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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  X  No  (Tick as appropriate)

Chief Executive:

Contact name for queries regarding the completion of this return:

Telephone Number:

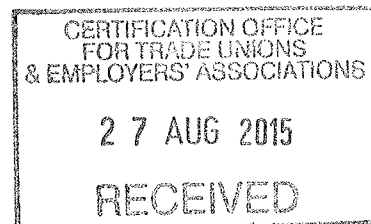
e-mail:

**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  
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



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

## **LIST OF OFFICERS IN POST**

**AS AT 31 MARCH 2015**

Councillor A Dean	Chair	Liverpool City Council
Councillor S Quinn	Deputy Chair	Tameside MBC
Councillor J Harrison	Vice Chair	Oldham Council
Councillor B D Rigby MBE	Vice Chair	Trafford Council
Councillor I Stewart	Member	Cumbria County Council
Councillor Jenny Mein	Member	Lancashire County Council
Councillor Don Lawrenson	Member	Wyre BC
Councillor Joan Smith	Member	Hyndburn BC
Councillor Salim Sidat MBE	Member	Blackburn with Darwen BC
Councillor Fred Walker	Member	G M Fire
Councillor Paul Dennett	Member	Salford City Council
Councillor Terence Halliwell	Member	Wigan Council
Councillor John Bowman	Member	Copeland BC
Councillor Brendan Sweeney	Member	Barrow BC
Councillor Mike Wharton	Member	Halton BC
Councillor Roy Gladden	Member	Merseyside Fire

# 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
41				41

## 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 A Dean	24 July 2014
Deputy Chair		Councillor S Quinn	24 July 2014
Vice Chair		Councillor J Harrison	24 July 2014
Vice Chair		Councillor Brian D Rigby MBE	24 July 2014

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	<b>INCOME</b>		
690,724	From Members                      Subscriptions, levies, etc	695,675	
2,811	Investment income    Interest and dividends (gross) Bank interest (gross) Other (specify)	2,259	
2,893	Other income                      Room Income Insurance commission Consultancy fees Publications/Seminars Miscellaneous receipts (specify)	1,465 894,562	
1,078,766			
	<b>TOTAL INCOME</b>		1,593,961
	<b>EXPENDITURE</b>		
	Administrative expenses		
659,512	Remuneration and expenses of staff	681,968	
177,266	Occupancy costs inc Insurance	176,325	
18,150	Printing, Stationery, Post, Telephones	16,814	
727,599	Consultancy/Training	541,189	
10,823	Legal and Professional fees	8,798	
6,000	Miscellaneous (specify) Website	1,970	
24,403	Travel & Subsistence	16,361	
25,535	Car Leasing	24,177	
328	Hospitality	246	
1,061	Other charges                      Bank charges	994	
148	Depreciation	326	
47,643	Office Equipment	34,553	
2,434	Affiliation fees	3,400	
8,437	Regional Employers	3,190	
0	Bad Debt Provision	2,817	
12,335	Expenses/Staff Training	9,061	
1,778	Miscellaneous (specify) Information Service	2,551	
966	Sundry Expenses	1,818	
2,206	Room Facilities	1,199	
	Taxation		
	<b>TOTAL EXPENDITURE</b>		1,527,757
	Surplus/Deficit for year		66,204
	Amount of fund at beginning of year		661,441
	Amount of fund at end of year		727,645

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
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)		

ACCOUNT 3		Fund Account	
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)

ACCOUNT 4		Fund Account	
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)	

ACCOUNT 5		Fund Account	
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)

ACCOUNT 6		Fund Account	
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)	

ACCOUNT 7		Fund Account	
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)	

# BALANCE SHEET AS AT [ 31 March 2015

]

(see notes 19 and 20)

Previous Year		£	£
326	<b>Fixed Assets</b> (as at page 11)		32,129
	<b>Investments</b> (as per analysis on page 13)		
	Quoted (Market value £            )		
	Unquoted		
	<b>Total Investments</b>		
	<b>Other Assets</b>		
236,074	Sundry debtors	475,954	
1,118,103	Cash at bank and in hand	865,915	
	Stocks of goods		
	Others (specify)		
	<b>Total of other</b>		1,341,869
	<b>assets</b>		
1,354,503		<b>TOTAL ASSETS</b>	1,373,998
661,441		727,645	
	Fund (Account)		
	Fund (Account)		
	Fund (Account)		
	Revaluation Reserve		
	<b>Liabilities</b>		
	Loans		
	Bank overdraft		
	Tax payable		
693,062	Sundry creditors	646,353	
	Accrued expenses		
	Provisions		
	Other liabilities		
	<b>TOTAL LIABILITIES</b>		646,353
1,354,503		<b>TOTAL ASSETS</b>	1,373,998



## FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Computers Equipment	Total
	£	£	£	£
<b>COST OR VALUATION</b>				
At start of period		142,000	34,024	176,024
Additions during period		32,129	0	32,129
Less: Disposals during period		(142,000)	(34,024)	(176,024)
Less: DEPRECIATION:			326	326
Total to end of period		32,129		32,129
<b>BOOK AMOUNT</b> at end of period		32,129		32,129
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
<b>AS BALANCE SHEET</b>		32,129		32,129

# 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 X
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	695,675		
From Investments	2,259		
Other Income (including increases by revaluation of assets)	896,027		
<b>Total Income</b>	1,593,961		
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	1,527,757		
<b>Funds at beginning of year</b> (including reserves)	661,441		
<b>Funds at end of year</b> (including reserves)	727,645		
<b>ASSETS</b>			
Fixed Assets			32,129
Investment Assets			
Other Assets			1,341,869
		<b>Total Assets</b>	1,373,998
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	646,353
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			727,645

# NOTES TO THE ACCOUNTS

(see note 36)

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

<b>Tangible fixed assets</b>	<b>Refurbishment, Furniture &amp; Equipment</b>	<b>Computers</b>	<b>Total</b>
	£	£	£
<b>Cost</b>			
At 1 April 2014	142,000	34,024	176,024
Additions	32,129	-	32,129
Disposals	(142,000)	(34,024)	(176,024)
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2015</b>	<b>32,129</b>	<b>-</b>	<b>32,129</b>
	<hr/>	<hr/>	<hr/>
<b>Accumulated Depreciation</b>			
At 1 April 2014	142,000	33,698	175,698
Disposals	(142,000)	(34,024)	(176,024)
Charge for the year	-	326	326
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>			
<b>At 31 March 2015</b>	<b>32,129</b>	<b>-</b>	<b>32,129</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2014	-	326	326
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Lease commitments</b>			
At the year end the Organisation was committed to making the following payments in the year to 31 March 2016 under non-cancellable operating leases:			
	<b>2015</b>	<b>2014</b>	
	£	£	
<b>Land &amp; buildings</b>			
Less than one year	-	95,390	
Expiring between one and five years	30,208	-	
<b>Other operating leases</b>			
Less than one year	15,809	1,228	
Expiring between one and five years	13,956	31,288	
	<hr/>	<hr/>	
	<b>59,973</b>	<b>127,906</b>	
	<hr/> <hr/>	<hr/> <hr/>	

**Debtors**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	463,846	200,456
Prepayments	12,108	35,618
	<u><b>475,954</b></u>	<u><b>236,074</b></u>

**Creditors**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	91,658	38,904
VAT creditor	22,884	9,937
Accruals	31,611	65,126
Deferred income	500,200	579,095
	<u><b>646,353</b></u>	<u><b>693,062</b></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**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	592,241	559,237
Employer's national insurance	46,232	47,598
Superannuation and pension costs	96,290	88,406
	<u><b>734,763</b></u>	<u><b>695,241</b></u>

The above figures include £53,654 (2014: £36,657) of staff costs (including wages and salaries, employer's national insurance and superannuation and pension costs) charged directly to external projects in note 2 and therefore excluded from the "employees" figures in that same note

## 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 2013) the market value of the total fund assets amounted to £12.589m. 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	4.8%
Rate of pay escalation	3.55%
Allowances for pension increases	2.5

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 continues to be phased into the contribution over the next three years. The Organisation expects an increase in its contributions from 18.1% to 21.6% over the next three years.

During the year the Organisation paid £88,201 (2014: £82,125) in pension contributions, amounting to 17.1% of its pensionable payroll.

## Capital commitments

At 31 March 2015 the organisation has capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided for in the financial statements	24,146	-

# 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.

Chief Executive Signature: <u><i>E M Oue</i></u>	Chairman's Signature: <u><i>[Signature]</i></u> (or other official whose position should be stated)
Name: <u>ELIZABETH M OUE</u>	Name: <u>CLERK ALAN DEAN</u>
Date: <u>25<sup>th</sup> August 2015.</u>	Date: <u>25<sup>th</sup> AUGUST 2015.</u>

## 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 2015 which comprise of the Income and Expenditure Account, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 on page 3, the Executive Board is 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 the 1992 Act and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We are also required to express an opinion on whether, in accordance with the requirements of the 1992 Act, the organisation has kept proper accounting records, maintained a satisfactory system of control over its transactions and prepared accounts which agree with the accounting records.

### **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. In addition, we identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements we consider the implications for our report.

### **Opinion on the financial statements and other matters**

In our opinion the organisation has kept proper accounting records and maintained a satisfactory system of control over its transactions. Further, in our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities and with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992;
- agree with the accounting records maintained.

