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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:

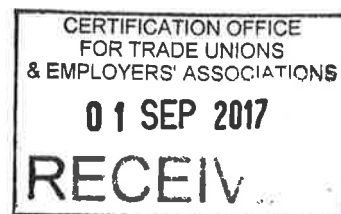
e-mail:

**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  
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



# 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
49	-	-	-	49

## OFFICERS IN POST

### SOUTH EAST EMPLOYERS

#### LEGAL AND ADMINISTRATIVE INFORMATION YEAR ENDED 31 MARCH 2017

#### Regional Director

Jennifer McNeill

#### Treasurer

Stephen Fitzgerald (interim)      March 2016 – May 2016  
 Simon Little                              May 2016 – May 2017  
 Darren Kennedy (Interim)          from May 2017

#### Executive Committee

Cllr Richard Burrett                      re-elected July 2016  
 Cllr Rory Love                              re-elected July 2016  
 Cllr Bernadette Fisher                  elected July 2016  
 Cllr Maureen Holding                  re-elected July 2016  
 Cllr Trevor Webb                        elected July 2016  
 Cllr Paul Taylor                         re-elected July 2016  
 Cllr Ian Ward                              re-elected July 2016  
 Cllr Murray Grubb                      elected July 2016  
 Cllr Bob Blezzard                        re-elected July 2016  
 Cllr Paulina Stockell                  re-elected July 2016  
 Cllr Ayesha Azad                        elected July 2016  
 Cllr Jeanette Green                    re-elected July 2016  
 Cllr Stuart Munro                        re-elected July 2016  
 Cllr David Elkin                         resigned July 2016  
 Cllr David Bilbé                         resigned July 2016  
 Cllr Robin Bradburn                  re-elected July 2016  
 Cllr Tony Page                            resigned July 2016  
 Cllr Sohail Munawar                  resigned July 2016  
 Cllr Preston Brooker                  resigned July 2016  
 Cllr Brian Parnell                        resigned Nov 2015  
 Cllr Arif Hussain                        re-elected July 2016

## 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
Treasurer	Stephen Fitzgerald	Simon Little	May 2016
Treasurer	Simon Little	Darren Kennedy	May 2017
Executive Committee Member	Cllr David Elkin	Cllr Bernadette Fisher	July 2016
Executive Committee Member	Cllr David Bilbé	Cllr Trevor Webb	July 2016
Executive Committee Member	Cllr Tony Page	Cllr Murray Grubb	July 2016
Executive Committee Member	Cllr Sohail Munawar	Cllr Ayesha Azad	July 2016
Executive Committee Member	Cllr Preston Brooker	-	July 2016
Executive Committee Member	Cllr Brian Parnell	-	July 2016

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	<b>INCOME</b>			
372,448	From Members	Subscriptions, levies, etc	370,408	
	Investment income			
7,319		Bank interest (gross)	6,881	
(70,000)		Defined Benefit Pension Scheme	(70,000)	307,289
	Other income	Consultancy fees	311,832	
305,491		Other project funding	16,676	
18,286				328,508
		<b>TOTAL INCOME</b>		<b>635,797</b>
633,544				
	<b>EXPENDITURE</b>			
	Administrative expenses			
441,804		Remuneration and expenses of staff	459,818	
47,244		Occupancy costs	47,726	
6,807		Printing, Stationery, Post	7,323	
9,818		Telephones	10,265	
5,585		Legal and Professional fees	5,699	
6,232		Insurance	6,029	
10,629		Equipment leases & maintenance	9,013	
46,000		Finance/IT contract	33,833	
1,450		Website	0	
1,308		Other IT costs	524	
	Other charges	Affiliation fees	3,550	
3,400				
5,677		Conference and meeting costs	6,496	
46,722		External consultancy and other training	39,034	
12,809		Other project expenditure	12,739	
		<b>TOTAL EXPENDITURE</b>		<b>642,049</b>
645,485				
		Surplus/Deficit for year		(6,252)
(11,941)				
380,000	Actuarial gain/(loss) in respect of defined benefit pension scheme			(340,000)
(1,665,738)	Amount of fund at beginning of year			(1,297,679)
(1,297,679)	Amount of fund at end of year			(1,643,931)

# 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>£</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 3</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)	

## ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(See notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
<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)	

ACCOUNT 5		Fund Account	
Name of account:		£	£
<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>	
Name of account:		£	£
<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>	
Name of account:		£	£
<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<sup>st</sup> March 2017

(See notes 19 and 20)

