

DO NOT STAPLE  
PRINT ON ONE SIDE ONLY

# FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

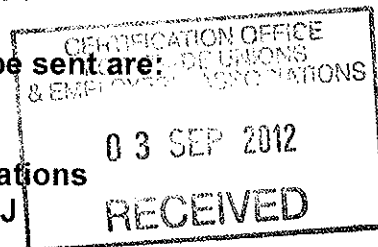
Name of Employers' Association:	SOUTH EAST EMPLOYERS
Year ended:	MARCH 2012
List No:	237E
Head or Main Office:	NEWFRITH HOUSE 21 HYDE STREET WINCHESTER HAMPSHIRE SO23 7DR
Website address (if available)	SEEMP.CO.UK
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Tick as appropriate)
General Secretary:	JENNIFER MCNEILL
Contact name for queries regarding the completion of this return:	SALLY LAWRENCE
Telephone Number:	01962 848103
e-mail:	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 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



# 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>62</b>				<b>62</b>

## OFFICERS IN POST

**Regional Director**

Jennifer McNeill

**Treasurer**

Alexis Garlick

**Management Committee**

Cllr Ian Leake	re-elected 15 July 2011
Cllr Ron Flaherty	re-elected 15 July 2011
Cllr Richard Burrett	re-elected 15 July 2011
Cllr Tony Reid	re-elected 15 July 2011
Cllr Dr Ray Ellis	re-elected 15 July 2011
Cllr Marjorie Smallcorn	re-elected 15 July 2011
Cllr Trevor Webb	re-elected 15 July 2011
Cllr Reg Edwards	re-elected 15 July 2011
Cllr Rory Love	re-elected 15 July 2011
Cllr Neville Whiteley	re-elected 15 July 2011
Cllr Maureen Holding	elected 15 July 2011
Cllr Morwen Millson	elected 15 July 2011

## 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
Management Committee Member	Cllr David Mackay	Cllr Morwen Millson	15/07/2011
Management Committee Member	Cllr Sean Keating	Cllr Maureen Holding	15/07/2011

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	<b>INCOME</b>		
565,671	From Members      Subscriptions, levies, etc	499,796	
15,695 (60,000)	Investment income      Bank interest (gross) Defined Benefit Pension Scheme	12,004 (40,000)	
	Other income		471,800
469,439	Consultancy fees	269,612	
469,934	Partnership Improvement Programme	0	
255	Staff/Trade Union Fee	0	
101,992	Other project funding	132,682	
			402,294
1,562,986	<b>TOTAL INCOME</b>		874,094
	<b>EXPENDITURE</b>		
	Administrative expenses		
649,817 (730,000)	Remuneration and expenses of staff	743,916	
96,277	FRS 17 past service cost	0	
24,396	Occupancy costs	83,811	
6,069	Printing, Stationery, Post	13,224	
9,800	Telephones	6,299	
9,657	Legal and Professional fees	8,375	
8,488	Insurance	9,914	
52,622	Equipment Leases & Maintenance	9,875	
2,293	Finance/IT Contract	50,340	
2,345	Website	2,330	
	Other IT costs	1,372	
	Other charges		
3,150	Affiliation fees	3,150	
23,965	Conference and meeting fees	17,751	
175,330	External Consultancy and Other Training	90,632	
466,258	Partnership Improvement Programme Costs	0	
97,753	Other project expenditure	53,119	
898,220	<b>TOTAL EXPENDITURE</b>		1,094,108
664,766	Surplus/(Deficit) for year		(220,014)
40,000	Actuarial gain/(loss) in respect of defined benefit pension scheme		(640,000)
(1,469,214)	Amount of fund at beginning of year		(764,448)
(764,448)	Amount of fund at end of year		(1,624,462)

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

<b>ACCOUNT 2</b>		<b>Fund Account</b>	
Name of account:		£	£
<b>Income</b>	From members Investment income Other income (specify)		
		<b>Total Income</b>	0
<b>Expenditure</b>	Administrative expenses Other expenditure (specify)		
		<b>Total Expenditure</b>	0
		Surplus (Deficit) for the year	0
		Amount of fund at beginning of year	0
		Amount of fund at the end of year (as Balance Sheet)	0

<b>ACCOUNT 3</b>		<b>Fund Account</b>	
Name of account:		£	£
<b>Income</b>	From members Investment income Other income (specify)		
		<b>Total Income</b>	0
<b>Expenditure</b>	Administrative expenses Other expenditure (specify)		
		<b>Total Expenditure</b>	0
		Surplus (Deficit) for the year	0
		Amount of fund at beginning of year	0
		Amount of fund at the end of year (as Balance Sheet)	0