Signature(s) of auditor or auditors:	<i>David A Kay</i>	
Name(s):	DAVID KAY (SENIOR STATUTORY AUDITOR) FOR BARLOW ANDREWS LLP	
Profession(s) or Calling(s):	FCA	
Address(es):	CARLYLE HOUSE 78 CHORLEY NEW ROAD BOLTON BL1 4BY	
Date:	24/8/15	
Contact name and telephone number:	DAVID KAY 01204 527451	

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

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**Registered as an Employers' Association with the Certification Office  
Under the Trade Union and Labour Relations (Consolidation) Act 1992**

**Registration No: CO/257E**



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

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

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

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

**ORGANISATION INFORMATION**

<b>Chair</b>	Councillor A Dean
<b>Chief executive</b>	Ms E McQue
<b>Treasurer</b>	Mrs P Williams Tameside Council
<b>Office address</b>	Suite 2-4 2nd Floor Building 8 Exchange Quay Salford Quays Manchester M5 3EJ
<b>Registered auditor</b>	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton BL1 4BY
<b>Bank</b>	National Westminster Bank Irlams-O'-Th'-Height Branch 313 Bolton Road Irlams-O'-Th'-Height Salford Lancashire M6 7LR

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

**STATEMENT OF THE EXECUTIVE BOARD'S RESPONSIBILITIES**

**YEAR ENDED 31 MARCH 2015**

The Rules of the Organisation and the law governing Employers' Associations require the Executive Board to prepare financial statements for each financial year, which give a true and fair view of the affairs of the Organisation and of the Income and Expenditure of the Organisation for that period.

In preparing those statements, the Executive Board is required to:

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

The Executive Board is responsible for keeping adequate accounting records, that are sufficient to show and explain its transactions and its assets and liabilities and which disclose with reasonable accuracy at any time the financial position of the Organisation. They are also responsible for safeguarding the assets of the Organisation and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

In accordance with company law, as the Executive Board, we certify that:

- so far as we are aware, there is no relevant audit information of which the Organisation's auditors are unaware, and
- as the Executive Board of the Organisation we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Organisation's auditors are aware of that information.

The Executive Board confirms its compliance with these requirements. Signed on behalf of the Executive Board  
on

Signed on behalf of the Executive Board:

**Councillor A Dean  
Chair**

**2015**



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION**

We have audited the financial statements of North Western Local Authorities' Employers' Organisation for the year to 31 March 2015 which comprise of the Income and Expenditure Account, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 (the "1992 Act"). 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 on page 3, the Executive Board is 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 the 1992 Act and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We are also required to express an opinion on whether, in accordance with the requirements of the 1992 Act, the organisation has kept proper accounting records, maintained a satisfactory system of control over its transactions and prepared accounts which agree with the accounting records.

**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. In addition, we identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements we consider the implications for our report.

**Opinion on the financial statements and other matters**

In our opinion the organisation has kept proper accounting records and maintained a satisfactory system of control over its transactions. Further, in our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities and with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992;
- agree with the accounting records maintained.

**David Kay (Senior Statutory Auditor)**  
on behalf of Barlow Andrews LLP  
Chartered Accountants and Statutory Auditors  
Carlyle House, 78 Chorley New Road, Bolton

**2015**

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

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2015**

		2015		2014	
	Notes	£	£	£	£
<b>Income</b>					
Levies on Local Authorities		684,918		674,885	
Subscriptions and mailing list		10,757		15,839	
Training and consultancy fees and external project grants		894,562		1,078,766	
Interest receivable		2,259		2,811	
Other income		1,465		2,893	
		<hr/>		<hr/>	
			1,593,961		1,775,194
 <b>Expenditure</b>					
Employees	2	681,968		659,512	
Premises	2	168,490		168,940	
Establishment	2	136,110		170,573	
Training and consultancy and external project costs	2	541,189		727,599	
		<hr/>		<hr/>	
			1,527,757		1,726,624
<b>Operating surplus</b>			<hr/> <b>66,204</b> <hr/>		<hr/> <b>48,570</b> <hr/>

NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION

BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015		2014	
		£	£	£	£
<b>Tangible fixed assets</b>	3		32,129		326
<b>Current assets</b>					
Cash at bank and in hand		865,915		1,118,103	
Debtors and prepayments	5	475,954		236,074	
		<u>1,341,869</u>		<u>1,354,177</u>	
<b>Creditors: amounts due within one year</b>	6	646,353		693,062	
<b>Net current assets</b>			<u>695,516</u>		<u>661,115</u>
<b>Total assets less current liabilities</b>			<u><u>727,645</u></u>		<u><u>661,441</u></u>
<b>Accumulated funds</b>					
Balance brought forward	7		661,441		612,871
Surplus for the year			66,204		48,570
<b>Total funds</b>			<u><u>727,645</u></u>		<u><u>661,441</u></u>