Previous Year		£		£
0	<b>Fixed Assets</b> (as at page 11)	0		
	<b>Investments</b> (as per analysis on page 13)			
0	Quoted (Market value £ )	0		
0	Unquoted	0		0
	<b>Total Investments</b>			
	<b>Other Assets</b>			
534,556	Sundry debtors	504,632		
944,596	Reserve Deposits & Bank Accounts	1,047,901		
	<b>Total of other assets</b>			
<b>1,479,152</b>			<b>TOTAL ASSETS</b>	<b>1,552,533</b>
972,321	General 'Fund			1,036,069
(2,270,000)	Defined Benefit Pension Scheme Liability			(2,680,000)
(1,297,679)				
	<b>Liabilities</b>			
84,180	VAT payable	89,822		
16,071	Sundry Creditors	3,219		
51,285	Accrued expenses	63,010		
355,295	Other liabilities – Deferred Grant /Income	360,413		
2,270,000	Defined Benefit Pension Scheme Liability	2,680,000		
<b>2,776,831</b>			<b>TOTAL LIABILITIES</b>	<b>3,196,464</b>
<b>1,479,152</b>			<b>TOTAL ASSETS</b>	<b>1,552,533</b>



# FIXED ASSETS ACCOUNT

(See note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
<b>COST OR VALUATION</b>				
At start of period				
Additions during period				
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period				
 <b>BOOK AMOUNT</b> at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
<b>AS BALANCE SHEET</b>				

# 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 X
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	370,408		370,408
From Investments	6,881		6,881
Other Income (including increases by revaluation of assets)	328,508		328,508
Actuarial <b>loss</b> in respect of defined benefit pension scheme	(340,000)		(340,000)
<b>Total Income</b>	365,797		365,797
<b>EXPENDITURE</b>			
	642,049		642,049
Defined Benefit Pension Scheme	70,000		70,000
<b>Total Expenditure</b>	712,049		712,049
<b>Funds at beginning of year</b> (including reserves)	(1,297,679)		(1,297,679)
<b>Funds at end of year</b> (including reserves)	(1,643,931)		(1,643,931)
<b>ASSETS</b>			
	Other Assets		1,552,533
		<b>Total Assets</b>	1,552,533
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	(3,196,464)
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			(1,643,931)

# NOTES TO THE ACCOUNTS

(See note 36)

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

## SOUTH EAST EMPLOYERS

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

#### 1. Accounting policies

##### Basis of accounting

The accounts have been prepared on the basis of the historical cost convention and incorporate the results of the principal activity which is that of an employers' association.

The financial statements are prepared in accordance with applicable UK accounting standards and with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992.

The pension liability uses the Consumer Price Index (CPI) as the inflation measure for determining the minimum pension increase to be applied to the statutory index-linked features of retirement benefits. There is no expectation that the pension fund will need to be distributed in full during the next twelve months and therefore there will be no requirement to make good the pension fund liability. The net asset position of the organisation excluding the pension scheme deficit is £1,035,059, with a cash balance held of £1,047,901. On this basis, the executive committee considers it appropriate to prepare the financial statements on the going concern basis.

##### Income

Subscription income is recognised in the year to which the subscriptions relate. Where it relates to a future period the income is deferred.

Course and seminar income represents the amount receivable by the organisation for training services and information provided in the normal course of business, after making due allowance for deferred amounts, exclusive of Value Added Tax. Amounts receivable for courses and seminars are recognised in the period in which the course or seminar is delivered.

##### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**1. Accounting policies (continued)**

**Pension costs and other post-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. Contributions to the scheme are charged to the Income and Expenditure account so as to spread the cost of pensions over the employees' working lives. The contributions are determined by a qualified actuary on the basis of triennial valuations.

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

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.

**2. Operating surplus**

Operating surplus is stated after charging

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Auditors remuneration	4,380	4,300

**3. Interest payable and similar charges**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Net finance expense/(gain) in respect of defined benefit pension schemes	70,000	70,000

**SOUTH EAST EMPLOYERS  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2017**

**4. Debtors**

	2017	2016
	£	£
Trade debtors	667,033	500,787
Other debtors	37,593	33,776
	504,632	534,563

**5. Creditors: Amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	3,218	16,077
Other taxation and social security	69,820	84,180
Other creditors	423,423	406,581
	516,461	506,838

**6. Pension commitments**

The organisation contributes to a Local Government Pension Scheme (LGPS) providing benefits based on final pensionable pay. The LGPS is a funded defined-benefit scheme, with the assets of the scheme held separately from those of the organisation and are administered under an Admission agreement with Hampshire County Council Pension Fund.

