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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

Napo

Year ended:

31 December 2015

List no:

490T

Head or Main Office:

3/4 Chivalry Road
London
SW11 1HT

Website address (if available)

www.napo.org.uk

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

Yes	<input type="checkbox"/>
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No	<input checked="" type="checkbox"/>
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(Click the appropriate box)

General Secretary:

Ian Lawrence

Telephone Number:

020 7223 4887

Contact name for queries regarding

Theresa Boorman

Telephone Number:

020 7223 4887

E-mail:

tboorman@napo.org.uk

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



Napo
Year ended 31 December 2015
Offices in post as at 31 December 2015

<u>Title of Office</u>	<u>Name of Officer</u>
Co Chair	Y Pattison
Co Chair	C Winters
Vice Chair	D Adams
Vice Chair	K Lomas
Vice Chair	C Berry
Vice Chair	J Barlow
Vice Chair (Finance)	C Pearson

RETURN OF MEMBERS

(see notes 10 and 11)

	NUMBER OF MEMBERS AT THE END OF THE YEAR				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	1814	21			1835
FEMALE	4840	74			4914
TOTAL	6654	95			A 6749

Number of members included in totals box 'A' above for whom no home or authorised address is held:

0
6749

Number of members at end of year contributing to the General Fund

OFFICERS IN POST

(see note 12)

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.

RETURN OF 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
Vice Chair	-	C Pearson	October 2015
Treasurer	K Stokeld	-	October 2015

State whether the union is:

a. A branch of another trade union?

Yes No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		1,745,743
From Members: Other income from members (specify)		
 Total other income from members		
Total of all income from members		1,745,743
Investment income (as at page 12)		9,294
Other Income		
Income from Federations and other bodies (as at page 4)	69,247	
Income from any other sources (as at page 4)	8,490	
		77,737
Total of other income (as at page 4)		87,031
		TOTAL INCOME
		1,832,774
EXPENDITURE		
Benefits to members (as at page 5)		0
Administrative expenses (as at page 10)		1,535,769
Transfers to other funds		156,409
Federation and other bodies (specify)		
TUC Projects	69,247	
TUC, GFTU, Other	28,953	
Total expenditure Federation and other bodies		98,200
Taxation		1,859
		TOTAL EXPENDITURE
		1,792,237
Surplus (deficit) for year		40,537
Amount of general fund at beginning of year		1,144,759
Less: Reallocation (See Note 10)		
		1,144,759
Amount of general fund at end of year		1,185,296

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies TUC Projects	69,247	
TOTAL FEDERATION AND OTHER BODIES		69,247
Other income Sundry income	8,490	
TOTAL OTHER INCOME		8,490
TOTAL OF ALL OTHER INCOME		77,737

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	
		Education and Training services	
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications		Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
carried forward		Total (should agree with figure in General Fund)	

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Legal and Representation Fund	£	£
Income			
	From members	0	
	Investment income (as at page 12)		
	Other income (specify)		
	Transfer from General Fund	156,409	
	Total other income as specified		
	Total Income		156,409
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		86,377
	Total Expenditure		86,377
	Surplus (Deficit) for the year		70,032
	Amount of fund at beginning of year		(66,362)
	Amount of fund at the end of year (as Balance Sheet)		3,670
	Number of members contributing at end of year		6,749

FUND 3		Fund Account	
Name:	Action Fund	£	£
Income			
	From members		75
	Investment income (as at page 12)		
	Other income (specify)		
	Transfer from General Fund		
	Total other income as specified		
	Total Income		75
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		75
	Amount of fund at beginning of year		55,455
	Amount of fund at the end of year (as Balance Sheet)		55,530
	Number of members contributing at end of year		6,749

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	Organising Fund	£	£
Income			
	From members		45,737
	Investment income (as at page 12)		
	Other income (specify)		
	Transfer from Branches		
	Transfer from General Fund		
	Total other income as specified		
	Total Income		45,737
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		(2,200)
	Total Expenditure		
	Surplus (Deficit) for the year		43,537
	Amount of fund at beginning of year		40,198
	Amount of fund at the end of year (as Balance Sheet)		83,735
	Number of members contributing at end of year		6,749