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		0
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		0
Surplus (Deficit) for the year			0
Amount of fund at beginning of year			0
Amount of fund at the end of year (as Balance Sheet)			0

ACCOUNT 5		Fund Account	
Name of account:		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
<b>Total Income</b>			0
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		0
Surplus (Deficit) for the year			0
Amount of fund at beginning of year			0
Amount of fund at the end of year (as Balance Sheet)			0

# 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>		0
<b>Expenditure</b>	Administrative expenses Other expenditure (specify)		
	<b>Total Expenditure</b>		0
	Surplus (Deficit) for the year		0
	Amount of fund at beginning of year		0
	Amount of fund at the end of year (as Balance Sheet)		0

<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>		0
<b>Expenditure</b>	Administrative expenses Other expenditure (specify)		
	<b>Total Expenditure</b>		0
	Surplus (Deficit) for the year		0
	Amount of fund at beginning of year		0
	Amount of fund at the end of year (as Balance Sheet)		0

**BALANCE SHEET AS AT [ 31<sup>st</sup> March 2012**

**]**

(see notes 19 and 20)

Previous Year		£	£
0	<b>Fixed Assets</b> (as at page 11)		
0	<b>Investments</b> (as per analysis on page 13)		
	Quoted (Market value £           )		
	Unquoted		
	<b>Total Investments</b>		
	<b>Other Assets</b>		
161,028	Sundry debtors & Prepayments	127,628	
1,068,420	Reserve Deposits & Bank Accounts	1,212,445	
	<b>Total of other assets</b>	1,340,073	
1,229,448			
1,229,448		<b>TOTAL ASSETS</b>	1,340,073
995,552	General Fund		795,538
(1,760,000)	Defined Benefit Pension Scheme Liability		(2,420,000)
(764,448)	<b>TOTAL FUNDS</b>		(1,624,462)
	<b>Liabilities</b>		
29,541	VAT payable	93,857	
19,197	Sundry creditors	54,642	
56,074	Accrued expenses	93,339	
129,084	Other liabilities – Deferred Grant/Income	302,697	
1,760,000	Defined Benefit Pension Scheme Liability	2,420,000	
1,993,896		<b>TOTAL LIABILITIES</b>	2,964,535
1,229,448		<b>TOTAL ASSETS</b>	1,340,073

# FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
<b>COST OR VALUATION</b>				
At start of period				0
Additions during period				0
Less: Disposals during period				0
Less: DEPRECIATION:				0
Total to end of period				0
<b>BOOK AMOUNT</b> at end of period				0
Freehold				0
Leasehold (50 or more years unexpired)				0
Leasehold (less than 50 years unexpired)				0
<b>AS BALANCE SHEET</b>				0



# 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)	0
	*Market Value of Quoted Investments	0
<b>UNQUOTED</b>	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	0
	*Market Value of Unquoted Investments	0

\* 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	499,796		499,796
From Investments	12,004		12,004
Defined Benefit Pension Scheme	(40,000)		(40,000)
Other Income (including increases by revaluation of assets)	402,294		402,294
<b>Total Income</b>	874,094		874,094
<b>EXPENDITURE</b> (including decreases by revaluation of assets)	1,094,108		1,094,108
<b>Total Expenditure</b>	1,094,108		1,094,108
<b>Funds at beginning of year</b> (including reserves)	(764,448)		(764,448)
<b>Funds at end of year</b> (including reserves)	(1,624,462)		(1,624,462)
<b>ASSETS</b>			
Other Assets			1,340,073
		<b>Total Assets</b>	1,340,073
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	(2,964,535)
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			(1,624,462)

# NOTES TO THE ACCOUNTS

## SOUTH EAST EMPLOYERS NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2012

---

### 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 just under £800K, with the majority of this being cash reserves. On this basis, the management 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.

Courses and seminars income represents the amount receivable by the organisation for training services and information provided in the normal course of business, which is to provide support and advice to local authority employees in the South East of England, 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.

Grants towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred and when conditions for receipt have been met.

#### 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 2012**

---

**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.

**Termination costs**

During the year redundancy costs and onerous licence costs were incurred due to the ceasing of the NEIEP recruitment portal. These have been shown separately as exceptional items with any unpaid expenses at the year end being included within accruals.