The contributions are determined annually by the administrators of the Hampshire County Council Pension Fund based on a triennial actuarial valuation using the projected unit method and determined by a qualified actuary. The last valuation was carried out on 31 March 2016.

**Principal Actuarial Assumptions**

The organisation has applied the following financial assumptions in assessing the defined benefit liabilities:

	2017	2016	2015	2014
	%	%	%	%
Rate of increase in salaries	3.5	3.2	3.3	3.8
Rate of increase in pensions in payment	2.0	1.7	1.8	2.3
Discount rate	2.5	3.4	3.2	4.3
RPI Inflation assumption	3.1	2.8	2.9	3.3
CPI Inflation assumption	2.0	1.7	1.8	2.3

Effective from 1 April 2011, the organisation switched to use the Consumer Price Index (CPI) rather than the Retail Price Index (RPI) as the inflation measure for determining the index-linked pension increase to be applied to the statutory index-linked features of retirement benefits.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**D. Pension commitments (continued)**

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

	2017 £	2016 £	2015 £	2014 £
Total market value of assets	6,450,000	5,590,000	5,620,000	5,000,000
Present value of scheme liabilities	(9,130,000)	(7,800,000)	(8,200,000)	(7,210,000)
Net pension liability	<u>(2,680,000)</u>	<u>(2,270,000)</u>	<u>(2,580,000)</u>	<u>(2,210,000)</u>

	Value at 31 March 2017 £	Value at 31 March 2016 £
Equities	3,889,350	3,147,170
Property	419,250	456,360
Bonds	1,715,700	1,554,020
Cash	219,300	262,730
Other	206,400	167,700
<b>Total market value of assets</b>	<u>6,450,000</u>	<u>5,590,000</u>
Present value of scheme liabilities - funded	<u>(9,130,000)</u>	<u>(7,860,000)</u>
<b>Deficit in the scheme</b>	<u>(2,680,000)</u>	<u>(2,270,000)</u>

An analysis of the defined benefit cost follows:

Analysis of the amount charged to operating surplus:

	2017 £	2016 £
Current service cost	(90,000)	(70,000)
Total operating charge	<u>(90,000)</u>	<u>(70,000)</u>

Analysis of the amount charged to finance costs:

	2017 £	2016 £
Other finance costs: Interest on pension scheme liabilities	(260,000)	(260,000)
Other finance costs: Expected return on assets of the scheme	190,000	180,000
Total finance costs	<u>(70,000)</u>	<u>(80,000)</u>



**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**6. Pension commitments (continued)**

An analysis of the amount recognised in the Statement of Comprehensive Income is shown below:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Total actuarial gain/(losses)	<u>(340,300)</u>	<u>380,000</u>

An analysis of the movements in deficit during the year are shown below:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
At 1 April	(2,270,000)	(2,590,000)
Total operating charge	(90,000)	(70,000)
Total other finance costs	(70,000)	(80,000)
Actuarial (loss)/gain	(340,000)	380,000
Contributions	90,000	80,000
At 31 March	<u>(2,880,000)</u>	<u>(2,270,000)</u>

**Asset and Liability Reconciliation**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of liabilities</b>		
At 1 April	7,960,000	8,200,000
Current service cost	90,000	70,000
Interest cost	260,000	260,000
Employee contributions	30,000	30,000
Actuarial loss/(gain)	(1,150,000)	(470,000)
Net benefits paid out	(260,000)	(220,000)
At 31 March	<u>6,130,000</u>	<u>7,890,000</u>

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of assets</b>		
At 1 April	5,590,000	5,620,000
Expected return on assets	(90,000)	(60,000)
Actuarial (loss)/gain on assets	810,000	(50,000)
Employer contributions	90,000	60,000
Employee contributions	30,000	30,000
Net benefits paid out	(260,000)	(220,000)
At 31 March	<u>6,450,000</u>	<u>5,590,000</u>

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**6. Pension commitments (continued)**

Amounts for the current and previous three periods are as follows.

	2017	2016	2015	2014
	£000	£000	£000	£000
Fair value of scheme assets	6,450	5,880	5,620	5,000
Present value of scheme liabilities	(9,130)	(7,860)	(8,200)	(7,310)
Deficit in scheme	(2,680)	(2,970)	(2,580)	(2,310)
Experience adjustment on scheme assets	010	(80)	410	170
Experience adjustment on scheme liabilities	90	70	60	(280)

**7. Commitments under operating leases**

At 31 March 2017 the organisation had aggregate annual commitments under non-cancellable operating leases of £59,188 (2016 - £94,205).

