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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:

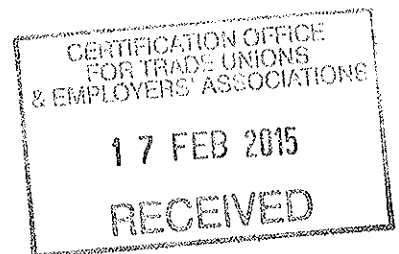
e-mail:

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



LIST OF OFFICERS

AS AT 30 NOVEMBER 2014

President: J A Campbell

Vice President: T Sreeves

Past President: A C Wills

Chief Executive: B Buchan

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
327				327

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

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	INCOME		
	From Members Subscriptions, levies, etc		973,980
	Investment income Interest and dividends (gross)	41,840	
	Bank interest (gross)	587	
	Other (specify)	-	
			42,427
	Other income Rents received	30,771	
	Insurance commission	-	
	Consultancy fees	39,191	
	Publications/Seminars	-	
	Miscellaneous receipts (specify)	-	
			69,962
	TOTAL INCOME		1,086,369
	EXPENDITURE		
	Administrative expenses		
	Remuneration and expenses of staff	725,400	
	Occupancy costs	83,509	
	Printing, Stationery, Post	55,138	
	Telephones	-	
	Legal and Professional fees	38,700	
	Miscellaneous – Motor Expenses	62,961	
	Meeting & Travel	9,468	
	General Expenses	8,518	
			983,694
	Other charges Bank charges	-	
	Depreciation	10,000	
	Sums written off	-	
	Affiliation fees	-	
	Donations	-	
	Conference and meeting fees	-	
	Expenses	-	
	Miscellaneous– Gain on sale of investments	(13,047)	
			(3,047)
	Taxation		6,364
	TOTAL EXPENDITURE		987,011
	Surplus/Deficit for year		99,358
	Amount of fund at beginning of year		655,926
	Amount of fund at end of year		755,284

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 []

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at page 11)		34,167
	Investments (as per analysis on page 13)		
	Quoted (Market value £1,084,841)	653,633	
	Unquoted	7,500	
	Total Investments		661,133
	Other Assets		
	Sundry debtors	16,773	
	Cash at bank and in hand	156,186	
	Stocks of goods	-	
	Others – Prepayments	10,188	
	Accrued Income	4,167	
	Total of other		187,314
	assets		
		TOTAL ASSETS	882,614
	Capital Reserve Fund (Account)	7,500	
	Income & Expenditure Fund (Account)	747,784	
	Fund (Account)	-	
	Revaluation Reserve	-	
	Liabilities		
	Loans	-	
	Bank overdraft	-	
	Tax payable	7,458	
	Sundry creditors	79,000	
	Accrued expenses	38,859	
	Prepaid income	2,013	
	Other liabilities		
		TOTAL LIABILITIES	882,614
		TOTAL ASSETS	882,614

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period			44,167	44,167
Additions during period			-	-
Less: Disposals during period			-	-
Less: DEPRECIATION:			10,000	10,000
Total to end of period			10,000	10,000
BOOK AMOUNT at end of period			34,167	34,167
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET			34,167	34,167

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)	653,633
	*Market Value of Quoted Investments	1,084,841
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	7,500
	TOTAL QUOTED (as Balance Sheet)	7,500
	*Market Value of Unquoted Investments	Not quantifiable

* 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)		
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	973,980		973,980
From Investments	42,427		42,427
Other Income (including increases by revaluation of assets)	69,962		69,962
Total Income	1,086,369		1,086,369
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	987,011		987,011
Funds at beginning of year (including reserves)	655,926		655,926
Funds at end of year (including reserves)	755,284		755,284
ASSETS			
Fixed Assets			34,167
Investment Assets			661,133
Other Assets			187,314
		Total Assets	882,614
LIABILITIES			
		Total Liabilities	127,330
NET ASSETS (Total Assets less Total Liabilities)			755,284

NOTES TO THE ACCOUNTS

(see note 36)

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

1. Investments

a. Property investment at cost

	2014	2013
	£	£
Fyfe Chambers (First Floor) Limited 351,312 ordinary shares of £1 each	<u>7,500</u>	<u>7,500</u>

The investment of 7,500 ordinary shares of £1 each in Fyfe Chambers (Glasgow) Ltd was exchanged on demerger for 351,312 ordinary shares of £1 each in Fyfe Chambers (First Floor) Limited.

