

- DO NOT STAPLE
- PRINT ON ONE SIDE ONLY

# FORM AR21

To be used for reporting years starting on or after 6 April 2015

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	Nautilus International
Year ended:	31 December 2016
List no:	151T
Head or Main Office:	1&2 The Shrubberies George Lane South Woodford London E18 1BD
Website address (if available)	<a href="http://www.nautilusint.org">www.nautilusint.org</a>
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	Anthony Mark Dickinson
Telephone Number:	020 8989 6677
Contact name for queries regarding	Olu Tunde
Telephone Number:	020 8989 6677
E-mail:	<a href="mailto:enquiries@nautilusint.org">enquiries@nautilusint.org</a>

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  
22<sup>nd</sup> 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 2017)

**NAUTILUS INTERNATIONAL**  
**Attachment for AR21**  
**2016**

U Jurgens	S Gudgeon
W van Hoboken	W Jackson
I Mackenzie	M Lloyd
R Bodenman	P Lees
J Bowry	P Lok
A Butlin	P Minter
T Cardy	F Oyedepo
A Cattie	J Shaw
J Cameron	J Wainman
R Downs	J van der Zee
B Doyle	J Tyson
H Eijkenaar	A M Dickinson
G Feikema	
M Graves	
M Gray	

**The assets of Nautilus International are held by a Corporate Trustee - Nautilus Trustees Limited, the Directors of which are:**

J Lang - Chair  
H Lafèbre  
R MacDonald  
L Mercer

**Changes of Officers during 2016**  
**Council Member**

# 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	12,508	299	273	7,044	<b>20,124</b>
FEMALE	492	11	10	195	<b>708</b>
TOTAL	13,000	310	283	7,239	A <b>20,832</b>

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

	3
--	---

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

	20,829
--	--------

## 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
		See attached	

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

N/A

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

N/A

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		3,224,967
<b>From Members:</b> Other income from members (specify)		
<b>Total other income from members</b>		
<b>Total of all income from members</b>		3,224,967
<b>Investment income (as at page 12)</b>		259,960
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)	0.00	
Income from any other sources (as at page 4)	1,601,715	
Income from Memorandum of Agreement	2,319,734	
<b>Total of other income (as at page 4)</b>		3,921,449
		<b>TOTAL INCOME</b>
		7,406,376
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		
<b>Administrative expenses (as at page 10)</b>		
<b>Federation and other bodies (specify)</b>		6,003,481
TUC	41,218	
ITF	20,320	
Others & Donations	203,156	
<b>Total expenditure Federation and other bodies</b>		6,268,175
<b>Taxation</b>		66,451
		<b>TOTAL EXPENDITURE</b>
		6,334,626
		1,071,750
Surplus (deficit) for year		
		11,024,342
Amount of general fund at beginning of year		
		12,096,092
Amount of general fund at end of year		

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
Profit from Sale of Investments	9,537	
Gain on Revaluation of Investments (less revaluation transfers)	1,109,307	
Advertising Revenue	369,411	
Credit Card Royalties		
Critical Illness Cover		
Health Insurance		
Others	113,460	
Income from agreements	2,319,734	
<b>TOTAL OTHER INCOME</b>		<b>3,921,449</b>
<b>TOTAL OF ALL OTHER INCOME</b>		<b>3,921,449</b>

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	
		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			
<b>carried forward</b>		<b>Total (should agree with figure in General Fund)</b>	

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Legal Defence Fund	£	£
<b>Income</b>			
	From members		261,484
	Investment income (as at page 12)		
	Other income (specify)		
	Income from Memorandum of Agreements	188,087	
		<b>Total other income as specified</b>	188,087
		<b>Total Income</b>	449,571
<b>Expenditure</b>			
	Benefits to members		317,076
	Administrative expenses and other expenditure (as at page 10)		
		<b>Total Expenditure</b>	317,076
		<b>Surplus (Deficit) for the year</b>	132,495
		<b>Amount of fund at beginning of year</b>	2,363,095
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	2,495,590
		<b>Number of members contributing at end of year</b>	N/A

FUND 3		Fund Account	
Name:		£	£
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		<b>Total other income as specified</b>	
		<b>Total Income</b>	
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		<b>Total Expenditure</b>	
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	

**Number of members contributing at end of year**

(See notes 24 and 25)

<b>FUND 4</b>		<b>Fund Account</b>	
<b>Name:</b>		£	£
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

<b>FUND 5</b>		<b>Fund Account</b>	
<b>Name:</b>		£	£
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		



Number of members contributing at end of year

(See notes 24 and 25)

<b>FUND 6</b>		<b>Fund Account</b>	
Name:		£	£
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

<b>FUND 7</b>		<b>Fund Account</b>	
Name:		£	£
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		

**Number of members contributing at end of year**

(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>	
		£	£
<b>Income</b>	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
<b>Expenditure</b>	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			