The lease for Crown Walk was negotiated on the 24 December 2013. The term of the lease is 5 years with a rent free period of 4 weeks. The average cost of the lease is £23,698 per annum.

**8. Related party transactions**

During the year the organisation incurred consultancy charges from Sikstead Consultancy of £1,400 (2016 - £3,772). Keith Field is the proprietor of Sikstead Consultancy and partner of Jennifer McNeill. At the year end, a balance of £nil (2016 - £nil) was outstanding in trade creditors.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**9. Higher paid employees**

The number of employees whose emoluments (excluding employer's pension contributions) exceeded £50,000 was

	2017	2016
£50,000 - £64,999	1	1
£65,000 - £84,999	1	1

During the year the following amounts were paid to higher paid employees as shown above:

	2017		2016	
	Regional Director	Development Director	Regional Director	Development Director
	£'000	£'000	£'000	£'000
Salary	64	67	63	57
Other remuneration	9	5	9	4
Employers pension contributions	14	9	14	9
	107	71	106	70

**10. Income and expenditure account**

	2017	2016
	£	£
Balance brought forward		
Surplus/(deficit) for the financial year	(1,297,679)	(1,855,738)
Defined pension benefit scheme	(346,000)	(11,941)
Balance carried forward	(1,843,831)	(1,297,679)



**11. Control**

The organisation is controlled by the Executive Committee on behalf of the members of the organisation.

# SIGNATURES TO THE ANNUAL RETURN

(See notes 39 and 40)

Including the accounts and balance sheet contained in the return.

Secretary's Signature: 	Treasurers Signature: 
Name: JENNIFER MCNEILL	Name: DARREN KENNEDY
Date: <u>24/08/2017</u>	Date: <u>24/08/2017</u>

## CHECK LIST

(See note 41)

(Please tick as appropriate)

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

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

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

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)

Please see attached

## AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:		
Name(s):	Wilkins Kennedy LLP	
Profession(s) or Calling(s):	Statutory Auditor & Chartered Accountants	
Address(as):	Templars House Lulworth House Chandlers Ford SO53 3TL	
Date:	25 August 2017	
Contact name and telephone number:	O Rowe 02380 247070	

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

## SOUTH EAST EMPLOYERS

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST EMPLOYERS YEAR ENDED 31 MARCH 2017

We have audited the financial statements of South East Employers for the year ended 31 March 2017 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the organisation'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 organisation's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the organisation and the organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the Executive Committee and auditor**

The Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 require the officers of South East Employers to: prepare financial statements and keep proper accounting records which give a true and fair view of the state of affairs of South East Employers and explain its transactions; establish and maintain a satisfactory system of control of the accounting records, cash holding and all the receipts and remittances; prepare an annual return for the Certification Officer giving a true and fair view of the revenue account and balance sheet and provide members of South East Employers with a statement of income and expenditure for the year. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **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 Executive Committee; and the overall presentation of the financial statements.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the organisation's affairs as at 31 March 2017 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992.




**SOUTH EAST EMPLOYERS**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**OF SOUTH EAST EMPLOYERS**  
**YEAR ENDED 31 MARCH 2017**

---

**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 and the Trade Union Reform and Employment Rights Act 1993 require us to report to you if, in our opinion:

- proper books of account have not been kept by the organisation in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the organisation in accordance with the requirements of the legislation;
- the revenue account to which our report relates, and the balance sheet are not in agreement with the books of account of the organisation; and
- we have not obtained all the information and explanations necessary for the purposes of our audit.

  
.....  
Wilkins Kennedy LLP  
Chartered Accountants & Statutory Auditor  
Templars House  
Lulworth Close  
Chandlers Ford  
Hampshire  
SO53 3TL

Date: 23 August 2017



**SOUTH EAST EMPLOYERS  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**SOUTH EAST EMPLOYERS**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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## SOUTH EAST EMPLOYERS