FUND 5		Fund Account	
Name:	Office Relocation Reserve	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		Nil
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		Nil
	Surplus (Deficit) for the year		Nil
	Amount of fund at beginning of year		250,000
	Amount of fund at the end of year (as Balance Sheet)		250,000
	Number of members contributing at end of year		6,749

(See notes 24 and 25)

FUND 6		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	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)		
	Number of members contributing at end of year		

FUND 7		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	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)		
	Number of members contributing at end of year		

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount of political fund at beginning of year	
		Amount of political fund at the end of year (as Balance Sheet)	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union	
		£	£
Income	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of year	
		Amount remitted to central political fund	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

		£
Administrative Expenses		
Remuneration and expenses of staff		880,346
Salaries and Wages included in above	£842,235	
Auditors' fees		10,500
Legal and Professional fees		6,094
Occupancy costs		51,350
Stationery, printing, postage, telephone, etc.		54,184
Expenses of Executive Committee (Head Office)		38,481
Expenses of conferences		180,441
Other administrative expenses (specify)		
Cost of Publications		43,884
Donations		(275)
Other Outgoings		
Interest payable:		
Bank charges		1,796
Branch training		8,484
Expenses of branch officials		13,588
Other branch expenses		18,224
Depreciation		4,766
Taxation		1,859
Computer maintenance		118,153
Ballots		8,100
Political Lobbying		11,276
Legal and Representation Fund expenditure		86,377
	Total	1,537,628
Charged to:	General Fund (Page 3)	1,451,251
	Legal and Representation Fund	86,377
	Fund (Account)	
	Fund (Account)	
	Total	1,523,502

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contributions s £	Other Benefits		
				Description	Value £	
General Secretary	70,202	8,574	1,500	0	0	80,276

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			9,294
		Total investment income	9,294
		Credited to:	
		General Fund (Page 3)	9,294
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	
		Total Investment Income	9,294

BALANCE SHEET as at 31 December 2015

(see notes 47 to 50)

Previous Year		£	£
128,074	Fixed Assets (at page 14)		123,308
	Investments (as per analysis on page 15)		
	Quoted (Market value £)		
	Unquoted		
	Total Investments		
	Other Assets		
	Loans to other trade unions		
156,576	Sundry debtors		160,130
1,307,434	Cash at bank and in hand		1,379,356
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,464,010	Total of other assets		1,539,486
1,592,084	TOTAL ASSETS		1,662,794
1,144,759	General Fund (Account)		1,185,296
(66,362)	Legal and Representation Fund (Account)		3,670
55,455	Action Fund (Account)		55,530
250,000	Office Relocation Fund (Account)		250,000
40,198	Napó Organising Fund (Account)		83,735
)		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
168,034	Sundry creditors		84,563
	Accrued expenses		
	Provisions		
	Other liabilities		
1,592,084	TOTAL LIABILITIES		1,662,794
1,592,084	TOTAL ASSETS		1,662,794

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
Cost or Valuation						
At start of year	205,339		284,752			490,091
Additions						
Disposals			(9,206)			(9,206)
Revaluation/Transfers						
At end of year	205,339		275,546			480,885
Accumulated Depreciation						
At start of year	89,106		272,911			362,017
Charges for year	4,107		659			4,766
Disposals			(9,206)			(9,206)
Revaluation/Transfers						
At end of year	93,213		264,364			357,577
Net book value at end of year						
	112,126		11,182			123,308
Net book value at end of previous year						
	116,233		11,841			128,074

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)		
Market Value of Quoted Investment		
UNQUOTED Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)		
Market Value of Unquoted Investments		

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input type="checkbox"/>	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)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	1,745,743		1,745,743
From Investments	9,294		9,294
Other Income (including increases by revaluation of assets)	123,549		123,549
Total Income	1,878,586		1,878,586
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	(1,724,405)		(1,724,405)
Funds at beginning of year (including reserves)	1,424,050		1,424,050
Funds at end of year (including reserves)	1,578,231		1,578,231
ASSETS			
Fixed Assets			123,308
Investment Assets			
Other Assets			1,539,486
Total Assets			1,662,794
LIABILITIES			
Total Liabilities			84,563
NET ASSETS (Total Assets less Total Liabilities)			1,578,231

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

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

Napo
Notes to the Accounts – 31 December 2015

2. OTHER INCOME

	<u>2015</u>	<u>2014</u>
	£	£
Interest receivable	9,294	10,426
Sundry Income	<u>8,490</u>	<u>13,982</u>
	<u><u>17,784</u></u>	<u><u>24,408</u></u>