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>	
		£	£
<b>Income</b>	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	
<b>Expenditure</b>	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)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		
Salaries and Wages included in above	£	4,622,550
Auditors' fees		
38,280		
Legal and Professional fees		
307,700		
Occupancy costs		
430,293		
Stationery, printing, postage, telephone, etc.		
339,858		
Expenses of Executive Committee (Head Office)		
40,401		
Expenses of conferences		
113,921		
Other administrative expenses (specify)		
Travel & Organising		523,374
Pension Deficit Funding		7,000
Telegraph		433,841
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		
174,252		
Computer cost		
281,698		
Taxation		
Outgoings on land and buildings (specify)		
Gain on disposal of car		
(36,768)		
Other outgoings (specify)		
Foreign exchange movement		
(1,272,919)		
<b>Total</b>		6,003,481
Charged to:		
General Fund (Page 3)		6,003,481
Fund (Account )		
Fund (Account )		
Fund (Account )		
Fund (Account )		
<b>Total</b>		6,003,481

## ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary  £	Employers N.I. contributions  £	Benefits			Total  £
			Pension Contributions £	Other Benefits		
				Description	Value £	
General Secretary	94,798.20	12,034.10	15,838.69	Car	3,150	125,820.99
				Telephone	300	300

# 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)		215,534
Interest (gross) from:		
Government securities (Gilts)		44,426
Mortgages		
Local Authority Bonds		
Bank and Building Societies		
Other investment income (specify)		
Total investment income		259,960
Credited to:		
General Fund (Page 3)		259,960
Fund (Account )		
Fund (Account )		
Fund (Account )		
Fund (Account )		
Fund (Account )		
Political Fund		
Total Investment Income		259,960

# BALANCE SHEET as at 31 December 2016

(see notes 47 to 50)

Previous Year		£	£
664,551	<b>Fixed Assets</b> (at page 14)		971,327
	<b>Investments</b> (as per analysis on page 15)		
14,992,201	Quoted (Cost value £ 14,192,889)	16,809,480	
276,007	Unquoted	276,007	
15,268,208	<b>Total Investments</b>		17,085,487
	<b>Other Assets</b>		
	Loans to other trade unions		
327,875	Sundry debtors		403,531
836,150	Cash at bank and in hand		796,839
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,164,025	<b>Total of other assets</b>		1,200,370
17,096,784	<b>TOTAL ASSETS</b>		19,257,184
11,024,342	Fund (Account General Fund)		12,096,092
2,363,095	Fund (Account Legal Defence Fund)		2,495,590
2,127,029	Fund (Account Listed Investment Revaluation)		2,127,029
	Superannuation Fund (Account )		
	Political Fund (Account )		
360,886	Revaluation Reserve		360,886
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
1,058,062	Sundry creditors		1,256,561
	Accrued expenses		
255,370	Deferred Taxation		283,026
(92,000)	Other liabilities – Supplementary Pension Fund deficit		638,000
1,221,432	<b>TOTAL LIABILITIES</b>		2,177,587
17,096,784	<b>TOTAL ASSETS</b>		19,257,184

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
<b>Cost or Valuation</b>						
At start of year		480,00	1,107,528	259,287	0.00	1,846,815
Additions			282,694	219,597	0.00	502,291
Disposals			0.00	(83,595)	0.00	(83,595)
Revaluation/Transfer s						
At end of year		480,000	1,390,222	395,289	0.00	2,265,511
<b>Accumulated Depreciation</b>						
At start of year		35,460	941,569	205,235	0.00	1,182,264
Charges for year		8,865	93,617	71,770	0.00	174,252
Disposals				(62,332)		(62,332)
Revaluation/Transfer s						
At end of year		44,325	1,035,186	214,673	0.00	1,294,184
<b>Net book value at end of year</b>						
		435,675	355,036	180,616	0.00	971,327
<b>Net book value at end of previous year</b>		444,540	165,959	54,052	0.00	664,551

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)		
Shares	4,451,659	
Government Securities (Gilts)		
Government stock	1,067,404	
Other quoted securities (to be specified)		
Unit & Investment Trust	5,111,747	
Fixed interest	6,178,670	
TOTAL QUOTED (as Balance Sheet)	16,809,480	
Market Value of Quoted Investment	16,809,480	
UNQUOTED		
Equities		
Equity holdings	276,007	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	276,007	
Market Value of Unquoted Investments	276,007	



# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		YES <input checked="" 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)		
Oceanair Services Ltd	1572658		
NUMAST Pension Trustees (Section226)	02032373		
Nautilus Trustees Ltd	1829326		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input checked="" 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 £
<b>INCOME</b>			
From Members	3,486,451	0.00	3,486,451
From Investments	259,960	0.00	259,960
Other Income (including increases by revaluation of assets)	4,109,535		4,109,535
<b>Total Income</b>	7,855,946		7,855,946
<b>EXPENDITURE</b> (including decreases by revaluation of	6,651,701		6,651,701
<b>Total Expenditure</b>	6,651,701		6,651,701
<b>Funds at beginning of year</b> (including reserves)	15,875,352	0.00	15,875,352
<b>Funds at end of year</b> (including reserves)	17,079,597	0.00	17,079,597
<b>ASSETS</b>			
Fixed Assets			971,327
Investment Assets			17,085,487
Other Assets			1,200,370
		<b>Total Assets</b>	19,257,184
<b>LIABILITIES</b>		<b>Total Liabilities</b>	2,177,587
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			17,079,597