### LEGAL AND ADMINISTRATIVE INFORMATION YEAR ENDED 31 MARCH 2017

<b>Regional Director</b>	Jennifer McNeill	
<b>Treasurer</b>	Stephen Fitzgerald (interim) Simon Little Darren Kennedy (interim)	March 2016 – May 2016 May 2016 – May 2017 from May 2017
<b>Executive Committee</b>	Cllr Richard Burrett Cllr Rory Love Cllr Bernadette Fisher Cllr Maureen Holding Cllr Trevor Webb Cllr Paul Taylor Cllr Ian Ward Cllr Murray Grubb Cllr Bob Blezzard Cllr Paulina Stockell Cllr Ayesha Azad Cllr Jeanette Green Cllr Stuart Munro Cllr David Elkin Cllr David Bilbé Cllr Robin Bradburn Cllr Tony Page Cllr Sohail Munawar Cllr Preston Brooker Cllr Brian Parnell Cllr Arif Hussain	re-elected July 2016 re-elected July 2016 elected July 2016 re-elected July 2016 elected July 2016 re-elected July 2016 re-elected July 2016 elected July 2016 re-elected July 2016 re-elected July 2016 elected July 2016 re-elected July 2016 re-elected July 2016 resigned July 2016 resigned July 2016 re-elected July 2016 resigned July 2016 resigned July 2016 resigned July 2016 resigned Nov 2015 re-elected July 2016
<b>Business address</b>	2 Crown Walk Jewry Street Winchester S023 8BB	
<b>Auditors &amp; Accountants</b>	Wilkins Kennedy LLP Statutory Auditors and Chartered Accountants Templars House Lulworth Close Chandlers Ford Hampshire S053 3TL	
<b>Bankers</b>	Lloyds Bank plc 49 High Street Winchester Hampshire S023 9BU	

**SOUTH EAST EMPLOYERS**  
**STATEMENT OF EXECUTIVE COMMITTEE RESPONSIBILITIES**  
**YEAR ENDED 31 MARCH 2017**

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Employers' Association legislation requires the organisation to prepare accounts for the financial year which give a true and fair view of the state of affairs of the organisation and of the surplus or deficit of the organisation for that year. In preparing those accounts the organisation delegates authority to the Executive Committee and Regional Director to:


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

The Executive Committee is responsible for ensuring that arrangements are made for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation and to enable them to ensure that the accounts comply with the relevant legislation. It is also responsible for ensuring that there is a satisfactory system of control over these records, through the appointment of Trustees of the organisation, and for safeguarding the assets of the organisation and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

In so far as the Executive Committee, as individuals, are aware:

- there is no relevant audit information of which the organisation's auditor is unaware; and
- the Executive Committee have taken all steps that they ought to have taken to make themselves aware of any audit information and to ensure that the auditor is aware of that information.

On behalf of the committee

  
Jennifer McNeill  
Regional Director

Approved by the Executive Committee on 28th July 2017

## **SOUTH EAST EMPLOYERS**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST EMPLOYERS YEAR ENDED 31 MARCH 2017**

---

We have audited the financial statements of South East Employers for the year ended 31 March 2017 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the organisation'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 organisation's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the organisation and the organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the Executive Committee and auditor**

The Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 require the officers of South East Employers to: prepare financial statements and keep proper accounting records which give a true and fair view of the state of affairs of South East Employers and explain its transactions; establish and maintain a satisfactory system of control of the accounting records, cash holding and all the receipts and remittances; prepare an annual return for the Certification Officer giving a true and fair view of the revenue account and balance sheet and provide members of South East Employers with a statement of income and expenditure for the year. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **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 Executive Committee; and the overall presentation of the financial statements.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the organisation's affairs as at 31 March 2017 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992.

**SOUTH EAST EMPLOYERS**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**OF SOUTH EAST EMPLOYERS**  
**YEAR ENDED 31 MARCH 2017**

---

**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 and the Trade Union Reform and Employment Rights Act 1993 require us to report to you if, in our opinion:

- proper books of account have not been kept by the organisation in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the organisation in accordance with the requirements of the legislation;
- the revenue account to which our report relates, and the balance sheet are not in agreement with the books of account of the organisation; and
- we have not obtained all the information and explanations necessary for the purposes of our audit.



Wilkins Kennedy LLP  
Chartered Accountants & Statutory Auditor  
Templars House  
Lulworth Close  
Chandlers Ford  
Hampshire  
SO53 3TL

Date: 23 August 2017

**SOUTH EAST EMPLOYERS**  
**INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31 MARCH 2017**

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
<b>Income</b>		698,916	696,225
Administrative expenses		(642,049)	(645,485)
<b>Operating surplus</b>	2	56,867	50,740
Interest receivable		6,881	7,319
Interest (payable) and similar (charges)/gains	3	(70,000)	(70,000)
<b>Surplus/(deficit) for the financial year</b>		(6,252)	(11,941)

All of the activities of the organisation are classed as continuing.

The notes on pages 10 to 16 form part of these financial statements.

