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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Year ended:

List No:

Head or Main Office:

Website address (if available)

Has the address changed during
the
year to which the return relates?

Yes

No

(Tick as appropriate)

General Secretary:

Contact name for queries
regarding
the completion of this return:

Telephone Number:

e-mail:

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
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



(Revised February 2011)

ECIA Officers in POST in 2013

From 1st January 2013 until 23rd May 2013

President	Mike Wilkins
Deputy President	Nigel Francis
Immediate Past President	Andrew Collinson
Vice President	Frank Millar
Vice President	Steven Connolly

From 23rd May 2013 until 31st December 2013

President	Frank Millar
Deputy President	Nigel Francis
Immediate Past President	*Note: there was no Immediate Past President from 23 rd May 2013 until 22 nd May 2014
Vice President	Andrew Collinson
Vice President	Derek Hunter
Vice President	Terry Rogers

*Note: We had 3 Vice Presidents from 23rd May 2013 until 22nd May 2014

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
270	2	0	14	286

OFFICERS IN POST

(see note 10)

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

CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
President	Mike Wilkins	Frank Millar	23 May 2013
Deputy President		Nigel Francis	
Immediate Past President	Andrew Collinson		23 May 2013
Vice President		Andrew Collinson	23 May 2013
Vice President	Frank Millar	Derek Hunter	23 May 2013
Vice President	Steven Connolly	Terry Rogers	23 May 2013

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	INCOME		
1,858,721	From Members Subscriptions, levies, etc		1,915,172
24,903	Investment income Interest and dividends (gross)	23,689	
13,682	Bank interest (gross)	5,526	
	Other (specify)		
69,467	Building Society interest	52,772	
-	Other interest	-	
108,052			81,987
	Other income Rents received	-	
-			
353,190	Insurance commission	409,658	
4,950	Consultancy fees	4,455	
1,481	Publications/Seminars	3,465	
	Miscellaneous receipts (specify)		
53,332	Spring ball	62,525	
8,928	Golf day	8,225	
71,179	Other	70,193	
493,060			558,521
2,459,833	TOTAL INCOME		2,555,680
	EXPENDITURE		
	Administrative expenses		
1,063,134	Remuneration and expenses of staff	1,096,008	
114,080	Occupancy costs	115,013	
36,667	Printing, Stationery, Post and Telephone	31,221	
87,491	Legal and Professional fees	97,000	
	Miscellaneous (specify)		
43,181	Regional offices	44,070	
141,615	Travel, hotel and entertaining	124,446	
-	Staff recruitment	-	
27,023	Computer expenses	35,779	
112,109	Spring ball and golf day	120,409	
129,637	Other	129,370	
1,754,937			1,793,316
	Other charges		
430	Bank charges		
6,363	Depreciation	5,655	
63,438	Sums written off	100,384	
5,175	Affiliation fees	5,000	
-	Donations	-	
21,958	Seminars	14,300	
	Expenses		
	Miscellaneous (specify)		
15,549	EEF subscriptions	16,260	
550,000	Contribution to NJC	600,000	

3,000	Building maintenance reserve	3,000
-	Exceptional pension contribution	-
665,913		744,599
(6,952)	Taxation charge/(credit)	-
2,413,898	TOTAL EXPENDITURE	2,537,915
45,935	Surplus/(Deficit) for year	17,765
4,936,887	Amount of fund at beginning of year	5,083,596
100,774	Unrealised gain/(loss) on investments	148,358
5,083,596	Amount of fund at end of year	5,249,719

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 31 DECEMBER 2013

(see notes 19 and 20)

Previous Year		£	£
11,947	Fixed Assets (as at page 11)	31,541	
	Investments (as per analysis on page 13)		
983,661	Quoted (Market value £1,132,019)	1,132,019	
	Unquoted	-	
995,608	Total Investments		1,163,560
	Other Assets		
1,711,669	Sundry debtors	1,718,761	
3,983,426	Cash at bank and in hand	3,972,903	
-	Stocks of goods	-	
	Others (specify)	-	
5,695,095	Total of other assets		5,691,664
6,690,703	TOTAL ASSETS		6,855,244
5,083,596	Fund (Account)		5,249,719
	Fund (Account)		
	Fund (Account)		
	Revaluation Reserve		
	Liabilities		
	Loans	-	
	Bank overdraft	-	
-	Tax payable	31	
178,371	Sundry creditors	174,731	
30,000	Accrued expenses	32,000	
56,250	Provisions	59,250	
1,331,584	Other liabilities	1,330,957	
10,902	Trade creditors	8,536	
1,607,107	TOTAL LIABILITIES		1,605,505
6,690,703	TOTAL FUNDS AND LIABILITIES		6,855,224