# 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.**

See attached signed audited Nautilus International 2016 accounts

# ACCOUNTING POLICIES


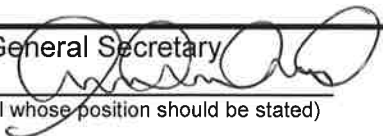
(see notes 74 and 75)

See attached signed audited Nautilus International 2016 accounts

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

**including the accounts and balance sheet contained in the return.**

General Secretary's Signature: 	Assistant General Secretary Signature:  (or other official whose position should be stated)
Name: Anthony Mark Dickinson Date: <u>23/5/17</u>	Name: Oluwole Tunde Date: <u>18/05/2017</u>

## 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"/>
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

151T/2016



**Annual Report and Accounts  
For the year ended  
31 December 2016**

**Address and Head Office  
1 - 2 The Shrubberies,  
George Lane,  
South Woodford  
London  
E18 1BD**

**NAUTILUS INTERNATIONAL**  
**ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

<b>Contents</b>	<b>Page</b>
Statement of Financial Position	1
Statement of Comprehensive Income	2
Statement of Cash Flows	3
Statement of Changes in Funds	4
Notes to the Financial Statements	5 – 13
Statement of Council and General Secretary's Responsibilities	14
Independent Auditors' Report	15

**NAUTILUS INTERNATIONAL**

**REFERENCE AND ADMINISTRATION INFORMATION**

---

**HEAD OFFICE**

1 – 2 The Shrubberies,  
George Lane,  
South Woodford  
London  
E18 1BD

Tel: +44 (0) 20 8989 6677  
Fax: +44 (0) 20 8530 1015  
E-mail: [enquiries@nautilusint.org](mailto:enquiries@nautilusint.org)  
Web site: [www.nautilusint.org](http://www.nautilusint.org)

**CUSTODIAN TRUSTEE**

Nautilus Trustees Limited  
1 – 2 The Shrubberies,  
George Lane,  
South Woodford  
London  
E18 1BD

**INVESTMENT ADVISER**

UBS AG  
1 Finsbury Avenue  
London EC2M 2AN

**INVESTMENT CUSTODIAN**

Productive Nominees Limited  
1 Finsbury Avenue  
London EC2M 2AN

**AUDITORS**

haysmacintyre  
26 Red Lion Square  
London WC1R 4AG

**ASSURER**

haysmacintyre  
26 Red Lion Square  
London WC1R 4AG

**PRINCIPAL BANKERS**

Unity Trust Bank Plc  
Ninebrindley Place  
Birmingham B1 2HB

Natwest Bank  
City of London Office  
P O Box 12258  
1 Princes Street  
London EC2R 8BP

ABN Amro  
Parklaan 1  
3016 BA Rotterdam  
The Netherlands

FNV GBF  
Nz. Voorburgwal 225  
1012 TL Amsterdam  
The Netherlands

Bank Coop AG  
Aeschenplatz 3  
4002 Basel

# NAUTILUS INTERNATIONAL

## REFERENCE AND ADMINISTRATION INFORMATION

---

### Members of Nautilus International Council at Balance Sheet date

U Jurgens	Chair
W van Hoboken	Vice Chair
I MacKenzie	Deputy Vice Chair

R Bodemann	P Lees
J Bowry	M Lloyd
A Butlin	P Lok
J Cameron	P Minter
J Cardy	F Oyedepo
A Cattie	J Shaw
R Downs	J Tyson
R Doyle	J van der Zee
H Eijkenaar	J Wainman
G Feikema	
M Graves	
M Gray	
S Gudgeon	
W Jackson	

A M Dickinson

General Secretary



NAUTILUS INTERNATIONAL  
 STATEMENT OF FINANCIAL POSITION  
 AT 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
<b>PROPERTY, PLANT AND EQUIPMENT</b>					
Freehold land and buildings	3	435,675		444,540	
Motor vehicles	3	180,617		54,052	
Equipment	3	355,035		165,959	
			971,327		664,551
<b>INVESTMENTS</b>	4		17,085,487		15,268,208
			18,056,814		15,932,759
<b>CURRENT ASSETS</b>					
Debtors and prepayments		403,531		327,875	
Cash and cash equivalents					
Current accounts		642,115		711,449	
Deposit accounts		154,724		124,701	
		1,200,370		1,164,025	
Less: Creditors	5	(1,256,561)		(1,058,062)	
			(56,191)		105,963
Deferred taxation	6		(283,026)		(255,370)
<b>Net assets excluding pension (liability)/asset</b>			17,717,597		15,783,352
SPF pension (liability)/asset	7		(638,000)		92,000
<b>NET ASSETS</b>			£17,079,597		£15,875,352
<b>RESERVES</b>					
General Fund			12,096,092		11,024,342
Legal Defence Fund			2,495,590		2,363,095
Revaluation Reserve – land and buildings			360,886		360,886
Revaluation Reserve – listed investments			2,127,029		2,127,029
			£17,079,597		£15,875,352