This investment represents Scottish Engineering's 100% holding in the ordinary share capital of that latter company which owns the premises rented by the Association at 105 West George Street, Glasgow. In the opinion of the Finance Committee, the value of this investment is materially greater than the amount of £7,500 incorporated in the financial statements.

b. Investments in quoted shares and securities

	Market value as at	Cost	2014	Interest and dividends received
	30.11.14	£	£	2013
	£	£	£	£
Tesco Personal Finance 25,500 5% Notes 2020	26,608	25,902	1,275	1,275
Centrica 4,275 ordinary shares	12,167	13,394	734	714
27,500 Treasury 4% % Stock 2015	28,709	28,547	1,306	1,306
3,750 Treasury 2.5% Index-Linked 2020	13,859	11,864	285	277
Alliance Trust Plc 26,000 2.5p ordinary stock units	124,644	3,424	2,853	2,540
British American Tobacco Plc 1,250 25p ordinary shares	47,431	4,093	1,811	1,721
Dunedin Income Growth Investment Trust 8,300 25p ordinary shares	22,535	12,066	921	905
Primary Health 22,200 5.375% Bonds 2019	24,143	24,030	1,194	-
Blackrock World Mining Trust 1,800 ordinary shares	6,264	9,264	126	-
Glaxosmithkline Plc 3,000 25p ordinary shares	44,550	5,160	2,944	2,797
Experian Plc 1,330 ordinary shares	13,473	1,166	295	298

J Sainsbury Plc 2,275 28 4/7p ordinary shares	-	-	394	380
Royal Dutch Shell Plc 2,000 B shares	44,460	1,228	2,230	2,266
Murray International Trust Plc 1,500 25p ordinary shares	16,170	10,451	660	623
International PF 24,000 6.125% Notes 2020	25,305	25,787	735	-
Unilever Plc 1,012 3 1/9p ordinary shares	27,385	12,750	920	872
Prudential Plc 4,200 5p ordinary shares	65,016	14,365	1,471	1,282
Rio Tinto Plc 1,000 10p ordinary shares	29,925	13,325	1,227	1,146
JP Morgan American IT 10,375 25p ordinary shares	29,787	12,905	280	259
Land Securities Group Plc 2,075 10p ordinary shares	24,651	14,916	515	498
BG Group Plc 1,100 10p ordinary shares	9,902	11,370	199	193
Kraft Foods Group Inc 108 ordinary shares	-	-	71	173
Mondelez International 324 income A fund	-	-	78	-
European Inv Bank 245,000 4.125% Notes 2017	276,295	249,233	10,106	10,106
JP Morgan Overseas IT 900 25p ordinary shares	9,333	7,266	-	135
Experian Finance 24,000 5.625% Notes 2013	-	-	1,350	1,350
Vodafone Group Plc 4,235 \$0.11478571 ordinary shares	9,908	5,584	590	791
Standard Chartered Plc 340 USD \$0.50 ordinary shares	3,186	6,128	176	185
Diageo Plc 1,425 28.935p ordinary shares	28,229	12,111	737	675
Electrocomponents Plc 4,300 10p ordinary shares	9,009	11,501	505	505
Marks & Spencer 23,000 5.625% Bonds 2014	-	-	1,294	1,294
Sarasin International Equity 18,160 income fund – P inc	22,519	19,489	987	696

JP Morgan Overseas IT sub 180 ordinary shares	116	45	-	-
Marks And Spencer Group Plc 2,350 25p ordinary shares	11,480	9,945	400	400
HSBC Holdings Plc 1,230 USD \$0.50 ordinary shares	7,835	10,231	362	369
Scottish And Southern Energy Plc 835 50p ordinary shares	13,694	11,940	724	703
Rexam Plc 1,899 64.3p ordinary shares	8,591	8,056	360	340
Provident Financial 23,000 7.5% MTN 2016	24,786	24,701	1,725	1,725
BT Group 2,650 Ordinary shares	10,870	9,985	-	-
Rolls-Royce Holdings 1,425 Ordinary shares	12,006	11,411	-	-
Total	1,084,841	653,633	41,840	38,799

c) Other interest received

	<u>587</u>	<u>885</u>
	<u>42,427</u>	<u>39,684</u>

For the purpose of comparison, income received from investments includes the associated tax credit.