3. STAFF COSTS

Included in staff costs are:-

	<u>2015</u>	<u>2014</u>
	£	£
Wages and Salaries	705,477	718,017
Social Security Costs	76,446	77,279
Other Pension costs	<u>60,312</u>	<u>55,628</u>
	<u><u>842,235</u></u>	<u><u>850,924</u></u>

General Secretary

	<u>2015</u>	<u>2014</u>
	£	£
	Total	Total
Remuneration, compensation and benefits	70,202	67,102
Social Security Costs	8,574	8,171
Pension	<u>1,500</u>	<u>1,500</u>
	<u><u>80,276</u></u>	<u><u>76,773</u></u>

Napo

Notes to the Accounts- 31 December 2015 (continued)

4. TAXATION

Corporation Tax is provided on the Association's Bank Deposit interest after allowable deductions.

	<u>2,015</u>	<u>2,014</u>
	£	£
Current Corporation Tax	<u>1,859</u>	<u>2,085</u>

5. FIXED ASSETS

	Freehold Land & Buildings	Computer Equipment & Software	Total
Cost			
At 1 January 2015	205,339	284,752	490,091
Additions	-		-
Disposals	-	(9,206)	(9,206)
At 31 December 2015	<u>205,339</u>	<u>275,546</u>	<u>480,885</u>
Depreciation			
At 1 January 2015	89,106	272,911	362,017
Charge for the year	4,107	659	4,766
Deduct for Disposals	-	(9,206)	(9,206)
At 31 December 2015	<u>93,213</u>	<u>264,364</u>	<u>357,577</u>
Net book value			
At 1 January 2015	<u>116,233</u>	<u>11,841</u>	<u>128,074</u>
At 31 December 2015	<u>112,126</u>	<u>11,182</u>	<u>123,308</u>

Napo

Notes to the Accounts- 31 December 2015 (continued)

6. DEBTORS

	<u>2015</u>	<u>2014</u>
	£	£
Trade debtors	138,507	130,073
Prepayments	18,179	17,456
Sundry debtors	<u>3,444</u>	<u>9,047</u>
	<u><u>160,130</u></u>	<u><u>156,576</u></u>

7. OTHER CREDITORS

	<u>2015</u>	<u>2014</u>
	£	£
Bank overdraft	-	49,112
Sundry creditors and accruals	82,704	116,837
Taxation	<u>1,859</u>	<u>2,085</u>
	<u><u>84,563</u></u>	<u><u>168,034</u></u>

8. COMMITMENTS

The union operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the union, in an independently administered fund. The pension cost charge represents contributions payable by the union to the fund and amounted to £60,312 (2014 - £55,628). No contributions were due at the year end (2014 £ nil).

Napo

Notes to the Accounts- 31 December 2015 (continued)

9. MOVEMENT OF FUNDS

Office Relocation Reserve Fund

The Fund has been created in order to help fund the cost of Napo moving to new offices.

Legal and Representation Fund

The Fund may be used for granting legal assistance on behalf of members or for any other purposes that the Officers of the Association, members of the National Executive Committee or Annual General Meeting may from time to time determine.

The fund was in deficit amounting to £66,362 as at 1 January 2015 due to an increased requirement for assistance from members but was in credit as at 31 December 2015 in the sum of £3,670.

Action Fund

The Action Fund was established to help offset financial loss suffered by members taking bona fide industrial action.

Napo Organising Fund

The Organising Fund was established to assist branches in financial difficulty.

General Fund

A reallocation of funds was carried out in the previous year ended 31 December 2014, amounting to £280,000 which was reallocated within the General Fund in order to fund exceptional legal fees. No reallocation has been made in the year ended 31 December 2015.

Movements in the year are disclosed on the summary on page 12.

