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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  X (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



(Revised February 2011)

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

## **LIST OF OFFICERS IN POST**

**AS AT 31 MARCH 2017**

Councillor A Dean	Chair	Liverpool City Council
Councillor B D Rigby MBE	Deputy Chair	Trafford Council
Councillor T Halliwell	Vice Chair	Wigan Council
Councillor K Lewis	Vice Chair	Salford City Council
Councillor B Cannon	Member	Allerdale District Council
Councillor R Whittle	Member	Blackburn with Darwen BC
Councillor I Taylor	Member	Blackpool Council
Councillor P Findlow	Member	Cheshire East Council
Councillor J Bowman	Member	Copeland Borough Council
Councillor B Doughty	Member	Cumbria County Council
Councillor F Walker	Member	GM Fire & Civil Defence Authority
Councillor M Wharton	Member	Halton Borough Council
Councillor J Mein	Member	Lancashire County Council
Councillor J Flanagan	Member	Manchester City Council
Councillor A UR Rehman	Member	Oldham Council
Councillor M Bond	Member	St Helens Council
Councillor C Wynn	Member	West Lancashire District Council

# 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	Councillor A Dean	13 July 2016
Deputy Chair	Councillor S Sidat	Councillor B D Rigby MBE	13 July 2016
Vice Chair	Councillor B D Rigby MBE	Councillor T Halliwell	13 July 2016
Vice Chair	Councillor B Cannon	Councillor K Lewis	13 July 2016

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	<b>INCOME</b>			
702,417	From Members	Subscriptions, levies, etc	687,579	
2,453	Investment income	Interest and dividends (gross)	1,389	
3,189		Bank interest (gross)	0	
		Other (specify)		688,968
962,115	Other income	Rents received	1,339,505	
		Insurance commission		
		Consultancy fees		
		Publications/Seminars		
		Miscellaneous receipts (specify)		1,339,505
1,670,174				2,028,473
	<b>TOTAL INCOME</b>			
	<b>EXPENDITURE</b>			
	Administrative expenses			
730,672		Remuneration and expenses of staff	795,305	
78,895		Occupancy costs inc Insurance	87,118	
14,408		Printing, Stationery, Post & Telephones	14,521	
583,398		Consultancy/Training	961,364	
9,703		Legal and Professional fees	13,653	
5,976		Miscellaneous (specify) Website	1,506	
13,594		Travel & Subsistence	15,129	
19,222		Car Leasing	20,198	
1,041	Other charges	Bank charges	970	
13,671		Depreciation	15,663	
56,774		Office Equipment	35,041	
3,150		Affiliation fees	3,550	
5,952		Regional Events	3,353	
(2,561)		Bad Debt Provision	(517)	
8,607		Expenses/Staff Training	8,054	
2,578	Service	Miscellaneous (specify) Information	2,358	
3,257		Sundry Expenses	1,782	
3,189		Room Facilities	0	
1,551,526	<b>TOTAL EXPENDITURE</b>			1,979,768
118,648	<b>Operating Surplus for the year</b>			48,705
490,000	Actuarial gain/(loss) in respect of defined Pension Scheme			(598,000)
608,648				846,293
(2,516,355)	Amount of fund at beginning of year			(1,907,707)
(1,907,707)	Amount of fund at end of year			(2,457,002)

**ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND**  
(see notes 17 to 18)

<b>ACCOUNT 2</b>		<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<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)	

<b>ACCOUNT 3</b>		<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<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)

<b>ACCOUNT 4</b>		<b>Fund Account</b>		
<b>Name of account:</b>		£	£	
<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)		

<b>ACCOUNT 5</b>		<b>Fund Account</b>		
<b>Name of account:</b>		£	£	
<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)

<b>ACCOUNT 6</b>		<b>Fund Account</b>		
<b>Name of account:</b>		<b>£</b>	<b>£</b>	
<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)		

<b>ACCOUNT 7</b>		<b>Fund Account</b>		
<b>Name of account:</b>		<b>£</b>	<b>£</b>	
<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 2017 ]