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period		94,919		94,919
Additions during period		25,249		25,249
Less: Disposals during period		(41,302)		(41,302)
Less: DEPRECIATION:		(47,325)		(47,325)
Total to end of period		31,541		31,541
BOOK AMOUNT at end of period		31,541		31,541
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET		31,541		31,541

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)		
	317,566	Schroder Managed Balance Fund I Income	362,954
	493,570	Foreign & Colonial Investment Trust PLC	582,120
	172,525	Henderson Global Trust PLC (formally Gartmore)	186,945
	983,661	TOTAL QUOTED (as Balance Sheet)	1,132,019
983,661	*Market Value of Quoted Investments	1,132,019	
UNQUOTED	British Government Securities		
	British Municipal and County Securities		
	Mortgages		
	Other unquoted securities (to be specified)		
	TOTAL UNQUOTED (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

If YES name the relevant companies:

COMPANY NAME

COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)

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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

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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

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SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	1,915,172		1,915,172
From Investments	81,987		81,987
Other Income (including increases by revaluation of assets)	706,879		706,879
Total Income	2,704,038		2,704,038
EXPENDITURE (including decreases by revaluation of assets)	2,537,915		2,537,915
Total Expenditure	2,537,915		2,537,915
Funds at beginning of year (including reserves)	5,083,596		5,083,596
Funds at end of year (including reserves)	5,249,719		5,249,719
ASSETS			
Fixed Assets			31,541
Investment Assets			1,132,019
Other Assets			5,691,664
		Total Assets	6,855,244
LIABILITIES			
		Total Liabilities	1,605,505
NET ASSETS (Total Assets less Total Liabilities)			5,249,719

NOTES TO THE ACCOUNTS

(see note 36)

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

Please see attached.

ENGINEERING CONSTRUCTION INDUSTRY
ASSOCIATION

NOTES TO THE ACCOUNTS
Year ended 31 December 2013

	2013		2012	
	£	£	£	£
2. Income				
Subscriptions and Levies				
Subscriptions		1,915,172		1,858,721
		<u> </u>		<u> </u>
Other Income				
Welplan Insurance	409,658		353,190	
Publications	3,465		1,481	
Consultancy	4,455		4,950	
Other	140,943		133,439	
	<u> </u>		<u> </u>	
		558,521		493,060
		<u> </u>		<u> </u>
3. Staff				
Permanent staff remuneration	878,628		856,093	
National Insurance	100,981		104,812	
Pension contributions	64,716		62,153	
Medical Insurance	44,266		33,801	
Training and conferences	863		4,826	
	<u> </u>		<u> </u>	
Temporary staff remuneration	1,089,454		1,061,685	
	6,554		1,449	
	<u> </u>		<u> </u>	
		1,096,008		1,063,134
		<u> </u>		<u> </u>
4. Establishment				
Rents and service charges	77,080		77,080	
Rates and insurance	37,933		37,000	
	<u> </u>		<u> </u>	
		115,013		114,080
		<u> </u>		<u> </u>