Napó						
Notes to the Accounts- 31 December 2015 (continued)						
10. MOVEMENT OF FUNDS – SUMMARY	General Fund	Office Relocation Reserve	Legal & Representation Fund	Action Fund	Napó Organising Fund	Total
	£	£	£	£	£	£
Income	1,832,774	-	-	75	45,737	1,878,586
Expenditure	(1,633,969)	-	(86,377)	-	(2,200)	(1,722,546)
Surplus/ (deficit) for the year	198,805	-	(86,377)	75	43,537	156,040
Taxation	(1,859)	-	-	-	-	(1,859)
Net surplus /(deficit)	196,946	-	(86,377)	75	43,537	154,181
Transfers between Funds	(156,409)	-	156,409	-	-	-
Net incoming resources	40,537	-	70,032	75	43,537	154,181
Balance at 31 December 2014	1,144,759	250,000	(66,362)	55,455	40,198	1,424,050
Balance at 31 December 2015	1,185,296	250,000	3,670	55,530	83,735	1,578,231

ACCOUNTING POLICIES

(see notes 74 and 75)

Napo

Notes to the Accounts – 31 December 2015

1. ACCOUNTING POLICIES

i) The accounts have been prepared under the historical cost convention and in accordance with UK GAAP for this period of accounts. FRS 102 will apply for the year ended 31 December 2016.

ii) Going concern

The Officers of the union have considered their obligations to prepare these financial statements on an appropriate basis, having regard to the union's net asset position as at 31 December 2015.

The Officers have assessed the impact of the financial budgets in place for 2016 against the working capital available, notably its cash and bank balances.

The officers have also considered the impact and the anticipated loss of income due to the withdrawal of payroll deduction "check off" and the reorganisation of the probation service.

As a result, in the opinion of the Officers, the union has sufficient resources to be able to meet its obligations as and when they fall due and accordingly the accounts have been prepared on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

iii) Income

Incoming subscriptions income includes amounts receivable at the balance sheet date. Income is received from payroll deductions made by the National Probation Service and Community Rehabilitation Companies. It also includes members' direct payments to Napo.

Royalties are accounted for when received.

iv) Expenditure is charged in the year to which it relates.

v) Rates of Depreciation and Amortisation are provided so as to write off the cost of Fixed Assets over their estimated useful lives.

Freehold Buildings - 2% on cost

Computer Equipment and Software - 25% on written down value

Other Capital Items are written off in the year of purchase

vi) Pension costs

Contributions in respect of the Association's defined contribution pension scheme are charged to the Income and Expenditure Account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

ACCOUNTING POLICIES

(see notes 74 and 75)Napo

Notes to the Accounts – 31 December 2015

- vii) **Legal and Representation Fund**
The NEC maintains a Legal and Representation Fund. The fund shall be enhanced by transfer from the general funds of the Association in accordance with the Constitution.
- viii) **Napo Organising Fund**
The NEC maintains a Napo Organising Fund which is financed by Branches and from Central funds. The fund is administered by the Co Chairs, Vice Chair (Finance) and General Secretary along with the Finance Officer in accordance with the NEC's provisions.
- ix) **Office Relocation Fund**
The NEC has established a Relocation Fund to contribute to removal costs.

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>T. I. Lawrence</u> Name: I Lawrence Date: <u>24/05/16</u>	Vice Chair (Finance) Signature: <u>Chris Pearson</u> (or other official whose position should be stated) Name: C Pearson Date: <u>24 May 2016</u>
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CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

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 83 and 84)

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 83)

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 rule 83)

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 AR21 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 85)

AUDITOR'S REPORT (continued)

We have audited the financial statements of Napo for the year ended 31 December 2015, which comprise the Income and Expenditure Account, Balance Sheet, Statement of Total Recognised Gains and Losses 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 union's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the union'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 union and the union's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF OFFICERS AND AUDITORS

As explained more fully in the Statement of Officers' Responsibilities, the officers are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE ACCOUNTS

A description of the scope of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the union's affairs at 31 December 2015 and of its surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Trade Union and Labour Relations (Consolidation) Act 1992.

AUDITOR'S REPORT (continued)

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 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the union; or
- the union has not maintained a satisfactory system of control over its transactions; or
- the accounts do not agree with the accounting records; or
we have not received all the information and explanations we require for our audit.

Signature(s) of auditor or auditors:	<i>PK Audit LLP</i>	
Name(s):	PK Audit LLP	
Profession(s) or Calling(s):	Chartered Accountants Statutory Auditor	
Address(es):	454-458 Chiswick High Rd London W4 5TT	
Date:	<i>25.05.2016</i>	
Contact name and telephone number:	Elin Harraghy Tel: 020 8995 8113	

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