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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Year ended:

List No:

Head or Main Office:

Website address (if available)

Has the address changed during the year to which the return relates? Yes No (Tick as appropriate)

General Secretary:

Contact name for queries regarding the completion of this return:

Telephone Number:

e-mail:

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 020 7210 3734

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

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

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



FORM AR27

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

NATIONAL FARMERS' UNION – YEAR ENDED 31 OCTOBER 2016

LIST N0: 245E

List of Officers as at 31 October 2016:-

Stephen James	President NFU Wales
James Small	Member of the Governance Board
Thomas Binns	Member of the Governance Board
Angela Sargent	Member of the Governance Board
Meurig Raymond	President
William Martin	Member of the Governance Board
Guy Smith	Vice President
Minette Batters	Deputy President
Terry Jones	Director General
Charles Sercombe	Member of the Governance Board
Ken Sutherland	NFU Secretary

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
85,953				85,953

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
Director General	Martin Haworth	Terry Jones	18 April 2016
Member of Governance Board		Angela Sargent	18 April 2016
Member of Governance Board		James Small	18 April 2016
Member of Governance Board	Rosey Dunn		18 April 2016
Member of Governance Board	Jonathan Brant		18 April 2016

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year (see attached)			£	£
	INCOME			
30,892,663	From Members	Subscriptions, levies, etc		29,882,595
1,360,998	Investment income	Interest and dividends (gross)	1,620,006	
98,475		Interest on term deposits (gross)	77,233	
1,556,930		Investment property rental income	1,680,353	3,377,592
1,704,065	Other income	Fair value movement in listed investments	8,365,276	
10,806,500		Fair value gain on revaluation of investment property	-	
745,491		Private Medical Insurance Scheme actuarial gain	282,797	8,648,073
47,165,122	TOTAL INCOME			41,908,260
	EXPENDITURE			
	Administrative expenses			
16,586,949		Remuneration and expenses of staff	17,158,214	
2,174,768		Occupancy costs	2,397,411	
596,183		Printing, Stationery, Post and telephones	596,057	
1,567,781		Legal and Professional fees	1,197,632	
303,323		Investment property rental costs	1,014,798	
177,726		Investment management fees	172,247	
1,986,908		Cost of sales	2,262,622	
187,583		Miscellaneous expenses	153,555	24,952,536
14,029	Other charges	Bank charges	41,524	
557,521		Depreciation and (profit)/loss on disposal of tangible fixed assets	496,670	
3,370,272		Members' representation	3,750,374	
1,149,393		Promotional activities	1,599,116	
1,604,463		Grants – legal assistance scheme	1,537,425	
3,059		Interest payable	-	
550,748		Notional finance costs on retirement benefit schemes	506,063	
63,405		Defined benefit pension scheme actuarial loss	11,774,766	
-		Fair value deficit on revaluation of investment property	603,694	20,309,632
2,699,389	Taxation			(2,324,338)
33,593,500	TOTAL EXPENDITURE			42,937,830
13,571,622	Surplus/(Deficit) for year			(1,029,570)
97,112,040	Amount of fund at beginning of year			110,683,662
110,683,622	Amount of fund at end of year			109,654,092

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 3		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 5		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 7		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

BALANCE SHEET AS AT 31 OCTOBER 2016

(see notes 19 and 20)

Previous Year		£	£
16,386,892	Fixed Assets (as at page 8)		16,952,258
	Investments (as per analysis on page 9)		
60,287,921	Quoted	68,952,234	
52,856,500	Investment property	56,630,000	
	Total Investments		125,582,234
	Other Assets		
3,107,068	Sundry debtors	3,397,142	
11,605,045	Cash at bank and in hand	6,598,934	
	Total of other assets		9,996,076
144,243,426		TOTAL ASSETS	152,530,568
	Funds		
15,001,044	Revaluation of listed investments		22,007,577
38,465,140	Revaluation of investment property		39,061,446
57,217,478	Accumulated fund		48,585,069
	Liabilities		
14,018,071	Retirement benefit obligations	24,877,823	
735,964	Bank overdraft	383,629	
672,735	Tax payable	458,922	
3,930,798	Sundry creditors	4,033,992	
2,826,321	Accrued expenses	4,456,750	
11,375,875	Provisions	8,665,360	
33,559,764		TOTAL LIABILITIES	42,876,476
144,243,426		TOTAL ASSETS	152,530,568