**SOUTH EAST EMPLOYERS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31 MARCH 2017**

---

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the financial year	(6,252)	(11,941)
Actuarial (loss)/gain in respect of defined benefit pension scheme (note 6)	(340,000)	380,000
Total Comprehensive Income for the year	<u>(346,252)</u>	<u>368,059</u>

The notes on pages 10 to 16 form part of these financial statements.





**SOUTH EAST EMPLOYERS**

**BALANCE SHEET  
31 MARCH 2017**

		2017		2016	
	Note	£	£	£	£
<b>Current assets</b>					
Debtors	4	504,632		534,557	
Cash at bank		1,047,901		944,596	
		<u>1,552,533</u>		<u>1,479,153</u>	
<b>Creditors: Amounts falling due within one year</b>	5	(516,464)		(506,832)	
<b>Net current assets</b>			1,036,069		972,321
<b>Net assets excluding pension liability</b>			1,036,069		972,321
Defined benefit pension scheme liability	6		(2,680,000)		(2,270,000)
<b>Net (liabilities)/assets including pension liability</b>			<u>(1,643,931)</u>		<u>(1,297,679)</u>
<b>Capital and reserves</b>					
Income and expenditure account:	10				
General reserve			1,036,069		972,321
Pension liability	6		(2,680,000)		(2,270,000)
			<u>(1,643,931)</u>		<u>(1,297,679)</u>

The financial statements were approved by the Executive Committee and are signed on their behalf by:

  
Jennifer McNeill  
Regional Director

  
Darren Kennedy  
Finance Manager (Strategic Finance)  
Winchester City Council

Dated: 28th July 2017

The notes on pages 10 to 16 form part of these financial statements.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

---

**1. Accounting policies**

**Basis of accounting**

The accounts have been prepared on the basis of the historical cost convention and incorporate the results of the principal activity which is that of an employers' association.

The financial statements are prepared in accordance with applicable UK accounting standards and with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992.

The pension liability uses the Consumer Price Index (CPI) as the inflation measure for determining the minimum pension increase to be applied to the statutory index-linked features of retirement benefits. There is no expectation that the pension fund will need to be distributed in full during the next twelve months and therefore there will be no requirement to make good the pension fund liability. The net asset position of the organisation excluding the pension scheme deficit is £1,036,069, with a cash balance held of £1,047,901. On this basis, the executive committee considers it appropriate to prepare the financial statements on the going concern basis.

**Income**

Subscription income is recognised in the year to which the subscriptions relate. Where it relates to a future period the income is deferred.

Course and seminar income represents the amount receivable by the organisation for training services and information provided in the normal course of business, after making due allowance for deferred amounts, exclusive of Value Added Tax. Amounts receivable for courses and seminars are recognised in the period in which the course or seminar is delivered.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

---

**1. Accounting policies (continued)**

**Pension costs and other post-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. Contributions to the scheme are charged to the Income and Expenditure account so as to spread the cost of pensions over the employees' working lives. The contributions are determined by a qualified actuary on the basis of triennial valuations.

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

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.

**2. Operating surplus**

Operating surplus is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Auditors remuneration	4,360	4,300

**3. Interest payable and similar charges**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Net finance expense/(gain) in respect of defined benefit pension schemes	70,000	70,000

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**4. Debtors**

	2017	2016
	£	£
Trade debtors	467,033	500,781
Other debtors	37,599	33,776
	<u>504,632</u>	<u>534,557</u>

**5. Creditors: Amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	3,219	16,071
Other taxation and social security	89,822	84,180
Other creditors	423,423	406,581
	<u>516,464</u>	<u>506,832</u>

**6. Pension commitments**

The organisation contributes to a Local Government Pension Scheme (LGPS) providing benefits based on final pensionable pay. The LGPS is a funded defined-benefit scheme, with the assets of the scheme held separately from those of the organisation and are administered under an Admission agreement with Hampshire County Council Pension Fund.

The contributions are determined annually by the administrators of the Hampshire County Council Pension Fund based on a triennial actuarial valuation using the projected unit method and determined by a qualified actuary. The last valuation was carried out on 31 March 2016.