(see notes 19 and 20)

Previous Year		£	£
81,225	<b>Fixed Assets</b> (as at page 11)	76,009	
	<b>Investments</b> (as per analysis on page 13)		
	Quoted (Market value £           )		
	Unquoted		
81,225			
	<b>Total Investments</b>		76,009
	<b>Other Assets</b>		
426,271	Sundry debtors	436,996	
1,392,448	Cash at bank and in hand	1,332,982	
	Stocks of goods		
	Others (specify)		
	<b>Total of other</b>		1,769,978
1,818,719	<b>assets</b>		
1,899,944		<b>TOTAL ASSETS</b>	1,845,987
846,293	General Fund (Account)		894,998
(2,754,000)	Defined Benefit Pension Scheme Liability		(3,352,000)
	Fund (Account)		
(1,907,707)	<b>Total Funds</b>		(2,457,002)
	<b>Liabilities</b>		
	Loans		
245,137	Trade Creditors	103,327	
15,502	VAT	36,307	
756,910	Deferred Grant/Income	723,083	
36,102	Accrued expenses	88,272	
2,754,000	Provisions – Defined Benefit Pension Scheme	3,352,000	
	Other liabilities		
3,807,651		<b>TOTAL LIABILITIES</b>	4,302,989
1,899,944		<b>TOTAL FUNDS AND LIABILITIES</b>	2,053,013



# FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures/ Fittings & Equipment	Motor Vehicles	Total
	£	£	£	£
<b>COST OR VALUATION</b>				
At start of period		94,896		
Additions during period		10,447		
Less: Disposals during period		-		
Total cost to end of period		105,343		
Less: DEPRECIATION:				
At the start of the period		(13,671)		
Charge in the period		(15,663)		
Total to end of period		(29,334)		
<b>BOOK AMOUNT</b> at end of period		76,009		
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
<b>AS BALANCE SHEET</b>		76,009		

# 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 <input checked="" type="checkbox"/>
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	687,579		
From Investments	1,389		
Other Income (including increases by revaluation of assets)	1,339,505		
<b>Total Income</b>	2,028,473		
<b>EXPENDITURE</b> (including decreases by revaluation of assets)	1,979,768		
<b>Total Expenditure</b>	1,979,768		
<b>Actuarial loss in respect of Defined Benefit Scheme</b>	(598,000)		
<b>Funds at beginning of year</b> (including reserves)	(1,907,707)		
<b>Funds at end of year</b> (including reserves)	(2,457,002)		
<b>ASSETS</b>			
Fixed Assets			76,009
Investment Assets			
Other Assets			1,769,978
		<b>Total Assets</b>	1,845,987
<b>LIABILITIES</b>		<b>Total Liabilities</b>	4,302,989
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			(2,457,002)

# NOTES TO THE ACCOUNTS

(see note 36)

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

3.....Staff costs	2017 £	2016 £
<b>Employment costs within external projects</b>		
Wages and salaries	109,820	74,794
Employers' NI (including Class 1A)	10,657	3,361
Superannuation and pension costs	6,059	4,377
	126,536	82,532
<b>Other employment costs</b>		
Wages and salaries	470,746	449,124
Employers' NI (including Class 1A)	54,544	42,900
Superannuation and pension costs	179,978	93,626
Temporary staff costs	89,074	144,204
	794,342	729,854
<b>Totals</b>		
Wages and salaries	580,566	523,918
Employers' NI (including Class 1A)	65,201	46,261
Superannuation and pension costs	186,037	98,003
Temporary staff costs	89,074	144,204
	920,878	812,386

The average number of employee's during the year, excluding temporary staff, was 18 (2016: 16).

#### 4. Lease commitments

At the reporting end date, the organisation had outstanding commitments for future minimum lease payments under non-cancellable operating leases amounting to £311,818 (2016: £359,024).

#### 5. Accumulated funds

The organisation aims to maintain a level of accumulated funds in general reserve 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. Should the organisation cease to trade, any surplus would be returned to members.