The financial statements were approved and authorised for issue by the Council on 6 April 2017 and were signed below on its behalf by:

U Jurgens Chair



A M Dickinson General Secretary



NAUTILUS INTERNATIONAL  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	General Fund £	Legal Defence Fund £	Total £	2015 £
Subscription income from individual members		3,224,967	261,484	3,486,451	3,501,182
Subscription income from Memorandum Agreements with employers		2,319,734	188,087	2,507,821	2,020,225
Investment income		259,960	-	259,960	224,669
Advertising revenue		369,411	-	369,411	464,619
Other income		113,460	-	113,460	134,617
		<u>6,287,532</u>	<u>449,571</u>	<u>6,737,103</u>	<u>6,345,312</u>
<b>EXPENDITURE</b>					
Travel and general organising		523,374	-	523,374	548,175
Elections and BGM costs		113,921	-	113,921	59,577
Legal defence costs		-	317,076	317,076	294,551
Affiliations and council expenses		270,989	-	270,989	243,666
Telegraph – net cost		433,841	-	433,841	482,833
Phone, post, printing and stationery		339,858	-	339,858	279,822
Professional fees and bank charges		345,980	-	345,980	304,230
Donations		34,107	-	34,107	38,925
Staff costs		3,749,550	-	3,749,550	3,417,992
Pension fund asset and costs	7	7,000	-	7,000	36,000
Building costs		430,293	-	430,293	391,960
Computer and equipment costs		281,698	-	281,698	141,251
Gain on disposal of fixed assets		(36,768)	-	(36,768)	(2,465)
Depreciation - Freehold buildings		8,865	-	8,865	8,865
Motor vehicles		71,770	-	71,770	64,180
Computers and equipment		93,617	-	93,617	94,143
		<u>6,668,095</u>	<u>317,076</u>	<u>6,985,171</u>	<u>6,403,705</u>
<b>TOTAL OPERATING DEFICIT</b>		<b>(380,563)</b>	<b>132,495</b>	<b>(248,068)</b>	<b>(58,393)</b>
Gains on disposal of investments		9,537	-	9,537	97,928
Gains on revaluation of investments		1,109,308	-	1,109,308	348,630
<b>SURPLUS BEFORE TAXATION</b>		<b>738,282</b>	<b>132,495</b>	<b>870,777</b>	<b>388,165</b>
Taxation	9	(66,451)	-	(66,451)	97,677
<b>TOTAL SURPLUS FOR THE YEAR</b>		<b>671,831</b>	<b>132,495</b>	<b>804,326</b>	<b>485,842</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Actuarial (losses)/gains on SPF scheme				(873,000)	295,000
Foreign exchange gains/(losses)				1,272,919	(451,890)
<b>TOTAL COMPREHENSIVE INCOME</b>				<u>£1,204,245</u>	<u>£328,952</u>

**NAUTILUS INTERNATIONAL**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2016 £	2015 £	2015 £
<b>OPERATING ACTIVITIES</b>				
Operating deficit	(248,068)		(58,393)	
Depreciation	174,252		167,188	
Investment income	(259,960)		(224,669)	
SPF contributions	(150,000)		(150,000)	
SPF costs	7,000		36,000	
(Increase)/decrease in debtors	(75,656)		556,073	
Increase /(Decrease) in creditors	259,251		(333,467)	
	<u>(293,181)</u>		<u>(7,268)</u>	
Net cash outflow from operations				
Taxation	(99,048)		(64,246)	
		(392,229)		(71,514)
<b>INVESTING ACTIVITIES</b>				
Interest and dividends received	259,960		224,669	
Payments to acquire tangible fixed assets	(502,291)		(82,601)	
Proceeds from disposal of tangible fixed assets	20,594		2,465	
Payments to acquire investments	(2,314,591)		(2,473,141)	
Proceeds from disposal of investments	2,841,012		2,250,504	
		<u>304,684</u>		<u>(78,104)</u>
Impact of foreign exchange gains/(losses)		48,234		(92,871)
Net cash outflow for the year		<u>(39,311)</u>		<u>(242,489)</u>
Net funds at 1 January		836,150		1,078,639
Net funds at 31 December		<u><u>796,839</u></u>		<u><u>£836,150</u></u>