**Principal Actuarial Assumptions**

The organisation has applied the following financial assumptions in assessing the defined benefit liabilities:

	2017	2016	2015	2014
	%	%	%	%
Rate of increase in salaries	3.5	3.2	3.3	3.8
Rate of increase in pensions in payment	2.0	1.7	1.8	2.3
Discount rate	2.5	3.4	3.2	4.3
RPI Inflation assumption	3.1	2.8	2.9	3.3
CPI Inflation assumption	2.0	1.7	1.8	2.3

Effective from 1 April 2011, the organisation switched to use the Consumer Price Index (CPI) rather than the Retail Price Index (RPI) as the inflation measure for determining the minimum pension increase to be applied to the statutory index-linked features of retirement benefits.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**6. Pension commitments (continued)**

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

	2017	2016	2015	2014
	£	£	£	£
Total market value of assets	6,450,000	5,590,000	5,620,000	5,000,000
Present value of scheme liabilities	(9,130,000)	(7,860,000)	(8,200,000)	(7,310,000)
<b>Net pension liability</b>	<b>(2,680,000)</b>	<b>(2,270,000)</b>	<b>(2,580,000)</b>	<b>(2,310,000)</b>

	Value at 31 March 2017 £	Value at 31 March 2016 £
Equities	3,889,350	3,147,170
Property	419,250	458,380
Bonds	1,715,700	1,554,020
Cash	219,300	262,730
Other	206,400	167,700
<b>Total market value of assets</b>	<b>6,450,000</b>	<b>5,590,000</b>
Present value of scheme liabilities: - funded	(9,130,000)	(7,860,000)
<b>Deficit in the scheme</b>	<b>(2,680,000)</b>	<b>(2,270,000)</b>

An analysis of the defined benefit cost follows:

Analysis of the amount charged to operating surplus:

	2017	2016
	£	£
Current service cost	(90,000)	(70,000)
<b>Total operating charge</b>	<b>(90,000)</b>	<b>(70,000)</b>

Analysis of the amount charged to finance costs:

	2017	2016
	£	£
Other finance costs: Interest on pension scheme liabilities	(260,000)	(260,000)
Other finance costs: Expected return on assets of the scheme	190,000	180,000
<b>Total finance costs</b>	<b>(70,000)</b>	<b>(80,000)</b>

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**6. Pension commitments (continued)**

An analysis of the amount recognised in the Statement of Comprehensive Income is shown below:

	2017 £	2016 £
Total actuarial gain/(losses)	(340,000)	380,000

An analysis of the movements in deficit during the year are shown below:

	2017 £	2016 £
At 1 April	(2,270,000)	(2,580,000)
Total operating charge	(90,000)	(70,000)
Total other finance costs	(70,000)	(80,000)
Actuarial (loss)/gain	(340,000)	380,000
Contributions	90,000	80,000
At 31 March	(2,680,000)	(2,270,000)

**Asset and Liability Reconciliation**

	2017 £	2016 £
Reconciliation of liabilities		
At 1 April	7,860,000	8,200,000
Current service cost	90,000	70,000
Interest cost	260,000	260,000
Employee contributions	30,000	20,000
Actuarial loss/(gain)	1,150,000	(470,000)
Net benefits paid out	(260,000)	(220,000)
At 31 March	9,130,000	7,860,000

	2017 £	2016 £
Reconciliation of assets		
At 1 April	5,590,000	5,620,000
Expected return on assets	190,000	180,000
Actuarial (loss)/gain on assets	810,000	(90,000)
Employer contributions	90,000	80,000
Employee contributions	30,000	20,000
Net benefits paid out	(260,000)	(220,000)
At 31 March	6,450,000	5,590,000

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**6. Pension commitments (continued)**

Amounts for the current and previous three periods are as follows:

	2017	2016	2015	2014
	£'000	£'000	£'000	£'000
Fair value of scheme assets	6,450	5,590	5,620	5,000
Present value of scheme liabilities	(9,130)	(7,860)	(8,200)	(7,310)
Deficit in scheme	(2,680)	(2,270)	(2,580)	(2,310)
Experience adjustment on scheme assets	810	(90)	410	170
Experience adjustment on scheme liabilities	90	70	60	(280)

**7. Commitments under operating leases**

At 31 March 2017 the organisation had aggregate annual commitments under non-cancellable operating leases of £59,188 (2016: £94,236).

The lease for Crown Walk was negotiated on the 24 December 2013. The term of the lease is 5 years with a rent free period of 4 weeks. The average cost of the lease is £23,818 per annum.

**8. Related party transactions**

During the year the organisation incurred consultancy charges from Silkstead Consultancy of £1,400 (2016 - £3,772). Keith Field is the proprietor of Silkstead Consultancy and partner of Jennifer McNeill. At the year end, a balance of £nil (2016 - £nil) was outstanding in trade creditors.

