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- PRINT ON ONE SIDE ONLY

FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

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 (Click the appropriate box)

General Secretary:

Telephone Number:

Contact name for queries regarding

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 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



(Revised February 2011)

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	2012	26			2038
FEMALE	5240	76			5316
TOTAL	7252	102			7354
				A	7354

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

0
7354

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
Chair	T Rendon	C Pearson	May 2014
Interim Chair	C Pearson	Y Pattison C Winters	October 2014 October 2014
Vice Chair	Y Pattison	D Adams	October 2014
Vice Chair	M Elliott	K Lomas	October 2014
Vice Chair	N Smith	C Winters	January 2014

State whether the union is:

a. A branch of another trade union?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

If yes, state the name of that other union:

b. A federation of trade unions?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		1,940,353
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		1,940,353
Investment income (as at page 12)		10,426
Other Income		
Income from Federations and other bodies (as at page 4)	102,723	
Income from any other sources (as at page 4)	13,982	
Total of other income (as at page 4)		116,705
		127,131
	TOTAL INCOME	2,067,484
EXPENDITURE		
Benefits to members (as at page 5)		0
Administrative expenses (as at page 10)		2,019,640
Less: Reallocation		(280,000)
Federation and other bodies (specify)		193,614
TUC Projects	102,723	
TUC, GFTU, Other	32,019	
Total expenditure Federation and other bodies		134,742
Taxation		2,085
	TOTAL EXPENDITURE	2,070,081
		(2,597)
Surplus (deficit) for year		(2,597)
Amount of general fund at beginning of year		1,427,356
Less: Reallocation (See Note 10)		(280,000)
		1,147,356
Amount of general fund at end of year		1,144,759

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies TUC Projects	102,723	
TOTAL FEDERATION AND OTHER BODIES		102,723
Other income Sundry income	13,982	
TOTAL OTHER INCOME		13,982
TOTAL OF ALL OTHER INCOME		116,705

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	186,614	
	Total other income as specified		
	Total Income		186,614
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		225,296
	Total Expenditure		225,296
	Surplus (Deficit) for the year		(38,682)
	Amount of fund at beginning of year		(27,680)
	Amount of fund at the end of year (as Balance Sheet)		(66,362)
	Number of members contributing at end of year		7,354

FUND 3		Fund Account	
Name:	Action Fund	£	£
Income			
	From members		911
	Investment income (as at page 12)		
	Other income (specify)		
	Transfer from General Fund		5,000
	Total other income as specified		5,000
	Total Income		5,911
Expenditure			
	Benefits to members		4,246
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		4,246
	Surplus (Deficit) for the year		1,665
	Amount of fund at beginning of year		53,790
	Amount of fund at the end of year (as Balance Sheet)		55,455
	Number of members contributing at end of year		7,354

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	Organising Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Transfer from Branches		10,322
	Transfer from General Fund		2,000
	Total other income as specified		
	Total Income		12,322
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		12,322
	Amount of fund at beginning of year		27,876
	Amount of fund at the end of year (as Balance Sheet)		40,198
	Number of members contributing at end of year		7,354

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		7,354

(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	893,778
Salaries and Wages included in above	£850,924
Auditors' fees	9,900
Legal and Professional fees	284,494
Occupancy costs	64,035
Stationery, printing, postage, telephone, etc.	67,022
Expenses of Executive Committee (Head Office)	48,119
Expenses of conferences	337,830
Other administrative expenses (specify)	
Cost of Publications	42,225
Donations	41,155
Other Outgoings	
Interest payable:	
Bank charges	1,806
Branch training	27,889
Expenses of branch officials	17,114
Other branch expenses	40,805
Depreciation	8,054
Taxation	2,085
Computer maintenance	72,215
Ballots	10,747
Political Lobbying	52,452
Legal and Representation Fund expenditure	225,296
Total	2,247,021
Charged to:	
General Fund (Page 3)	2,021,725
Legal and Representation Fund	225,296
Fund (Account)	
Fund (Account)	
Total	2,247,021

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		
General Secretary	67,102	8,171	1,500	0	76,773	

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)		10,426
Total investment income		10,426
Credited to:		
General Fund (Page 3)		10,426
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Political Fund		
Total Investment Income		10,426

