Subscription income is recognised in the year to which the subscriptions relate. Where it relates to a future period the income is deferred.

Course and seminar income represents the amount receivable by the organisation for training services and information provided in the normal course of business, after making due allowance for deferred amounts, exclusive of Value Added Tax. Amounts receivable for courses and seminars are recognised in the period in which the course or seminar is delivered.

Operating lease agreements

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

1. Accounting policies (continued)

Pension costs and other post-retirement benefits

The organisation operates a defined benefit pension scheme for certain employees. The assets of the scheme are held separately from those of the organisation. Contributions to the scheme are charged to the Income and Expenditure account so as to spread the cost of pensions over the employees' working lives. The contributions are determined by a qualified actuary on the basis of triennial valuations.

Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value using an AA corporate bond rate.

Pension scheme assets are valued at market value at the Balance Sheet date.

The pension scheme deficit is recognised in full on the Balance Sheet.

2. Operating surplus

Operating surplus is stated after charging:

	2015	<i>2014</i>
	£	£
Auditors remuneration	4,200	4,120

3. Interest payable and similar charges

	2015	<i>2014</i>
	£	£
Net finance expense/(gain) in respect of defined benefit pension schemes	(20,000)	20,000

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

4. Debtors

	2015	<i>2014</i>
	£	£
Trade debtors	458,000	<i>507,388</i>
Other debtors	49,603	<i>28,265</i>
	<u>507,603</u>	<u><i>535,653</i></u>

5. Creditors: Amounts falling due within one year

	2015	<i>2014</i>
	£	£
Trade creditors	10,548	<i>4,956</i>
Other taxation and social security	85,551	<i>91,658</i>
Other creditors	410,995	<i>460,786</i>
	<u>507,094</u>	<u><i>557,400</i></u>

6. Pension commitments

The organisation contributes to a Local Government Pension Scheme (LGPS) providing benefits based on final pensionable pay. The LGPS is a funded defined-benefit scheme, with the assets of the scheme held separately from those of the organisation and are administered under an Admission agreement with Hampshire County Council Pension Fund.

The contributions are determined annually by the administrators of the Hampshire County Council Pension Fund based on a triennial actuarial valuation using the projected unit method and determined by a qualified actuary. The last valuation was carried out on 31 March 2013.

Principal Actuarial Assumptions

The organisation has applied the following financial assumptions in assessing the defined benefit liabilities:

	2015	<i>2014</i>	<i>2013</i>	<i>2012</i>
	%	%	%	%
Rate of increase in salaries	3.3	3.8	4.6	5.0
Rate of increase in pensions in payment	1.8	2.3	2.7	2.5
Discount rate	3.2	4.3	4.3	4.7
RPI Inflation assumption	2.9	3.3	3.6	3.5
CPI Inflation assumption	1.8	2.3	2.7	2.5

Effective from 1 April 2011, the organisation switched to use the Consumer Price Index (CPI) rather than the Retail Price Index (RPI) as the inflation measure for determining the minimum pension increase to be applied to the statutory index-linked features of retirement benefits.

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

6. Pension commitments (continued)

The fair value of the scheme assets, the present value of the scheme liabilities and the resulting deficit are:

	2015	<i>2014</i>	<i>2013</i>	<i>2012</i>
	£	£	£	£
Total market value of assets	5,620,000	5,000,000	4,690,000	4,150,000
Present value of scheme liabilities	(8,200,000)	(7,310,000)	(7,380,000)	(6,570,000)
Net pension liability	(2,580,000)	(2,310,000)	(2,690,000)	(2,420,000)

	Value at 31 March 2015	<i>Value at 31 March 2014</i>
	£	£
Equities	3,248,360	3,040,000
Property	449,600	375,000
Bonds	1,517,400	1,260,000
Cash	207,940	190,000
Other	196,700	135,000
Total market value of assets	5,620,000	5,000,000
Present value of scheme liabilities: - funded	(8,200,000)	(7,310,000)
Deficit in the scheme	(2,580,000)	(2,310,000)

An analysis of the defined benefit cost follows:

Analysis of the amount charged to operating surplus:

	2015	<i>2014</i>
	£	£
Current service cost	(60,000)	(70,000)
Total operating charge	(60,000)	(70,000)

Analysis of the amount charged to finance costs:

	2015	<i>2014</i>
	£	£
Other finance costs: Interest on pension scheme liabilities	(310,000)	(310,000)
Other finance costs: Expected return on assets of the scheme	310,000	290,000
Total finance costs	-	(20,000)

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

6. Pension commitments (continued)

An analysis of the amount recognised in the statement of total recognised gains and losses is shown below:

	2015	2014
	£	£
Total actuarial gain/(losses)	(290,000)	400,000

An analysis of the movements in deficit during the year are shown below:

	2015	2014
	£	£
At 1 April	(2,310,000)	(2,690,000)
Total operating charge	(60,000)	(70,000)
Total other finance costs	-	(20,000)
Actuarial (loss)/gain	(290,000)	400,000
Contributions	80,000	70,000
At 31 March	(2,580,000)	(2,310,000)

Asset and Liability Reconciliation

	2015	2014
	£	£
Reconciliation of liabilities		
At 1 April	7,310,000	7,380,000
Current service cost	60,000	70,000
Interest cost	310,000	310,000
Employee contributions	20,000	20,000
Actuarial loss/(gain)	700,000	(230,000)
Net benefits paid out	(200,000)	(240,000)
At 31 March	8,200,000	7,310,000

	2015	2014
	£	£
Reconciliation of assets		
At 1 April	5,000,000	4,690,000
Expected return on assets	310,000	290,000
Actuarial (loss)/gain on assets	410,000	170,000
Employer contributions	80,000	70,000
Employee contributions	20,000	20,000
Net benefits paid out	(200,000)	(240,000)
At 31 March	5,620,000	5,000,000