**SOUTH EAST EMPLOYERS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**9. Higher paid employees**

The number of employees whose emoluments (excluding employer's pension contributions) exceeded £50,000 was:

	2017	2016
£60,000 - £64,999	1	1
£90,000 - £94,999	1	1

During the year the following amounts were paid to higher paid employees as shown above:

	2017		2016	
	Regional Director	Development Director	Regional Director	Development Director
	£'000	£'000	£'000	£'000
Salary	84	57	83	57
Other remuneration	9	5	9	4
Employers pension contributions	14	9	14	9
	107	71	106	70

**10. Income and expenditure account**

	2017	2016
	£	£
Balance brought forward	(1,297,679)	(1,665,738)
Surplus/(deficit) for the financial year	(6,252)	(11,941)
Defined pension benefit scheme	(340,000)	380,000
Balance carried forward	(1,643,931)	(1,297,679)

**11. Control**

The organisation is controlled by the Executive Committee on behalf of the members of the organisation.



**SOUTH EAST EMPLOYERS  
MANAGEMENT INFORMATION  
YEAR ENDED 31 MARCH 2017**

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**The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 5 to 6.**

**SOUTH EAST EMPLOYERS**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31 MARCH 2017**

	2017	2016
	£	£
<b>Revenue</b>		
Membership subscriptions	355,670	355,296
Associate member fees	14,738	17,152
Consultancy, courses and seminars	311,832	305,491
Other project funding	16,676	18,286
	<u>698,916</u>	<u>696,225</u>
<b>Overheads</b>		
Administrative expenses	(642,049)	(645,485)
	<u>56,867</u>	<u>50,740</u>
<b>Operating surplus</b>		
Interest receivable	6,881	7,319
	<u>63,748</u>	<u>58,059</u>
Net finance (expense)/gain in respect of defined benefit pension schemes	(70,000)	(70,000)
<b>Surplus/(deficit) on ordinary activities</b>	<u>(6,252)</u>	<u>(11,941)</u>

**SOUTH EAST EMPLOYERS**

**NOTES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 MARCH 2017**

	2017		2016	
	£	£	£	£
<b>Administrative expenses</b>				
<b>Personnel costs</b>				
Wages and salaries	443,675		426,612	
		443,675		426,612
<b>Establishment expenses</b>				
Rent	23,818		23,818	
Rates and water	14,542		13,210	
Light and heat	4,962		4,962	
Insurance	6,029		6,232	
Cleaning of premises	3,112		3,092	
Other establishment expenses	1,292		2,162	
		53,755		53,476
<b>General expenses</b>				
Travel and subsistence	13,860		14,351	
Telephone	4,786		4,340	
Hire of equipment	9,013		10,629	
Printing, stationery and postage	7,323		6,807	
Computer costs	6,003		8,236	
Conference costs	6,496		6,369	
Staff training	2,284		150	
Sundry expenses	3,550		3,400	
Other programme expenditure	12,739		12,809	
Legal and professional fees	465		465	
External consultancy and other training expenditure	39,033		46,721	
Accountancy fees	874		820	
Auditors remuneration	4,360		4,300	
Finance and IT support	33,833		46,000	
		144,619		165,397
		642,049		645,485
<b>Interest receivable</b>				
Bank interest receivable		6,881		7,319

**SOUTH EAST EMPLOYERS**  
**MANAGEMENT BALANCE SHEET**  
**31 MARCH 2017**

	2017		2016	
	£	£	£	£
<b>Current assets</b>				
Trade debtors	467,033		500,781	
Prepayments and accrued income	37,599		33,775	
Cash at bank and in hand	1,047,901		944,596	
	<u>1,552,533</u>		<u>1,479,152</u>	
<b>Creditors: amounts falling due within one year</b>				
Trade creditors	3,219		16,071	
VAT liability	89,822		84,180	
Deferred income	360,413		355,295	
Accruals	63,010		51,286	
	<u>516,464</u>		<u>506,832</u>	
<b>Net current assets</b>		1,036,069		972,321
<b>Total assets less current liabilities</b>		<u>1,036,069</u>		<u>972,321</u>
<b>Net assets excluding pension liability</b>		1,036,069		972,321
Defined benefit pension scheme liability		(2,680,000)		(2,270,000)
<b>Net liabilities including pension liability</b>		<u>(1,643,931)</u>		<u>(1,297,679)</u>
<b>Capital and reserves</b>				
Income and expenditure account:				
General fund		1,036,069		972,321
Pension liability		(2,680,000)		(2,270,000)
		<u>(1,643,931)</u>		<u>(1,297,679)</u>