**ENGINEERING CONSTRUCTION INDUSTRY
ASSOCIATION**

**NOTES TO THE ACCOUNTS
Year ended 31 December 2013**

	2013		2012
	£	£	£
5. Administration			
Printing, stationery, journals and papers	8,363		11,878
Postage and telephone	22,858		24,789
Legal and professional charges	77,035		65,991
Travel, hotel, catering and events	244,855		253,724
Equipment depreciation	5,655		6,363
Computer expenses	35,779		27,023
PR and marketing	50,569		40,894
Bad debt provision	100,384		63,438
Audit and accountancy fee	19,965		21,500
	<u>565,463</u>		<u>515,600</u>
6. Other Operating Costs			
EEF subscriptions	16,260		15,549
Subscriptions and membership fees	5,000		5,175
Publications	14,838		14,592
Seminars	14,300		21,958
Ace and special projects	63,963		74,581
Building maintenance reserve	3,000		3,000
	<u>117,361</u>		<u>134,855</u>
7. Regional Costs			
Northern counties	11,292		10,006
Scottish	25,000		25,000
South Western	3,000		3,186
Yorkshire and Humberside	4,778		4,989
	<u>44,070</u>		<u>43,181</u>
8. Investment Income			
Dividends	23,689		24,903
Bank interest	5,526		13,682
Building Society interest	52,772		69,467
	<u>81,987</u>		<u>108,052</u>

9. Leasing commitments

	2013		2012	
	Land and Buildings £	Total £	Land and Buildings £	Total £
Annual rental on leases expiring:				
Less than one year	-	-	64,980	64,980
Between 2 and 5 years	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10. Taxation

(a) Analysis of charge in the year

Current tax:

UK Corporation tax based on the profits of the year	-	-
Tax Refund	-	(6,941)
Overprovision in prior years	-	(11)
	<u> </u>	<u> </u>
Total current tax (credit)/charge	-	(6,952)
	<u> </u>	<u> </u>

Tax (credit)/charge on profit/(loss) on ordinary activities

- (6,952)

(b) Factors affecting tax charge

The tax assessed on the profit on ordinary activities for the year is same as the small company rate (2012 – same as the standard rate) of Corporation Tax in the UK of 20% (2012 – 20%).

	2013 £	2012 Restated £
Profit/(Loss) on ordinary activities before taxation	17,765	38,983
	<u> </u>	<u> </u>
Profit/(Loss) on ordinary activities by rate of tax	3,553	7,797
Effects of:		
Disallowable items	24,111	22,663
Other permanent differences	4	36
Capital allowances in excess of depreciation	(4,259)	(188)
Dividend income	(14,150)	(12,452)
Pension contribution adjustment	(71,631)	(206,074)
Losses carried back	-	7,038
Unrelieved tax losses carried forward	62,372	181,180
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

10. Taxation (continued)

At 31 December 2013, the Association has accumulated unrecognised tax losses of approximately £1,217,763 (2012: £905,900), which are available to offset future taxable income from the same trade, giving an unrecognised deferred tax asset of £243,553 (2012: £181,180).

A deferred tax asset has not been recognised on tax losses as the Management Board of the Association are uncertain as to when they will be utilised.

11. Tangible Fixed Assets

	Office Equipment £	Total £
Cost		
At 1 January 2013	94,919	94,919
Additions during year	25,249	25,249
Written-off	(41,302)	(41,302)
	<hr/>	<hr/>
At 31 December 2013	78,866	78,866
	<hr/>	<hr/>
Depreciation		
At 1 January 2013	82,972	82,972
Charge for the year	5,655	5,655
Written-off	(41,302)	(41,302)
	<hr/>	<hr/>
At 31 December 2013	47,325	47,325
	<hr/>	<hr/>
Net Book Value		
At 31 December 2013	31,541	31,541
	<hr/>	<hr/>
At 1 January 2013	11,947	11,947
	<hr/>	<hr/>

	£	2013 £	£	2012 £
12. Investments	Market Value		Market Value	Cost
Quoted		Cost		
UK – ordinary shares	1,132,019	408,257	983,661	408,257
	<hr/>	<hr/>	<hr/>	<hr/>

**ENGINEERING CONSTRUCTION INDUSTRY
ASSOCIATION**

**NOTES TO THE ACCOUNTS
Year ended 31 December 2013**

13. Debtors	2013	2012
	£	£
Trade debtors	1,645,656	1,625,497
Corporation Tax	..	6,941
Other debtors	33,030	24,317
Prepayments and accrued income	40,075	54,914
	<hr/>	<hr/>
	1,718,761	1,711,669
	<hr/>	<hr/>

14. Creditors	2013	2012
	£	£
Trade creditors	8,536	10,902
Corporation tax	31	-
Other taxation and Social Security	174,731	178,371
Accruals and deferred income	1,362,957	1,361,584
	<hr/>	<hr/>
	1,546,255	1,550,857
	<hr/>	<hr/>

15. Pensions

The Association operated a defined contribution pension scheme for all employees within the Company.