2014 **2013**

d) Cash on deposit at bank

	£	£
Business Bank Accounts	148,171	59,213
Speirs & Jeffrey Deposit Accounts	<u>7,834</u>	<u>6,789</u>
	<u>156,005</u>	<u>66,002</u>

2. Taxation

The charge is made up as follows: -

	2014	2013
	£	£
Corporation Tax due for the year	6,364	2,449
Adjustment for prior year	<u>-</u>	<u>-</u>
	<u>6,364</u>	<u>2,449</u>

3. Sundry Creditors and Provisions

	2014	2013
	£	£
Accruals and Deferred Income	40,872	40,652
EEF Pension Scheme Deferred Settlement Account	79,000	99,000
VAT and Corporation Tax	<u>7,458</u>	<u>3,200</u>
	<u>127,330</u>	<u>142,852</u>

4. Income and expenditure account

	2014	2013
	£	£
Balance at 1 December 2013	648,426	572,161
Surplus/(Deficit) for the year after tax	<u>99,359</u>	<u>76,265</u>
Balance at 30 November 2014	<u>747,785</u>	<u>648,426</u>

ACCOUNTING POLICIES

(see notes 37 and 38)

Income
 The income has been collected on the basis of information given by member firms and accepted by Scottish Engineering.

No accrual has been made for fees unpaid by certain member firms in receivership or liquidation or those considered to be doubtful by the members' representatives.


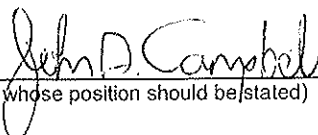
Income received in advance is deferred and released to the Income and Expenditure statement against the related cost.

Investments
 For the purpose of comparisons, income received from investments includes the associated tax credit.

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature:  Name: E J P Smith Date: _____	Chairman's Signature:  (or other official whose position should be stated) Name: J Campbell Date: <u>10th January 2015</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	

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)

Independent Auditor's Report to the Members of Scottish Engineering

We have audited the financial statements of Scottish Engineering for the year ended 30 November 2014 on pages 3 to 10. The financial reporting framework that has been applied in their preparation is applicable law.

This report is made solely to the Association's representatives as a body. Our work has been undertaken so that we might state to the Association's representatives those matters we are required to state to them in the auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's representatives as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members' representatives and auditors

As described on page 1, the Association's representatives 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 in 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 association's circumstances and have been consistently applied; the reasonableness of significant accounting estimates made by the Association's representatives; 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 Scottish Engineering's affairs at 30 November 2014 and of its results for the year then ended;

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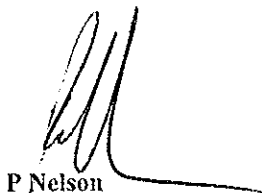
Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept in accordance with section 28 of the Trade Union and Labour Relations (Consolidation) Act 1992;
- the Association has maintained a satisfactory system of control over its transactions in accordance with section 28 of the Trade Union and Labour Relations (Consolidation) Act 1992
- the financial statements are not in agreement with the accounting records;
- we have not received all the information and explanations we require for our audit.




J Wallace
Senior Statutory Auditor
For and on behalf of
William Duncan & Co
Chartered Accountants &
Registered Auditor
Ayr
18th December 2014



P Nelson
Employer Auditor
Glasgow

18th December 2014

Signature(s) of auditor or auditors:		
Name(s):	John Wallace	
Profession(s) or Calling(s):	Chartered Accountant	
Address(es):	Partner William Duncan & Co 30 Miller Road Ayr KA7 2AY	
Date:	7/01/2014	
Contact name and telephone number:	N P Reid 01292 265071	

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