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

6. Pension commitments (continued)

Amounts for the current and previous three periods are as follows:

	2015	<i>2014</i>	<i>2013</i>	<i>2012</i>
	£'000	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fair value of scheme assets	5,620	5,000	4,690	4,150
Present value of scheme liabilities	(8,200)	(7,310)	(7,380)	(6,570)
Deficit in scheme	(2,580)	(2,310)	(2,690)	(2,420)
Experience adjustment on scheme assets	410	170	370	(90)
Experience adjustment on scheme liabilities	60	(280)	10	(70)

7. Commitments under operating leases

At 31 March 2015 the organisation had aggregate annual commitments under non-cancellable operating leases as set out below:

	2015	<i>2014</i>
	£	<i>£</i>
Operating leases which expire:		
Within 2 to 5 years	32,402	32,402
	<u>32,402</u>	<u>32,402</u>

The lease for Crown Walk was negotiated on the 24 December 2013. The term of the lease is 5 years with a rent free period of 4 weeks. The average cost of the lease is £23,818 per annum.

8. Related party transactions

During the year the organisation incurred consultancy charges from Silkstead Consultancy Ltd of £5,708 (2014 - £6,348). Keith Field is the director of Silkstead Consultancy Ltd and partner of Jennifer McNeill. At the year end, a balance of £nil (2014 - £nil) was outstanding in trade creditors.

SOUTH EAST EMPLOYERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

9. Higher paid employees

The number of employees whose emoluments (excluding employer's pension contributions) exceeded £50,000 was:

	2015	2014
£60,000 - £64,999	1	1
£90,000 - £94,999	1	1

During the year the following amounts were paid to higher paid employees as shown above:

	2015		2014	
	Regional Director	Development Director	Regional Director	Development Director
	£'000	£'000	£'000	£'000
Salary	86	57	86	57
Other remuneration	5	3	5	2
Employers pension contributions	13	9	13	9
	104	69	104	68

10. Income and expenditure account

	2015	2014
	£	£
Balance brought forward	(1,484,174)	(1,874,782)
Surplus/(deficit) for the financial year	108,436	(9,392)
Defined pension benefit scheme	(290,000)	400,000
	(1,665,738)	(1,484,174)

11. Control

The organisation is controlled by the Executive Committee on behalf of the members of the organisation.

**SOUTH EAST EMPLOYERS
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2015**

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 5 to 6.

SOUTH EAST EMPLOYERS
DETAILED INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2015

	2015	2014
	£	£
Revenue		
Membership subscriptions	362,695	388,344
Associate member fees	18,709	19,843
Consultancy, courses and seminars	356,184	313,220
Other project funding	16,077	16,775
	<u>753,665</u>	<u>738,182</u>
Overheads		
Administrative expenses	(672,810)	(734,343)
Operating surplus	<u>80,855</u>	<u>3,839</u>
Interest receivable	7,581	6,769
	<u>88,436</u>	<u>10,608</u>
Net finance (expense)/gain in respect of defined benefit pension schemes	20,000	(20,000)
Surplus/(deficit) on ordinary activities	<u><u>108,436</u></u>	<u><u>(9,392)</u></u>

SOUTH EAST EMPLOYERS

**NOTES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2015**

	2015		2014	
	£	£	£	£
Administrative expenses				
Personnel costs				
Wages and salaries	425,932		417,561	
		425,932		417,561
Establishment expenses				
Rent	23,820		29,001	
Rates and water	12,940		20,142	
Light and heat	4,743		2,193	
Insurance	6,697		6,904	
Cleaning of premises	3,377		4,089	
Other establishment expenses	1,549		54,200	
		53,126		116,529
General expenses				
Travel and subsistence	14,482		14,884	
Telephone	4,283		6,048	
Hire of equipment	11,469		9,171	
Printing, stationery and postage	5,431		8,548	
Computer costs	8,706		4,348	
Conference costs	8,917		8,561	
Staff training	1,965		1,208	
Sundry expenses	3,150		3,152	
Other programme expenditure	12,456		12,604	
Legal and professional fees	965		515	
External consultancy and other training expenditure	69,962		79,267	
Accountancy fees	766		827	
Auditors remuneration	4,200		4,120	
Finance and IT support	47,000		47,000	
		193,752		200,253
		672,810		734,343
Interest receivable				
Bank interest receivable		7,581		6,769

SOUTH EAST EMPLOYERS
MANAGEMENT BALANCE SHEET
31 MARCH 2015

	2015		2014	
	£	£	£	£
Current assets				
Trade debtors	458,000		507,388	
Prepayments and accrued income	49,603		28,265	
Cash at bank and in hand	913,753		847,573	
	<u>1,421,356</u>		<u>1,383,226</u>	
Creditors: amounts falling due within one year				
Trade creditors	10,548		4,956	
VAT liability	85,551		91,658	
Deferred income	375,487		435,213	
Accruals	35,508		25,573	
	<u>507,094</u>		<u>557,400</u>	
Net current assets		914,262		825,826
Total assets less current liabilities		<u>914,262</u>		<u>825,826</u>
Net assets excluding pension liability		914,262		825,826
Defined benefit pension scheme liability		(2,580,000)		(2,310,000)
Net liabilities including pension liability		<u>(1,665,738)</u>		<u>(1,484,174)</u>
Capital and reserves				
Income and expenditure account:				
General fund		914,262		825,826
Pension liability		(2,580,000)		(2,310,000)
		<u>(1,665,738)</u>		<u>(1,484,174)</u>