BALANCE SHEET as at 31 December 2014

(see notes 47 to 50)

Previous Year		£	£
136,128	Fixed Assets (at page 14)		128,074
	Investments (as per analysis on page 15)		
	Quoted (Market value £)		
	Unquoted		
	Total Investments		
	Other Assets		
	Loans to other trade unions		
143,312	Sundry debtors		156,576
1,508,082	Cash at bank and in hand		1,307,434
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,651,394	Total of other assets		1,464,010
1,787,522	TOTAL ASSETS		1,592,084
1,427,356	General Fund (Account)		1,144,759
(27,680)	Legal and Representation Fund (Account)		(66,362)
53,790	Action Fund (Account)		55,455
250,000	Office Relocation Fund (Account)		250,000
27,876	Nap0 Organising Fund (Account)		40,198
)		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
56,180	Sundry creditors		168,034
	Accrued expenses		
	Provisions		
	Other liabilities		
1,787,522	TOTAL LIABILITIES		1,592,084
1,787,522	TOTAL ASSETS		1,592,084

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						
Revaluation/Transfer s						
At end of year	205,339		284,752			490,091
Accumulated Depreciation						
At start of year	84,999		268,964			353,963
Charges for year	4,107		3,947			8,054
Disposals						
Revaluation/Transfer s						
At end of year	89,106		272,911			362,017
Net book value at end of year						
	116,233		11,841			128,074
Net book value at end of previous year						
	120,340		15,788			136,128

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 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	1,940,353		1,940,353
From Investments	10,426		10,426
Other Income (including increases by revaluation of assets)	127,938		127,938
Total Income	2,078,717		2,078,717
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	(2,386,009)		(2,386,009)
Funds at beginning of year (including reserves)	1,731,342		1,731,342
Funds at end of year (including reserves)	1,424,050		1,424,050
ASSETS			
Fixed Assets			128,074
Investment Assets			
Other Assets			1,464,010
		Total Assets	1,592,084
LIABILITIES			
		Total Liabilities	168,034
NET ASSETS (Total Assets less Total Liabilities)			1,424,050

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 2014

2. OTHER INCOME

	<u>2014</u> £	<u>2013</u> £
Interest receivable	10,426	11,205
Sundry Income	13,982	8,910
	24,408	20,115

3. STAFF COSTS

	<u>2014</u> £	<u>2013</u> £
Included in staff costs are:-		
Wages and Salaries	718,017	761,326
Social Security Costs	77,279	78,442
Other Pension costs	55,628	61,626
	850,924	901,394

General Secretary/ Secretaries

	<u>2014</u> £	<u>2013</u> £
	Total	Total
Remuneration, compensation and benefits	67,102	181,236
Social Security Costs	8,171	12,757
Pension	1,500	2,489
	76,773	196,482

Napo

Notes to the Accounts- 31 December 2014 (continued)

4. TAXATION

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

	<u>2014</u>	<u>2013</u>
	£	£
Current Corporation Tax	<u>2,085</u>	<u>2,446</u>

5. FIXED ASSETS

	Freehold Land & Buildings -----	Computer Equipment & Software -----	Total -----
Cost			
At 1 January 2014	205,339	284,752	490,091
Additions	-	-	-
Disposals	-	-	-
At 31 December 2014	<u>205,339</u>	<u>284,752</u>	<u>490,091</u>
Depreciation			
At 1 January 2014	84,999	268,964	353,963
Charge for the year	4,107	3,947	8,054
Deduct for Disposals	-	-	-
At 31 December 2014	<u>89,106</u>	<u>272,911</u>	<u>362,017</u>
Net book value			
At 1 January 2014	<u>120,340</u>	<u>15,788</u>	<u>136,128</u>
At 31 December 2014	<u>116,233</u>	<u>11,841</u>	<u>128,074</u>

6. DEBTORS

	<u>2014</u>	<u>2013</u>
	£	£
Trade debtors	130,073	118,376
Prepayments	17,456	9,512
Sundry debtors	9,047	15,424
	<u>156,576</u>	<u>143,312</u>

Napo

Notes to the Accounts- 31 December 2014 (continued)

7. OTHER CREDITORS

	<u>2014</u>	<u>2013</u>
	£	£
Bank overdraft	49,112	4,960
Sundry creditors and accruals	116837	48,979
Taxation	<u>2,085</u>	<u>2,241</u>
	<u><u>168,034</u></u>	<u><u>56,180</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 £55,628 (2013 - £61,626). No contributions were due at the year end (2013 £nil).

