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# FORM AR27

**Trade Union and Labour Relations (Consolidation) Act 1992**

## ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:	NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION
Year ended:	31 MARCH 2012
List No:	CO/257E
Head or Main Office:	6 <sup>TH</sup> FLOOR DELPHIAN HOUSE RIVERSIDE NEW BAILEY STREET MANCHESTER M3 5AP
Website address (if available)	www.nwemployers.org.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)
Chief Executive:	Elizabeth McQue
Contact name for queries regarding the completion of this return:	Melanie Booth
Telephone Number:	0161 214 7100
e-mail:	melanieb@nwemployers.org.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 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**



(Revised February 2011)

## 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>41</b>				<b>41</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
Chair	Councillor D Lawrenson	Councillor A Dean	21 July 2011
Deputy Chair	Councillor J Bell	Councillor S Quinn	21 July 2011
Vice Chair	Councillor P Rush	Councillor G Bretherton	28 September 2011

# **NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION**

## **LIST OF OFFICERS IN POST AS AT 31 MARCH 2012**

Councillor A Dean	Chair	Liverpool City Council
Councillor S Quinn	Deputy Chair	Tameside MBC
Councillor G Bretherton	Vice Chair	Wigan Council
Councillor B D Rigby MBE	Vice Chair	Trafford Council
Councillor M Welsh	Member	Lancashire County Council
Councillor E Mallinson	Member	Cumbria County Council
Councillor D Lawrenson	Member	Wyre Council
Councillor I Ashcroft	Member	West Lancashire BC
Councillor P Gardner	Member	Lancaster City
Councillor F Walker	Member	Greater Manchester Fire and Rescue Service
Councillor R Kay	Member	Bolton Council
Councillor J Murphy	Member	Salford City
Councillor J Bowman	Member	Copeland BC
Councillor I Stewart	Member	South Lakeland DC
Councillor A McKie	Member	Cheshire West & Chester Council
Councillor M Hannon	Member	Warrington Council
Councillor R Abbey	Member	Mersey Travel
Councillor A Lowe	Member	Halton Council

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	<b>INCOME</b>		
716,503	From Members                      Subscriptions, levies, etc	715,767	
2,414	Investment income      Interest and dividends (gross) Bank interest (gross) Other (specify)	2,732	
3,909	Other income              Room Income	4,311	
1,376,838	Consultancy Fees Conference Income Publications/Seminars Miscellaneous receipts (specify)	1,696,314	
	<b>TOTAL INCOME</b>		2,419,124
	<b>EXPENDITURE</b>		
3,925	Administrative expenses Information Service		3,308
581,680	Remuneration and expenses of staff		617,184
162,601	Occupancy costs inc Insurance		139,120
29,907	Printing, Stationery, Post & Telephones		15,189
11,433	Legal and Professional Fees		19,025
0	Website Costs		4,107
15,302	Miscellaneous (specify) Travel & Subsistence		16,112
32,816	Car Leasing		18,658
1,096,288	Consultancy/Training		1,412,566
710	Hospitality		1,021
1,138	Other charges              Bank charges		1,008
13,661	Depreciation		4,536
2,034	North West Charter		0
3,150	Affiliation fees		3,616
32,260	Office Equipment		40,450
0	Conference and meeting fees		0
16,064	Expenses/Staff Training		13,553
0	Miscellaneous (specify) Regional Employers		10,850
7,557	Sundry Expenses		1,961
2,082	Room Facilities		1,858
	Taxation		
	<b>TOTAL EXPENDITURE</b>		2,324,122
	Surplus/Deficit for year		95,002
	Amount of fund at beginning of year		420,351
	Amount of fund at end of year		515,353

**ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND**  
(see notes 17 to 18)

<b>ACCOUNT 2</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</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>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</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>		<b>Fund Account</b>	
Name of account:		£	£
<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>		<b>Fund Account</b>	
Name of account:		£	£
<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>		<b>Fund Account</b>	
Name of account:		£	£
<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>		<b>Fund Account</b>	
Name of account:		£	£
<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)	





## FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Computers	Total
	£	£	£	£
<b>COST OR VALUATION</b>		142,000	34,023	176,023
At start of period				
Additions during period		0	0	0
Less: Disposals during period		0	0	0
Less: DEPRECIATION:		3,842	694	4,536
Total to end of period		141,450	33,698	175,148
<b>BOOK AMOUNT</b> at end of period		550	325	875
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
<b>AS BALANCE SHEET</b>		550	325	875

# ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
<b>QUOTED</b>	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	
<b>UNQUOTED</b>	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)

<b>Does the association, or any constituent part of the association, have a controlling interest in any limited company?</b>		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)		
<b>INCORPORATED EMPLOYERS' ASSOCIATIONS</b>			
<b>Are the shares which are controlled by the association registered in the association's name</b>		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		
<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>		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 £
<b>INCOME</b>			
From Members	715,767		715,767
From Investments	2,732		2,732
Other Income (including increases by revaluation of assets)	1,700,625		1700,625
<b>Total Income</b>	2,419,124		2,419,124
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	2,324,122		2,324,122
<b>Funds at beginning of year</b> (including reserves)	420,351		420,351
<b>Funds at end of year</b> (including reserves)	515,353		515,353
<b>ASSETS</b>			
Fixed Assets			875
Investment Assets			
Other Assets			2,229,323
		<b>Total Assets</b>	2,230,198
<b>LIABILITIES</b>		<b>Total Liabilities</b>	1,714,845
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			515,353

# NOTES TO THE ACCOUNTS

(see note 36)

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

Tangible fixed assets	Refurbishment, Furniture & Equipment £	Computers £	Total £
<b>Cost</b>			
At 1 April 2011 and 31 March 2012	142,000	34,023	176,023
<b>Accumulated Depreciation</b>			
At 1 April 2011	137,608	33,004	170,612
Charge for the year	3,842	694	4,536
<b>At 31 March 2012</b>	141,450	33,698	175,148
<b>Net Book Value</b>			
At 31 March 2012	550	325	875
At 31 March 2011	4,392	1,019	5,411

## Lease commitments

At the year end the Organisation had annual commitments under operating leases of:

	2012 £	2011 £
<b>Land &amp; buildings</b>		
Expiring between one and five years	95,390	94,612
<b>Other operating leases</b>		
Expiring between one and five years	31,041	29,359
	<b>126,431</b>	<b>123,971</b>

## Debtors

	2012 £	2011 £
Trade debtors	625,797	96,182
VAT debtor	-	12,959
Prepayments	40,977	164,936
	<b>666,774</b>	<b>274,077</b>

**Creditors**

	2012 £	2011 £
Trade creditors	224,255	216,141
VAT creditor	6,934	-
Accruals	26,900	29,325
Deferred income	1,456,756	259,123
	<u>1,714,845</u>	<u>504,589</u>

**Accumulated funds**

The Organisation aims to maintain a level of accumulated funds which will protect it and its members from any contingences and/or commitments, whether foreseen or unforeseen. Any surplus income is carried forward for use against expenditure in future years in accordance with the non profit making structure of the Organisation. If the Organisation ceased to trade any surplus would be returned to members.

Staff costs	2012 £	2011 £
Wages and salaries	596,461	535,515
Employer's national insurance	47,941	45,719
Superannuation and pension costs	68,984	83,564
	<u>713,566</u>	<u>664,798</u>

The above figures include £101,151 (2011: £88,002) of staff costs charged directly to external projects and therefore excluded from the "employees" figures in note 2

**Pension fund**

The Organisation provides pensions for its employees through participation, as an admitted body, in the Greater Manchester Pension Fund (the Fund), a funded defined benefit scheme which is administered by Tameside Metropolitan Borough Council, as administering body to the Fund and maintained independently of the Organisation's finances. More than one Employer participates in the scheme and the Organisation is unable to identify its share of the underlying assets and liabilities. Contributions to the Fund are accounted for as they fall due.