**2. Operating surplus**

Operating (deficit)/surplus is stated after charging:

	2012	2011
	£	£
Auditors remuneration	4,000	4,000

**3. Exceptional item**

	2012	2011
	£	£
Past services costs reduction to pension commitments (note 7)	-	(730,000)
Onerous licence obligation	17,000	-
Termination costs	78,561	-
	<u>95,561</u>	<u>(730,000)</u>

**4. Interest payable and similar charges**

	2012	2011
	£	£
Net finance expense in respect of defined benefit pension schemes (note 7)	40,000	60,000

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2012**

**5. Debtors**

	2012	2011
	£	£
Trade debtors	96,020	109,976
Other debtors	31,608	51,052
	<u>127,628</u>	<u>161,028</u>

**6. Creditors: Amounts falling due within one year**

	2012	2011
	£	£
Trade creditors	43,083	6,817
Other taxation and social security	105,416	41,921
Other creditors	396,036	185,158
	<u>544,535</u>	<u>233,896</u>

**7. Pension commitments**

The organisation contributes to a Local Government Pension Scheme 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 2010.

**Principal Actuarial Assumptions**

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

	2012	2011	2010	2009
	%	%	%	%
Rate of increase in salaries	5.0	5.2	5.4	4.9
Rate of increase in pensions in payment	2.5	2.8	3.9	3.4
Discount rate	4.7	5.5	5.5	6.7
RPI Inflation assumption	3.5	3.7	3.9	3.4
CPI Inflation assumption	2.5	2.8		

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 2012**

**7. Pension commitments** (continued)

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

	2012 £	2011 £	2010 £	2009 £
Total market value of assets	4,150,000	4,010,000	3,770,000	2,870,000
Present value of scheme liabilities	(6,570,000)	(5,770,000)	(6,250,000)	(4,660,000)
Net pension liability	<u>(2,420,000)</u>	<u>(1,760,000)</u>	<u>(2,480,000)</u>	<u>(1,790,000)</u>

	Long-term rate of return expected at 31 March 2012 %	Value at 31 March 2012 £	Long-term rate of return expected at 31 March 2011 %	Value at 31 March 2011 £
Equities	8.1	2,286,650	8.4	2,542,340
Property	7.6	319,550	7.9	292,730
Bonds	3.1	1,182,750	4.4	1,002,500
Cash	1.8	170,150	1.5	172,430
Other	8.1	190,900	8.4	-
<b>Total market value of assets</b>		<u>4,150,000</u>		<u>4,010,000</u>
Present value of scheme liabilities:				
- funded		(6,570,000)		(5,770,000)
<b>Deficit in the scheme</b>		<u>(2,420,000)</u>		<u>(1,760,000)</u>

An analysis of the defined benefit cost follows:

Analysis of the amount charged to operating surplus:

	2012 £	2011 £
Current service cost	(70,000)	(80,000)
Past service costs	-	730,000
Total operating (charge)/credit	<u>(70,000)</u>	<u>650,000</u>

Analysis of the amount charged to finance costs:

	31 March 2012 £	31 March 2011 £
Other finance costs: Interest on pension scheme liabilities	(320,000)	(310,000)
Other finance costs: Expected return on assets of the scheme	280,000	250,000
Total finance costs	<u>(40,000)</u>	<u>(60,000)</u>

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2012**

**7. Pension commitments (continued)**

Analysis of the amount recognised in statement of total recognised gains and losses:

	31 March 2012 £	31 March 2011 £
Difference between expected and actual return on assets	(640,000)	40,000
Actuarial (losses)/gains	<u>(640,000)</u>	<u>40,000</u>

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

	2012 £	2011 £
At 1 April	(1,760,000)	(2,480,000)
Total operating charge	(70,000)	650,000
Total other finance costs	(40,000)	(60,000)
Actuarial (loss)/gain	(640,000)	40,000
Contributions	90,000	90,000
At 31 March	<u>(2,420,000)</u>	<u>(1,760,000)</u>

**Asset and Liability Reconciliation**

	2012 £	2011 £
Reconciliation of liabilities		
At 1 April	5,770,000	6,250,000
Current service cost	70,000	80,000
Past service cost	-	(730,000)
Interest cost	320,000	310,000
Employee contributions	30,000	30,000
Actuarial loss/(gain)	550,000	(30,000)
Net benefits paid out	<u>(170,000)</u>	<u>(140,000)</u>
At 31 March	<u>6,570,000</u>	<u>5,770,000</u>

During the year there were redundancy costs that were not taken in to account when producing the actuarial report. This has lead to a higher liability balance than would be expected if the assumptions were to be updated. This will be reviewed by the actuary next year upon the triennial valuation.