9. POST BALANCE SHEET EVENTS

Napo is in the process of seeking to appeal against the recovery of legal costs by the Ministry of Justice. Costs will be included in the financial statements for the year ended 31 December 2015.

10. 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 is in deficit due to an increased requirement for assistance from members.

Action Fund

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

Napo

Notes to the Accounts- 31 December 2014 (continued)

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 year, amounting to £280,000 which was reallocated within the General Fund in order to fund exceptional legal fees.

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

Napo
Notes to the Accounts- 31 December 2014 (continued)

10. MOVEMENT OF FUNDS - SUMMARY

	£	General Fund £	Office Relocation Reserve £	Legal & Representation Fund £	Action Fund £	Organising Fund £	Total £
Income		2,067,484	-	-	911	10,322	2,078,717
Expenditure		<u>(2,154,382)</u>	-	<u>(225,296)</u>	<u>(4,246)</u>	-	<u>(2,383,924)</u>
(Deficit)/surplus for the year		(86,898)	-	(225,296)	(3,335)	10,322	(305,207)
Taxation		<u>(2,085)</u>	-	-	-	-	<u>(2,085)</u>
Net (deficit)/surplus		(88,983)	-	(225,296)	(3,335)	10,322	(307,292)
Transfers between Funds		<u>(193,614)</u>	-	<u>186,614</u>	<u>5,000</u>	<u>2,000</u>	<u>0</u>
Net (outgoing)/ incoming resources		(282,597)	-	(38,682)	1,665	12,322	(307,292)
Balance at 31 December 2013	1,427,356		250,000	(27,680)	53,790	27,876	1,731,342
Reallocated in year	<u>(280,000)</u>	280,000	-	-	-	-	-
Deficit for the year		(2,597)					
Balance after reallocation	<u>1,147,356</u>						
		<u>1,147,356</u>					
Balance at 31 December 2014		<u>1,144,759</u>	<u>250,000</u>	<u>(66,362)</u>	<u>55,455</u>	<u>40,198</u>	<u>1,424,050</u>

ACCOUNTING POLICIES

(see notes 74 and 75)

Napo

Notes to the Accounts – 31 December 2014

1. ACCOUNTING POLICIES

- i) The accounts have been prepared under the historical cost convention.
- 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 2014.
The Officers have assessed the impact of the financial budgets in place for 2015 against the working capital available, notably its cash and bank balances. The officers have also considered the impact of the estimated cost of legal fees which will be incurred in 2015 and the anticipated loss of income due to the withdrawal of payroll deduction "check off".
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) Incoming subscriptions income includes amounts receivable at the balance sheet date. Income is received from payroll deductions made by Probation Trust pay authorities until 31 May 2014, then 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.
- vii) **Legal and Representation Fund**
The NEC maintains a Legal and Representation Fund. The fund shall be financed by transfer from the general funds of the Association in accordance with the Constitution.

ACCOUNTING POLICIES

(see notes 74 and 75)

Napo

Notes to the Accounts – 31 December 2014

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 Chair, Treasurer 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>	Treasurer's Signature: <u>K. Stokeld</u> <small>(or other official whose position should be stated)</small>
Name: I Lawrence Date: <u>20/05/2015</u>	Name: K Stokeld Date: <u>20 May 2015</u>

CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? <small>(see Page 2 and Note 12)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? <small>(see Page 2 and Note 12)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? <small>(see Pages 19 and 21 and Notes 76 and 77)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? <small>(see Pages 20 and 21 and Notes 2 and 77)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? <small>(see Notes 8 and 78)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: <small>(see Note 80)</small>	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED <small>(see Page 17 and Notes 7 and 59)</small>	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 2014, 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 2014 and of its deficit 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):	The Gatehouse 2 Devonhurst Place Heathfield Terrace London W4 4JD	
Date:	<i>21.05.2015</i>	
Contact name and telephone number:	Elin Harraghy Tel: 020 8994 9627	

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