FIXED ASSETS ACCOUNT

(see note 21)

	Freehold Property	Fixtures, Fittings & Motor vehicles	Leasehold Property	Total
	£	£	£	£
COST OR VALUATION				
At start of period	7,143,500	3,960,566	12,500,018	23,604,084
Additions during period	15,610	255,641	790,785	1,062,036
Less: Disposals during period	-	-	-	-
Less: DEPRECIATION:				
Total to end of period	1,797,754	3,737,711	2,178,397	7,713,862
BOOK AMOUNT at end of period	5,361,356	478,496	11,112,406	16,952,258
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET				

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified) Listed investments	68,952,234
	TOTAL QUOTED (as Balance Sheet)	68,952,234
	*Market Value of Quoted Investments	
UNQUOTED	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)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES ✓	NO
If YES name the relevant companies:			
COMPANY NAME NFU Services Limited	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered) 3687910		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES	NO ✓
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME NFU Services Limited	NAMES OF SHAREHOLDERS National Farmers Union Trust Company Limited		

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	29,882,595		29,882,595
From Investments	3,377,592		3,377,592
Other Income (including increases by revaluation of assets)	8,648,073		8,648,073
Total Income	41,908,260		41,908,260
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	42,937,830		42,937,830
Funds at beginning of year (including reserves)	110,683,662		110,683,662
Funds at end of year (including reserves)	109,654,092		109,654,092
ASSETS			
Fixed Assets			16,952,258
Investment Assets			125,582,234
Other Assets			9,996,076
		Total Assets	152,530,568
LIABILITIES		Total Liabilities	42,876,476
NET ASSETS (Total Assets less Total Liabilities)			109,654,092

NOTES TO THE ACCOUNTS

(see note 36)

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

See the attached Financial Statements for the year ended 31 October 2016.

Note 28 – First Time Adoption of FRS102 summarises the impact of the adoption of FRS102 on the previously reported results and financial position of the NFU.

ACCOUNTING POLICIES

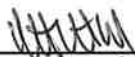
(see notes 37 and 38)

See the attached Financial Statements for the year ended 31 October 2016.

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>K. SUTHERLAND</u> Date: <u>13/3/17</u>	Chairman's Signature: <u>M. D. Raymond</u> (or other official whose position should be stated) Name: <u>MEURIG RAYMOND</u> Date: <u>16/3/17</u>
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CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	✓	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	✓	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	✓	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	✓	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES	✓	NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	✓	NO	

AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

YES NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 43)

YES NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in note 43)

YES NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 45)

AUDITOR'S REPORT (continued)

See attached audit report

Signature(s) of auditor or auditors:	RSM UK Audit LLP	
Name(s):	RSM UK AUDIT LLP	
Profession(s) or Calling(s):	STATUTORY AUDITOR	
Address(es):	RSM, ST PHILIPS POINT TEMPLE ROW BIRMINGHAM WEST MIDLANDS B2 5AF	
Date:	27/3/2017	
Contact name and telephone number:	STEPHANIE WARBOYS 0121 214 3100	

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NATIONAL FARMERS' UNION

Opinion on accounts

We have audited the accounts of the NFU and its subsidiaries (the 'Group') for the year ended 31 October 2016, which comprise consolidated statement of comprehensive income, consolidated and NFU balance sheet, consolidated and NFU statement of changes in reserves, consolidated and NFU cash flow statement and notes to the accounts, including a summary of significant accounting policies. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the accounts:

- give a true and fair view of the state of the Group's and NFU's affairs at 31 October 2016 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992.

Scope of the audit of the accounts

A description of the scope of an audit of accounts is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

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 carry out such investigations as will enable us to form an opinion as to whether:

- proper accounting records have been kept in accordance with the requirements of section 28 of the legislation; or
- a satisfactory system of control over transactions has been maintained in accordance with the requirements of that section; or
- the accounts to which the report relates agree with the accounting records; and

to state in our report if, in our opinion, the NFU has failed to comply with section 28 or if the accounts do not agree with the accounting records.

Respective responsibilities of officers and auditor

As more fully explained in the Statement of Officers' Responsibilities set out on page 4, the officers are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

This report is made solely to the NFU's members, as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the NFU'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 NFU and the NFU's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
St Philips Point
Temple Row
Birmingham
B2 5AF

20 January 2017