NAUTILUS INTERNATIONAL

STATEMENT OF CHANGES IN FUNDS

FOR THE YEAR ENDED 31 DECEMBER 2016

2016	Revaluation reserves				Total £
	General Fund £	Legal Defence Fund £	Land and buildings £	Listed investments £	
Balance as at 1 January 2016	11,024,342	2,363,095	360,886	2,127,029	15,875,352
Surplus for the period	671,831	132,495	-	-	804,326
Other comprehensive income	399,919	-	-	-	399,919
Transfers between reserves	-	-	-	-	-
Balance as at 31 December 2016	<u>£12,096,092</u>	<u>£2,495,590</u>	<u>£360,886</u>	<u>£2,127,029</u>	<u>£17,079,597</u>
2015	Revaluation reserves				Total £
	General Fund £	Legal Defence Fund £	Land and buildings £	Listed investments £	
Balance as at 1 January 2016	10,836,376	2,243,541	368,042	2,098,441	15,546,400
Surplus for the period	366,288	119,554	-	-	485,842
Other comprehensive income	(156,890)	-	-	-	(156,890)
Transfers between reserves	(21,432)	-	(7,156)	28,588	-
Balance as at 31 December 2016	<u>£11,024,342</u>	<u>£2,363,095</u>	<u>£360,886</u>	<u>£2,127,029</u>	<u>£15,875,352</u>

# NAUTILUS INTERNATIONAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings and of listed investments, and in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (amended) and FRS102 *The financial reporting standard applicable in the UK and Ireland*.

The members of Council consider the Union to be a going concern and have prepared the financial statements on that basis.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Union's accounting policies (see note 2).

The following principal accounting policies have been applied:

##### 1.2 REVENUE

Revenue mainly comprises subscriptions, investment income and advertising income.

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Union and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received, or receivable, excluding VAT where applicable.

##### 1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment under the cost model are stated at historical cost less accumulate depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Freehold land and buildings are held under the valuation model, with full market valuations being carried out on a periodic basis to ensure that the carrying value of these assets is not materially different from their fair value.

Depreciation is provided using the following rates to reduce by annual instalments the cost or value of the tangible assets over their useful lives:

Freehold buildings	2% straight line
Equipment	10% to 33.33% straight line
Software	6 years straight line
Motor vehicles	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted where necessary, if there is an indication of a significant change since the last reporting date.

##### 1.4 DEBTORS

Short term debtors are measured at transaction price, less any impairment.

##### 1.5 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NAUTILUS INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**1. ACCOUNTING POLICIES (continued)**

**1.6 FINANCIAL INSTRUMENTS**

The Union only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- At fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- At cost less impairment for all other investments.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement. Any impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the union would receive for the asset if it were to be sold at the reporting date.

**1.7 CREDITORS**

Short term creditors are measured at the transaction price.

**1.8 LEGAL DEFENCE FUND**

The annual transfer of members' contributions to the Legal Defence Fund is 7.5% per annum. In 2016 the reserve has grown to £2.5million as compared to £2.4million in 2015. The level of the Fund is kept under review.

**1.9 PENSION COSTS**

The Union participates in two multi employer pension schemes; namely the MNOPF and Ensign Retirement plan. Contributions to the Schemes are charged to the Union's Statement of Comprehensive Income as they fall due.

The Union accounts for these schemes as though they were defined contribution schemes as permitted by Section 28 of FRS102 and the required disclosures are included in note 7 to the financial statements.

The MNAOA Supplementary Pension Scheme (SPF), a defined benefit scheme, which is administered by Trustees, provides pension benefits for certain members of staff.

The deficit/surplus on the SPF defined benefit pension scheme is shown on the Statement of Financial Position. Current service costs, curtailments, settlement gains and losses and net financial returns are included in the Statement of Comprehensive Income in the period to which they relate. Actuarial gains and losses are recognised as Other Comprehensive Income.

**1.10 VAT**

The Union is registered for VAT on a partially exempt basis and therefore irrecoverable VAT has been allocated proportionately against the relevant expense heading.

**NAUTILUS INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**1. ACCOUNTING POLICIES (continued)**

**1.11 TAXATION**

The majority of the Union's income is exempt from taxation under the mutual trading exemption. Where income is not covered by this exemption, which largely represents investment income, provision for taxation has been made in the accounts.

Deferred tax is provided on all timing differences where the ultimate crystallization of a gain is expected to give rise to a tax liability, primarily being unrealised gains on listed equity and unit trust investments.

Tax is recognised in the Statement of Comprehensive Income. A change attributable to an item of income and expense recognised as other comprehensive income is also recognised in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Union operates and generates income.

**1.12 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the Union a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, where a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expenses in the Statement of Comprehensive Income in the year that the Union becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

**1.13 FOREIGN CURRENCY TRANSACTIONS**

The Union has operations in the Netherlands and Switzerland, which are conducted through branches established in those territories. Branch activities are included in the Union's financial statements on a consolidated basis as follows: income and expenditure amounts are translated from their local currency into sterling at the average rate for the year; assets and liabilities are translated at the rate ruling at the year end date. Foreign currency gains and losses arising on the consolidation of branch activities are recognised in Other Comprehensive Income.

**1.14 OPERATING LEASE RENTALS**

Rental charges under operating leases are recognised as expenditure on a straight line basis over the period of the lease.