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Executive Board and signed on its behalf:

Councillor A Dean  
Chair

2015

NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

**1. 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.

NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

2. Details of expenditure

	2015		2014	
	£	£	£	£
<b>Employees</b>				
Salaries	549,710		524,300	
Superannuation	82,280		82,125	
National insurance	42,629		45,877	
Other pension costs	6,490		6,281	
Payroll administration	859		929	
		681,968		659,512
<b>Premises</b>				
Rent and rates	106,233		99,403	
Repairs and renewals	5,694		3,936	
Service charge	27,018		26,988	
Electricity costs	2,913		3,350	
Dilapidations and relocation costs	21,875		30,000	
Cleaning	4,757		5,263	
		168,490		168,940
<b>Establishment</b>				
Postage	231		236	
Communication	13,658		13,822	
Travelling and subsistence	16,361		24,403	
Car leasing and car allowance	24,177		25,535	
Hospitality	246		328	
Auditor's remuneration (including non-audit services)	5,886		6,323	
Other legal and professional fees	2,912		4,500	
Information service	2,551		1,778	
Insurance	7,835		8,326	
Printing, stationery and reprographics	2,925		4,092	
Office equipment	34,553		47,643	
Sundry expenses	1,818		966	
Staff training	9,061		12,335	
Bank charges and interest	994		1,061	
C.E.E.P.	3,400		2,434	
Regional employers	3,190		8,437	
Committee room expenditure	1,199		2,206	
Website costs	1,970		6,000	
Bad debt provision	2,817		-	
Depreciation	326		148	
		136,110		170,573
<b>Training and consultancy</b>				
Training and consultancy	375,918		410,831	
Grant-funded external projects	153,525		316,768	
Business Development/Technical assessment	11,746		-	
		541,189		727,599
		<b>1,527,757</b>		<b>1,726,624</b>

NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

3. Tangible fixed assets

	Refurbishment, Furniture & Equipment £	Computers £	Total £
<b>Cost</b>			
At 1 April 2014	142,000	34,024	176,024
Additions	32,129	-	32,129
Disposals	(142,000)	(34,024)	(176,024)
<b>At 31 March 2015</b>	<b>32,129</b>	<b>-</b>	<b>32,129</b>
<b>Accumulated Depreciation</b>			
At 1 April 2014	142,000	33,698	175,698
Disposals	(142,000)	(34,024)	(176,024)
Charge for the year	-	326	326
<b>At 31 March 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Book Value</b>			
<b>At 31 March 2015</b>	<b>32,129</b>	<b>-</b>	<b>32,129</b>
At 31 March 2014	-	326	326

4. Lease commitments

At the year end the Organisation was committed to making the following payments in the year to 31 March 2016 under non-cancellable operating leases:

	2015 £	2014 £
<b>Land &amp; buildings</b>		
Less than one year	-	95,390
Expiring between one and five years	30,208	-
<b>Other operating leases</b>		
Less than one year	15,809	1,228
Expiring between one and five years	13,956	31,288
	<b>59,973</b>	<b>127,906</b>

NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

5. Debtors

	2015 £	2014 £
Trade debtors	463,846	200,456
Prepayments	12,108	35,618
	<u>475,954</u>	<u>236,074</u>

6. Creditors

	2015 £	2014 £
Trade creditors	91,658	38,904
VAT creditor	22,884	9,937
Accruals	31,611	65,126
Deferred income	500,200	579,095
	<u>646,353</u>	<u>693,062</u>

7. 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.

8. Staff costs

	2015 £	2014 £
Wages and salaries	592,241	559,237
Employer's national insurance	46,232	47,598
Superannuation and pension costs	96,290	88,406
	<u>734,763</u>	<u>695,241</u>

The above figures include £53,654 (2014: £36,657) of staff costs (including wages and salaries, employer's national insurance and superannuation and pension costs) charged directly to external projects in note 2 and therefore excluded from the "employees" figures in that same note.

NORTH WESTERN LOCAL AUTHORITIES' EMPLOYERS' ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

9. 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 2013) the market value of the total fund assets amounted to £12.589m. 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	4.8%
Rate of pay escalation	3.55%
Allowances for pension increases	2.5

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 continues to be phased into the contribution over the next three years. The Organisation expects an increase in its contributions from 18.1% to 21.6% over the next three years.

During the year the Organisation paid £88,201 (2014: £82,125) in pension contributions, amounting to 17.1% of its pensionable payroll.

10. Capital commitments

At 31 March 2015 the organisation has capital commitments as follows:

	2015	2014
	£	£
Contracted for but not provided for in the financial statements	24,146	-