At the date of the most recent triennial valuation of the Fund (31 March 2010) the market value of the total fund assets amounted to £10.037m. The valuation was carried out by an independent qualified actuary on the projected unit method of valuation using the following main assumptions:

	% rate per annum
Investment returns	6.3%
Rate of pay escalation	1% for 2 years, thereafter 5.3%
Allowances for pension increases	3.3%

At the valuation date these assets were sufficient, on the assumptions adopted, to meet 90% of the costs of the Fund's accrued liabilities, after allowing for expected future pay increases.

It is intended to clear the fund deficit by increasing the future contributions payable by member organisations. The common contribution rate payable is the cost of future benefit accrual, increased by an amount to bring the funding level back to 100% over a period of up to 20 years and is being phased into the contribution over 3 years from 1 April 2011.

During the year the Organisation paid £63,147 (2011: £62,483) in pension contributions, amounting to 11.8% of its pensionable payroll.

# ACCOUNTING POLICIES

(see notes 37 and 38)

## Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Organisation's financial statements.

### a. Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

### b. Income and expenditure

All income is recognised in the Income and Expenditure Account when the conditions for receipt have been met and there is reasonable assurance of receipt.

Expenditure is included on an accruals basis.

### c. Depreciation

In accordance with Local Government practice, payments for minor items of capital expenditure less than £100 are charged to expenditure in the year.

Tangible fixed assets are written off over their estimated useful lives on a straight-line basis at the following annual rates:

Computer equipment	33.33%
Other office equipment	25.00%
Other equipment	20.00%
Furniture and carpets	20.00%
Refurbishments	20.00%

### d. Leased assets

Operating lease rentals are charged on a straight line basis to the Income and Expenditure Account over the period of the lease.

### e. Government and similar grants

Revenue grants are credited to the Income and Expenditure Account on an accruals basis.

### f. Pension fund

The regular cost of providing retirement pensions and related costs is charged to the Income and Expenditure Account over the employees' service lives on the basis of a constant percentage of earnings.


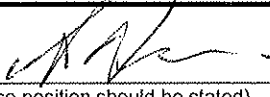
### g. Taxation

As the Organisation is regarded as a mutual one, trading only with its members, no taxation is required.

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

<p><b>CHIEF EXECUTIVE</b> Secretary's Signature: <u></u> Name: <u>ELIZABETH MCQUE</u> Date: <u>21st August 2012</u></p>	<p>Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>CHR. ALAN DEAN</u> Date: <u>21st August 2012.</u></p>
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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 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)

We have audited the financial statements of North Western Local Authorities' Employers' Organisation for the year to 31 March 2012 which comprise of the Income and Expenditure Account, the Balance Sheet and related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), under the historical cost convention and the accounting policies set out herein.

This report is made solely to the Organisation's members, as a body, in accordance with Section 36 of the Trade Union & 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 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 Organisation and the Organisation's members as a body, for our audit work, for this report, or for the opinion we have formed.

### Respective Responsibilities of Executive Board and Auditors

As explained more fully in the statement of executive board responsibilities, the executive board are responsible for the preparation of the financial statements and for being satisfied that they 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 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 organisations circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board, and the overall presentation of the financial statements.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2012 and of its income and expenditure account for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and;
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Signature(s) of auditor or auditors:	<i>David A Kay</i> of Barton Andrews LLP	
Name(s):	DAVID KAY BARTON ANDREWS LLP	
Profession(s) or Calling(s):	CHARTERED ACCOUNTANT	
Address(es):	CARLYLE HOUSE 78 CHORLEY NEW ROAD BOLTON BL1 4BY	
Date:	5/9/12	
Contact name and telephone number:	DAVID KAY 01204 527451	