**NAUTILUS INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

Council Members consider the provision for the Legal Defence Fund liabilities and the valuation of the MNAOA SPF to be critical estimates and judgements applicable to the financial statements.

Legal Defence Fund liabilities are accrued on the basis of management's expectations of the costs which are likely to be incurred on a case-by-case basis. The nature of each case is different and accordingly costs can vary significantly from original estimates. Such variations are taken into account in the remeasurement of the provision at each year end date.

The valuation of the MNAOA SPF is subject to significant judgement relating to each of the key assumptions set out in note 7 below.

<b>3. FIXED ASSETS</b>	<b>Freehold land and buildings £</b>	<b>Motor Vehicles £</b>	<b>Computers And Equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1st January 2016	480,000	259,287	1,107,528	1,846,815
Additions	-	219,597	282,694	502,291
Disposal	-	(83,595)	-	(83,595)
At 31st December 2016	<u>480,000</u>	<u>395,289</u>	<u>1,390,222</u>	<u>2,265,511</u>
<b>Depreciation</b>				
At 1st January 2016	35,460	205,235	941,569	1,182,264
Charge for the year	8,865	71,770	93,617	174,252
Disposal	-	(62,332)	-	(62,332)
At 31st December 2016	<u>44,325</u>	<u>214,673</u>	<u>1,035,186</u>	<u>1,294,184</u>
<b>Net book value</b>				
31st December 2016	<u>£435,675</u>	<u>£180,616</u>	<u>£355,036</u>	<u>£971,327</u>
31st December 2015	<u>£444,540</u>	<u>£54,052</u>	<u>£165,959</u>	<u>£664,551</u>

The freehold land and building at Wallasey was professionally valued on 7th April 2011. Charles Living & Sons valued Nautilus House, on a depreciated replacement cost basis in accordance with the Statements of Asset and Valuation Practice and Guidance Notes as issued by the Royal Institution of Chartered Surveyors. DM Hall valued Bannermill Place on an open market basis on 27 April 2011 in accordance with the Statements of Asset and Valuation Practice and Guidance Notes as issued by the Royal Institution of Chartered Surveyors. If the revalued land and properties were stated on a historical cost basis, the amounts would be as follows:

	<b>2016 £</b>	<b>2015 £</b>
Cost	353,778	353,778
Accumulated depreciation	(277,200)	(270,124)
Net Book Value	<u>£76,578</u>	<u>£83,654</u>



NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

4. INVESTMENTS	2016 £	2015 £
Market value of quoted investments at 1st January	14,992,201	14,786,476
Additions at cost	2,314,591	2,473,141
Disposal proceeds	(2,841,012)	(2,250,504)
Realised gains	9,537	97,928
Unrealised gains	1,109,308	348,630
Impact of foreign exchange gains/(losses)	1,224,855	(463,470)
	<u>16,809,480</u>	<u>14,992,201</u>
Unquoted investments	276,007	276,007
Total investments at market value	<u>£17,085,487</u>	<u>£15,268,208</u>
<b>Cost of investments</b>		
Fixed interest securities	6,947,183	6,470,434
Other quoted securities		
Investment Trusts	692,458	188,195
Overseas Trusts	2,939,552	3,081,388
Equity Holdings	3,337,689	3,125,155
	<u>13,916,882</u>	<u>12,865,172</u>
Unquoted Equity holdings	276,007	276,007
Total cost of quoted and unquoted investments at 31st December	<u>£14,192,889</u>	<u>£13,141,179</u>
<b>5. CREDITORS</b>		
Legal Defence Fund costs	123,000	160,000
Corporation tax	4,328	65,080
VAT	11,518	13,558
Other creditors	1,117,715	819,424
	<u>£1,256,561</u>	<u>£1,058,062</u>
<b>6. DEFERRED TAXATION</b>		
Balance at 1 January		255,370
Increase in year		27,656
Balance at 31 December		<u>£286,026</u>

**NAUTILUS INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**7. PENSION COMMITMENTS**

The Union operates a defined benefit pension scheme, the MNAOA Supplementary Pension Scheme (SPF) for certain members of staff. This scheme is now closed to new entrants. It is funded by the payment of contributions to a separately administered trust fund. The assets of the scheme are held separately from those of Nautilus International.

The Union adopts the valuation and disclosure requirements of section 28 of FRS102. The Union includes the assets and liabilities of the SPF in the Union's statement of financial position, with a consequent effect on reserves.

The pension contributions are determined with the advice of a qualified actuary on the basis of triennial valuations using the aggregate method. The most recent valuation was conducted as at 31st December 2014, the next triennial valuation will be conducted as at 31 December 2017. The principal assumptions used by the actuaries were Discount Rate of 4.5% for Pre Retirement and 2.3% for Post Retirement and salaries would increase by 3.0% per annum. The market value of the assets at 31 December 2014 was £4,894,000.

Nautilus International pension contribution into the MNAOASPF for the year was £150,000 (2015: £150,000). Contributions to the scheme will be £65,000 each year from 2017 to 2022 with a final balancing payment in 2023.