	2012 £	2011 £
Reconciliation of assets		
At 1 April	4,010,000	3,770,000
Expected return on assets	280,000	250,000
Actuarial (loss)/gain on assets	(90,000)	10,000
Employer contributions	90,000	90,000
Employee contributions	30,000	30,000
Net benefits paid out	<u>(170,000)</u>	<u>(140,000)</u>
At 31 March	<u>4,150,000</u>	<u>4,010,000</u>



**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2012**

**7. Pension commitments (continued)**

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

	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Fair value of scheme assets	4,150	4,010	3,770	2,870
Present value of scheme liabilities	(6,570)	(5,770)	(6,250)	(4,660)
Deficit in scheme	<u>(2,420)</u>	<u>(1,760)</u>	<u>(2,480)</u>	<u>(1,790)</u>
Experience adjustment on scheme assets	(90)	10	790	(990)
Experience adjustment on scheme liabilities	(70)	(60)	90	(30)

Information regarding the experience adjustments to scheme assets and liabilities is not available prior to 2008.

**8. Commitments under operating leases**

At 31 March 2012 the organisation had aggregate annual commitments under non-cancellable operating leases as set out below.

	2012 £	2011 £
Operating leases which expire:		
Within 1 year	8,379	3,845
Within 2 to 5 years	59,386	72,265
	<u>67,765</u>	<u>76,110</u>

The lease for Newfrith House was re-negotiated and renewed with effect from the 1 February 2011, for a period of 10 years with a break clause and rent review after 5 years. The costs for the new lease are £50,000 per annum, with an initial rent free period of six months, which has been aggregated over the initial 5 year lease period.

**9. Related party transactions**

During the year the organisation incurred consultancy charges from Silkstead Consultancy Ltd of £4,356 (2011: £23,348). Keith Field is the director of Silkstead Consultancy Ltd and partner of Jennifer McNeill. At the year end, a balance of £3,210 (2011: £nil) was outstanding in trade creditors.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2012**

**10. Higher paid employees**

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

	2012	2011
£60,000 - £64,999	2	1
£85,000 - £89,999	1	1
	2	2

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

	2012			2011	
	Regional Director £'000	Development Director £'000	Development Consultant £'000	Regional Director £'000	Development Director £'000
Salary	83	56	50	81	56
Other remuneration	5	4	2	5	4
Employers pension contributions	13	9	6	16	11
Loss of office	-	-	12	-	-
	101	69	70	102	71

**11. Income and expenditure account**

	2012	2011
	£	£
Balance brought forward	(764,448)	(1,469,214)
(Deficit)/surplus for the financial year	(220,014)	664,766
Defined pension benefit scheme	(640,000)	40,000
Balance carried forward	(1,624,462)	(764,448)

**12. Control**

The organisation is controlled by the management committee on behalf of the members of the organisation.

# ACCOUNTING POLICIES

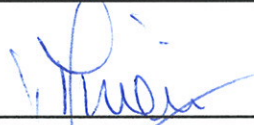
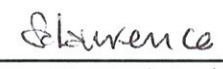
(see notes 37 and 38)

REFER TO PAGES 12 TO 13 OF THE AR27

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>JENNIFER MEARNS</u> Date: <u>30/8/12</u>	Treasurer's Signature: <u></u> Name: <u>SALLY LAWRENCE pp ALEXIS CARLUCCI</u> Date: <u>30/8/12</u>
---	---

## CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	<input type="checkbox"/>	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	<input type="checkbox"/>	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES	<input type="checkbox"/>	NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	<input checked="" type="checkbox"/>	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)

SEE ATTACHED.

# AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	<u>RSM Tenon Audit Ltd</u>	
Name(s):	RSM TENON AUDIT LTD.	
Profession(s) or Calling(s):	ACCOUNTANT.	
Address(es):	HIGHFIELD COURT TOLLGATE CHANDLER'S FORD SO53 3TY	
Date:	30-08-12	
Contact name and telephone number:	DAVID BROOKES. 023 8064 6510.	

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**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH**  
**EAST EMPLOYERS**  
**YEAR ENDED 31 MARCH 2012**

---

We have audited the financial statements of South East Employers for the year ended 31 March 2012 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 Management 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 Management 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 2012 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 (CONTINUED)**  
**YEAR ENDED 31 MARCH 2012**

---

**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,
- we have not obtained all the information and explanations necessary for the purposes of our audit.

*RSM Tenon Audit Limited*

RSM Tenon Audit Limited  
Statutory auditor  
Highfield Court  
Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire  
SO53 3TY

Date:- 18 July 2012