#### Tangible fixed assets

	Furniture, fittings and equipment £
<b>Cost</b>	
At 1 April 2016	94,896
Additions	10,447
	105,343
At 31 March 2017	105,343

**Accumulated Depreciation**

At 1 April 2016	13,671
Charge for the year	15,663
At 31 March 2017	29,334

**Net Book Value**

At 31 March 2017	76,009
At 31 March 2016	81,225

**7. Debtors**

	2017 £	2016 £
Trade debtors	414,965	400,895
Prepayments	22,031	25,376
	436,996	426,271

**8. Creditors**

	2017 £	2016 £
Trade creditors	103,327	245,137
VAT creditor	36,307	15,502
Accruals	88,272	36,102
Deferred income	723,083	756,910
	950,989	1,053,651

## Pension commitments

The organisation provides pensions for some employees through participation in the Greater Manchester Pension Fund (the Fund), a funded defined benefit scheme which is administered by Tameside Metropolitan Borough Council and maintained independently of the organisation's finances. More than one employer participates in the scheme.

The organisation operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 March 2016 and updated to 31 March 2017 by a qualified independent actuary.

The major assumptions used by the actuary were:

	<b>2017</b>	<b>2016</b>
	<b>% p.a.</b>	<b>% p.a.</b>
Rate of increase in salaries	3.2%	3.5%
Rate of increase in pensions in payment	2.4%	2.2%
Discount rate	2.6%	3.5%

## Pension disclosures under FRS102

The fair value of the scheme assets and expected rates of return, the present value of the scheme liabilities and the resulting deficit are:

	<b>Value at 31.03.17 £'000</b>	<b>Value at 31.03.16 £'000</b>	<b>Value at 31.03.15 £'000</b>
Equities	3,777	2,995	3,044
Bonds	806	698	709
Property	252	246	250
Cash	201	164	167
Total market value of assets	5,036	4,103	4,170
Present value of scheme liabilities	(8,388)	(6,857)	(7,414)
	<b>(3,352)</b>	<b>(2,754)</b>	<b>(3,244)</b>

## Analysis of the defined benefit cost

	<b>2017 £</b>	<b>2016 £</b>
<b>Current service costs</b>	<b>(114,000)</b>	<b>(124,000)</b>
	<b>2017 £</b>	<b>2016 £</b>
<b>Contributions in the year</b>	<b>109,000</b>	<b>91,000</b>
	<b>2017 £</b>	<b>2016 £</b>
<b>Other finance costs</b>	<b>143,000</b>	<b>133,000</b>
Interest income on plan assets	(239,000)	(237,000)
Interest cost on defined benefit obligation	<b>(96,000)</b>	<b>(104,000)</b>

**Actuarial loss arising from latest valuation**

Actual return on assets excluding amounts included in net interest	817,000	(157,000)
Experience gains and losses on scheme liabilities	81,000	97,000
Changes in assumptions underlying the present value of the scheme liabilities.	(1,395,000)	687,000
Actuarial loss arising from latest valuation	(497,000)	627,000

**Changes in the present value of the defined benefit obligation are as follows:**

	<b>2017</b> £	<b>2016</b> £
Opening defined benefit obligation	(2,754,000)	(3,244,000)
Movements in the year:		
Current service costs	(114,000)	(124,000)
Contributions in the year	109,000	91,000
Other finance costs	(96,000)	(104,000)
Actuarial loss arising from latest valuation	(497,000)	627,000
Net change in present value of obligation	(598,000)	490,000
Closing defined benefit obligation	(3,352,000)	(2,754,000)



# ACCOUNTING POLICIES

(see notes 37 and 38)

## Accounting policies

### Organisational information

North Western Local Authorities' Employers' Organisation is a registered Employers' Association with the Certification Office under the Trade Union and Labour Relations (Consolidation) Act 1992, registration number CO/257E. The organisation head office is Suite 2-4, 2nd Floor, Building 8, Exchange Quay, Salford Quays, M5 3EJ.

### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland" ("FRS 102"). The disclosure requirements of section 1A of FRS 102 for small entities have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the organisation. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of North Western Local Authorities' Employers' Organisation prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

### 1.2 Going concern

Despite the overdrawn balance sheet, the executive board believes there is no going concern issue. There is a positive general reserve before the pension provision is taken into account and there is no requirement to make contributions to the pension deficit in the next twelve months. The position is being monitored regularly.

### 1.3 Income

Income is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT.

### 1.4 Expenditure

Expenditure is recognised on an accruals basis.

### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	3 years
Other equipment and furniture	5 years
Office fit-out, partitioning etc.	10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to income or expenditure.

## **1.6 Impairment of fixed assets**

At each reporting period end date, the organisation reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

## **1.7 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts.

## **1.8 Financial instruments**

The organisation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the organisation's balance sheet when the organisation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

### ***Basic financial liabilities***

Basic financial liabilities, including creditors, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

## **1.9 Taxation**

As the organisation is regarded as a mutual one, trading predominantly with its members, no taxation is required. Any surplus income is carried forward to 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.

## **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

## **1.11 Retirement benefits**

The organisation operates a defined benefit pension scheme for certain employees. The assets of the scheme are held separately from those of the organisation. The regular cost of providing retirement pensions and related benefits under the organisation's defined benefit scheme is charged to the income and expenditure account over the employees' service lives on the basis of a constant percentage of earnings. The contributions are determined by a qualified actuary on the basis of triannual valuation.

Pension scheme liabilities are measured on actuarial basis using a projected unit method and are discounted to their present value using an AA corporate rate bond.

Pension scheme assets are valued at market value at the balance sheet date.

The pension scheme deficit is recognised in full on the balance sheet.

## **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u><i>E M'Que</i></u> Name: <u><i>E M'Que</i></u> Date: <u><i>25 August 2017</i></u>	Chairman's Signature: <u><i>A. Dean</i></u> (or other official whose position should be stated) Name: <u><i>Chm. Alan Dean</i></u> Date: <u><i>25<sup>th</sup> AUGUST 2017</i></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 Association 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 Association 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 ended 31 March 2017, 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 United Kingdom Accountancy Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 organisation's 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 2017 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice 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:		
Name(s):	David Kay of Barlow Andrews LLP	
Profession(s) or Calling(s):	FCA	
Address(es):	Barlow Andrews LLP Carlyle House Chorley New Road Bolton BL1 4BY	
Date:	25/8/17	
Contact name and telephone number:	David Kay 01204 527451	

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

**EVERY EMPLOYERS' ASSOCIATION IS REQUIRED BY LAW TO COMPLETE THIS RETURN. THE REFUSAL OR WILFUL NEGLECT TO PERFORM THIS DUTY IS A CRIMINAL OFFENCE.**

**THERE IS NO LEGAL REQUIREMENT FOR THIS RETURN TO BE "APPROVED" BY THE GOVERNING BODY OF THE ASSOCIATION BEFORE SUBMISSION TO THE CERTIFICATION OFFICE**

## GUIDANCE ON COMPLETION

### GENERAL

1. Unless the Employers' Association has been authorised to make its annual return to another date, this return must be made to 31 December and sent to the Certification Officer as soon as possible, **and at any event before 1 June**.
2. The accounts must, in accordance with the Act, give a true and fair view of the matters to which they relate.
3. The accounts and balance sheet in the annual return of an association working through branches (i.e. not a federation of autonomous bodies) should include the transactions, assets and liabilities of all the branches.
4. Any negative values should be clearly indicated by placing the entry in brackets.
5. Where the space in any account of analysis is insufficient a separate sheet of paper should be attached to the appropriate page to provide the additional space.
6. The summary sheet on page 11 **must** be completed.
7. A copy of the rules in force at the end of the year to which this return relates must be submitted with this form even if the rules have not been altered since the previous rule book was submitted. This is a statutory requirement and the Certification Officer has no authority to waive it.