The most recent valuation has been updated to reflect conditions at the balance sheet date. The key assumptions were as follows:

Main assumptions	% per annum	
	2016	2015
RPI inflation	3.30	3.00
CPI inflation	2.30	2.00
Discount rate	2.50	3.70
Expected salary increases	3.30	3.00
Gross pension increases (in deferment and payment)	3.30	3.00

	Value at 31st December 2016 £'000s	Value at 31st December 2015 £'000s
Market value of assets	5,203	4,832
Present value of scheme liabilities	(5,841)	(4,740)
Net pension scheme (deficit)/surplus	<u>£(638)</u>	<u>£92</u>
Analysis of scheme assets		
Equities	741	793
Bonds	4,253	3,831
Cash and other asset types	209	208
	<u>£5,203</u>	<u>£4,832</u>

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

7. PENSION COMMITMENTS (continued)	2016 £'000s	2015 £'000s
Reconciliation of present value of defined benefit obligation:		
Present value of defined benefit obligation at the start of the period	4,740	5,186
Current service cost	7	27
Interest on defined benefit obligation	172	179
Past service cost	9	-
Employee contributions	-	1
Loss/(gain) on change of assumptions	1,181	(145)
Experience gain on liabilities	(94)	(344)
Benefits paid	(174)	(164)
	<u>£5,841</u>	<u>£4,740</u>
Reconciliation of fair value of scheme assets:		
	2016 £'000s	2015 £'000s
Fair value of scheme assets at the beginning of the period	4,832	4,869
Interest income (at discount rate)	181	170
Actual return on assets greater/(less) than discount rate	214	(194)
Employer contributions	150	150
Employee contributions	-	1
Benefits paid	(174)	(164)
	<u>£5,203</u>	<u>£4,832</u>

In the opinion of the actuary the resources of the scheme are likely in the normal course of events, to meet in full the liabilities of the scheme as they fall due. The next actuarial valuation is to be carried out as at 31 December 2017.

In addition Nautilus International has financial commitments to pay employer contributions and as laid down in legislation and the trust deeds and rules, to two multi employer pension schemes – the MNOFF, a defined benefit scheme, and the Ensign Retirement Plan formerly the MNOFF, a defined contribution scheme.

The actuarial valuations in March 2003, 2006, 2009 and 2012 of the MNOFF identified significant deficits in the New Section of the industry wide scheme. This is now being funded by the relevant employers. In 2013 Nautilus International paid off the balance due (£154,815) from both the 2003 and 2006 deficit. The 2009 deficit of some £1,308,670 was paid off in 2010 and 2011. A further deficit of £415,424 as disclosed in the March 2012 Valuation was fully paid off in 2013. These contributions are charged to the statement of comprehensive income when they become payable. In 2015 the final payment was made and no deficit remains.

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

7. PENSION COMMITMENTS (continued)

The Trustees of the pension scheme cannot identify the Union's share of the underlying assets and liabilities of the MNOFF defined benefit scheme on a consistent and reasonable basis. As explained above, the Union's pension contributions are assessed in accordance with the advice of a qualified independent actuary whose calculations are based upon the total scheme membership of the MNOFF.

In accordance with section 28 of FRS102 the scheme is therefore included in the financial statements as if it was a defined contribution scheme.

8. KEY MANAGEMENT PERSONNEL

The aggregate remuneration for the five individuals identified as key management personnel during the year was £331,210 (2015: £366,075).

9. TAXATION

	2016	2015
	£	£
Current year taxation		
UK corporation tax	4,505	65,080
Adjustment for prior year underprovision	29,537	368
Overseas taxation	4,753	1,986
	<u>38,795</u>	<u>67,434</u>
Deferred tax	27,656	(165,111)
	<u>£66,451</u>	<u>£(97,677)</u>
<b>Reconciliation of tax charge</b>		
Surplus on ordinary activities	<u>870,777</u>	<u>388,165</u>
Corporation tax at 20% (2015: 20.25%)	174,155	78,603
Effects of:		
Non-taxable income and non-deductible expenditure	(149,959)	(178,547)
Marginal relief	-	(87)
Foreign tax paid	4,753	1,986
Prior year adjustments	29,537	368
Deferred tax adjustment	7,965	-
	<u>£66,451</u>	<u>£(97,677)</u>

10. WELFARE FUND

The Balance Sheet and Statement of Financial Activities of the Nautilus Welfare Fund, which operate under a Charity Commission Scheme, are published separately.