Contributions made into this scheme are paid by the Association at rates specified in the rules of the scheme. The assets of the scheme are held separately from those of the Association in an independently-administered fund.

Contributions payable by the Association during the year amounted to £64,716 (2012: £62,153) and has been recognised in the profit and loss account. As at the balance sheet date, there are outstanding liabilities to be paid over to the fund.

16. Building Maintenance Reserve

This reserve is intended to cover major items of maintenance, such as periodic redecoration. The movement in the reserve in the year is summarised below:

	2013 £	2012 £
Balance at 1 January	56,250	53,250
Transfer in during the year	3,000	3,000
	<hr/>	<hr/>
Balance at 31 December	59,250	56,250
	<hr/>	<hr/>

17. Accumulated Fund

	2013 £	2012 £
As at 1 January	5,139,846	4,990,137
Surplus / (Excess of expenditure over) income for the year	17,765	45,935
Unrealised gain / (loss) on Investments	148,358	100,774
Building maintenance reserve Movement for the year	3,000	3,000
	<hr/>	<hr/>
As at 31 December	5,308,969	5,139,846
	<hr/>	<hr/>

18. Ultimate Controlling Party

The members of the Association are the ultimate controlling party.

ACCOUNTING POLICIES

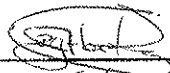
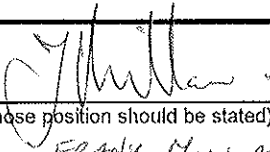
(see notes 37 and 38)

Please see attached.

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>M. J. HOCKLEY</u> Date: <u>23/7/14</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>FRANK MILLAR</u> Date: <u>23/7/14</u>
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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	

1. Accounting Policies

Basis of Accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards as modified by the restatement of investments.

Subscriptions

Subscription Income represents the amount receivable for the year after providing for doubtful debts. Subscriptions invoiced in advance are recognised as income over the period to which they relate, and until such time are accounted for as deferred income.

Welplan Insurance

Commission received is calculated as a percentage of premiums stated by Welplan. It is recognised as income in the same period as the premiums are paid to Welplan.

Tangible Fixed Assets and Depreciation

Depreciation of tangible fixed assets is set aside on the basis of providing in equal annual instalments for the cost over the estimated useful lives of these assets, namely:

Office equipment - 3-5 years

Surpluses and deficits on disposal of tangible fixed assets are determined by reference to sale proceeds and net book amounts.

Investments

Investments are held at market value. All gains or losses incurred during the year are recognised in the income statement under investment income.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the management board consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1. Accounting Policies (continued)

Operating Leases

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the lease term.

Pension Costs

The Association operates a defined contribution pension scheme. The pension charge in note 15 represents the amount payable by the Association to the fund in respect of the year.

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)

Please see attached.

AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	<i>PKF Littlejohn LLP</i>	
Name(s):	PKF LITTLEJOHN LLP	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	1 Westferry Circus Canary Wharf London E14 4HD	
Date:	<i>23 July 2014</i>	
Contact name and telephone number:	Mr Eric Hindson 020 7516 2200	

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

We have audited the Accounts of the Engineering Construction Industry Association for the year ended 31 December 2013, which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Accounting Policies 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 Association's members, as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an 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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Management Board and Auditors

As explained more fully in the Statement of Responsibilities of the Management Board, the Management Board is responsible for the preparation of the Accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Accounts 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 Accounts

An audit involves obtaining evidence about the amounts and disclosures in the Accounts sufficient to give reasonable assurance that the Accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Management Board, and the overall presentation of the Accounts. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited Financial Statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Accounts

In our opinion the Accounts:

- give a true and fair view of the state of the Association's affairs as at 31 December 2013 and of its excess of income for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Matters on which we are required to report by exception

The Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the Accounts are not in agreement with the accounting records and returns.

We have nothing to report in respect of the above matters.

PKF Littlejohn LLP

**PKF Littlejohn LLP
Chartered Accountants and Registered Auditors**

30 April
.....2014

1 Westferry Circus
Canary Wharf
London E14 4HD