11. OPERATING LEASE COMMITMENTS

	2016	2015
	£	£
At the year end date, the Union had the following commitments in respect of non-cancellable operating leases:		
Land and buildings		
Payable within one year	106,995	106,995
Payable after more than one year but not later than five years	427,980	427,980
Payable after more than five years	945,123	1,052,118
	<u>£1,480,098</u>	<u>£1,587,093</u>

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

12. STATEMENT OF COMPREHENSIVE INCOME - 2015

	General fund £	Legal defence fund £	Total £
Subscription income from individual	3,238,593	262,589	3,501,182
Subscription income from Memorandum			
Agreements with employers	1,868,709	151,516	2,020,225
Investment income	224,669	-	224,669
Advertising revenue	464,619	-	464,619
Other income	134,617	-	134,617
	<u>5,931,207</u>	<u>414,105</u>	<u>6,345,312</u>
<b>EXPENDITURE</b>			
Travel and general organising	548,175	-	548,175
Elections and BGM costs	59,577	-	59,577
Legal defence costs	-	294,551	294,551
Affiliations and council expenses	243,666	-	243,666
Telegraph – net cost	482,833	-	482,833
Phone, post, printing and stationery	279,822	-	279,822
Professional fees and bank charges	304,230	-	304,230
Donations	38,925	-	38,925
Staff costs	3,417,992	-	3,417,992
Pension fund asset and costs	36,000	-	36,000
Building costs	391,960	-	391,960
Computer and equipment costs	141,251	-	141,251
Gain on disposal of fixed assets	(2,465)	-	(2,465)
Depreciation - Freehold buildings	8,865	-	8,865
Motor vehicles	64,180	-	64,180
Computer and equipment	94,143	-	94,143
	<u>6,109,154</u>	<u>294,551</u>	<u>6,403,705</u>
<b>TOTAL OPERATING SURPLUS</b>	<b>(177,947)</b>	<b>119,554</b>	<b>(58,393)</b>
Gains on disposal of investments	97,928	-	97,928
Gains on revaluation of investments	348,630	-	348,630
<b>SURPLUS BEFORE TAXATION</b>	<b>268,611</b>	<b>119,554</b>	<b>388,165</b>
Taxation	97,677	-	97,677
<b>TOTAL SURPLUS FOR THE YEAR</b>	<b>366,288</b>	<b>119,554</b>	<b>485,842</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Actuarial gains on SPF scheme			295,000
Foreign exchange gains/(losses)			(451,890)
<b>TOTAL COMPREHENSIVE INCOME</b>			<u><u>£328,952</u></u>

## NAUTILUS INTERNATIONAL

### STATEMENT OF COUNCIL AND GENERAL SECRETARY'S RESPONSIBILITIES

---

Rule 10 of the Nautilus International Rules provides that the Council is responsible for the absolute control and administration of the affairs and property of the Union and thus for safeguarding the assets of the Union. Rule 22.2 provides that the General Secretary shall provide Council with such financial statements as it may require.

The General Secretary is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Union and for ensuring that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992 as amended and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Law applicable to Trade Unions requires the preparation of financial statements for each financial year which give a true and fair view of the Union's activities during the year and of its financial position at the end of the year. In preparing those financial statements, the General Secretary is required to;

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

# 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)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
NAUTILUS INTERNATIONAL**

---

We have audited the financial statements of Nautilus International for the year ended 31 December 2016 set out on pages 1 to 13. These financial statements have been prepared under the accounting policies set out on pages 5 to 7.

This report is made solely to the members of the Union, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (amended). Our audit work has been undertaken so that we might state to the members of the Union those matters we are required to state to them in an independent 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 Union and the members of the Union as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of the Union's Council and auditors**

As described on page 14 the Council are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standard for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

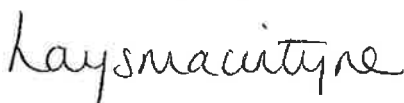
- give a true and fair view of the state of the Union's affairs as at 31 December 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992 (amended).

**Matters on which we are required to report by exception**

The Trade Union and Labour Relations (Consolidation) Act 1992 (amended) requires us to report to you if, in our opinion:

- A satisfactory system of control over transactions has not been maintained.
- The Union has not kept proper accounting records.
- The financial statements are not in agreement with the books of account.
- We have not received all the information and explanations required for our audit.

We have nothing to report to you in respect of the above matters.



**haysmacintyre**  
Chartered Accountants  
Registered Auditors  
6 April 2017

**26 Red Lion Square**  
London  
WC1R 4AG



# AUDITOR'S REPORT (section one)

See attached signed audited Nautilus International 2016 accounts

Signature(s) of auditor or auditors:

*haysmacintyre*

Name(s):

haysmacintyre

Profession(s) or Calling(s):

Chartered Accountant

Address(es):

26 Red Lion Square  
London  
WC1R 4AG

Date:

23/5/2017

Contact name and telephone number:

Bernadette King  
020 7969 5500

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

# MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

made in accordance with section 24ZD of the  
Trade Union and Labour Relations (Consolidation) Act 1992.

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

YES/NO

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21.

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21.

## MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

*For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer*

1. In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

YES/NO

2. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

YES/NO

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) **send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.**

# MEMBERSHIP AUDIT CERTIFICATE (continued)

N/A

Signature of  
assurer

*Haysmacintyre*

Name

haysmacintyre

Address

26 Red Lion Square  
London  
WC1R 4AG

Date

*23/5/2017*

Contact name  
and telephone  
number

Bernadette King  
020 7969 5500