

National Union of Mineworkers Lancashire Area Trust Fund

National Union of Mineworkers Lancashire Area Trust Fund

Audited Financial statements

31 December 2017

 **GibsonBooth** LTD

Chartered Accountants, Business Advisers & Statutory Auditor

**12 Victoria Road
Barnsley
South Yorkshire
S70 2BB**

National Union of Mineworkers Lancashire Area Trust Fund

Year ended 31 December 2017

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National Union of Mineworkers Lancashire Area Trust Fund

Year ended 31 December 2017

The trustees present their report and the financial statements for the year ended 31 December 2017.

Statement of Trustees' Responsibilities

The trustees are required to obtain audited financial statements for each year which show a true and fair view of the financial transactions of the Trust during the year and the disposition, at the end of the year, of the assets and liabilities. The trustees have prepared the financial statements for audit in accordance with applicable law and regulations.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and 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 financial statements;
- prepare the financial statements on a going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to ensure that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992 and are in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees have taken such steps as are reasonably open to them to safeguard the assets of the Trust and prevent any irregularities or error.

Trustees

The trustees during the year were as defined by schedule 3 of the rules of the National Union of Mineworkers.

Auditors

The auditors, Gibson Booth Limited, Chartered Accountants, are proposed for re-appointment and have indicated their willingness to remain in office.

These financial statements were approved on 22 May 2018



Mr P Hardman, Chairman

National Union of Mineworkers Lancashire Area Trust Fund

Year ended 31 December 2017

Independent auditors' report to the members of National Union of Mineworkers Lancashire Area Trust Fund

Opinion

We have audited the financial statements of the National Union of Mineworkers Lancashire Area Trust Fund (the 'trust') for the year ended 31 December 2017 which comprise income and expenditure and balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the trust's members, as a body, in accordance with Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and its members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 16 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

National Union of Mineworkers Lancashire Area Trust Fund

Year ended 31 December 2017

Independent auditors' report to the members of National Union of Mineworkers Lancashire Area Trust Fund cont'd.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustee's responsibilities statement set out on page 1, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

National Union of Mineworkers Lancashire Area Trust Fund

Year ended 31 December 2017

Independent auditors' report to the members of National Union of Mineworkers Lancashire Area Trust Fund cont'd.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but, except to the extent otherwise explicitly stated in our report, not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Gibson Booth Limited

Gibson Booth Limited
Statutory Auditor
12 Victoria Road
Barnsley
S70 2BB

30 May 2018

National Union of Mineworkers Lancashire Area Trust Fund

Income and expenditure account for the year ended 31 December 2017

| | Note | 2017 | | 2016 | |
|--------------------------------------|------|---------------|-----------------|---------------|-----------------|
| | | £ | £ | £ | £ |
| INCOME | | | | | |
| Interest receivable | 4 | 7,740 | | 10,303 | |
| Donations | | 14,800 | | - | |
| Office costs received from Area | | 818 | | 968 | |
| Gain on disposal of investments | | <u>2,443</u> | | <u>-</u> | |
| | | | 25,801 | | 11,271 |
| EXPENDITURE | | | | | |
| Area expenditure | 5 | 27,968 | | 31,268 | |
| Compensation costs | | <u>13,897</u> | | <u>13,210</u> | |
| | | | <u>41,865</u> | | <u>44,478</u> |
| Deficit for the year before taxation | | | (16,064) | | (33,207) |
| Taxation | 6 | | <u>-</u> | | <u>-</u> |
| Deficit for the year after taxation | | | <u>(16,064)</u> | | <u>(33,207)</u> |

National Union of Mineworkers Lancashire Area Trust Fund

Balance sheet
at 31 December 2017

| | Note | 2017 | 2016 |
|---|------|---------------|----------------|
| | | £ | £ |
| INVESTMENTS | 7 | - | 87,557 |
| CURRENT ASSETS | | | |
| Debtors | 8 | 1,350 | 5,264 |
| Cash at bank and in hand | 9 | <u>87,006</u> | <u>13,744</u> |
| | | 88,356 | 19,008 |
| CREDITORS: Amounts falling due within one year | 10 | <u>3,300</u> | <u>(5,445)</u> |
| NET CURRENT ASSETS | | <u>85,056</u> | <u>13,563</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>85,056</u> | <u>101,120</u> |
| ACCUMULATED FUND | 11 | - | - |
| SPECIAL AREA FUND | 12 | <u>85,056</u> | <u>101,120</u> |
| | | <u>85,056</u> | <u>101,120</u> |

Approved for issue by the Trustees on 22 May 2018

Signed on its behalf by:



Mr P Hardman, Chairman

National Union of Mineworkers Lancashire Area Trust Fund

Notes

*(forming part of the financial statements)
for the year ended 31 December 2017*

1 Statutory information

The National Union of Mineworkers Lancashire Area Trust Fund is governed by a Trust Deed established on the transfer of engagements from the National Union of Mineworkers (Lancashire Area) on 10 August 1995. The principal address is 2 - 4 Hilden Street, Leigh, Lancashire WN7 4LG.

The financial statements are presented in sterling which is the functional currency of the Trust and rounded to the nearest pound.

2 (a) Accounting policies

The following accounting policies have been used consistently in dealing with the items which are considered material to the Trust's affairs.

(b) Basis of preparation

The financial statements have been prepared in accordance with the provisions of Section 1A "small entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Trade Union and Labour Relations (Consolidation) Act 1992. The financial statements have been prepared under the historical cost convention.

The financial statements summarise the transactions and net assets of the Trust.

(c) Significant Judgements and Estimates

No judgements have been made in the process of applying the below accounting policies that have had the most significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have had significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(d) Investments

Unlisted investments are shown in the accounts at historic cost. Income from investments is included in the Income and Expenditure Account in the year in which it is receivable.

National Union of Mineworkers Lancashire Area Trust Fund

Notes (continued)
 (forming part of the financial statements)
 for the year ended 31 December 2017

3 Employees and directors

The average number of employees during the year was nil (2016: nil)

4 Interest receivable

| | 2017 £ | 2016 £ |
|----------------------|--------------|---------------|
| Bank interest | 6 | 178 |
| Bonds and loan stock | <u>7,734</u> | <u>10,125</u> |
| | <u>7,740</u> | <u>10,303</u> |

5 Area expenditure

| | 2017 £ | 2016 £ |
|---|---------------|---------------|
| Postage, telephone, printing and stationery | 140 | 1,049 |
| Audit and taxation fees | 3,441 | 3,300 |
| Sundries | 1,773 | 1,703 |
| Deputations, delegations and meetings | 6,034 | 4,367 |
| Donation to Northwest Miners Association | 15,000 | 15,000 |
| Other grants and donations | 1,514 | 5,843 |
| Bank charges | <u>66</u> | <u>6</u> |
| | <u>27,968</u> | <u>31,268</u> |

The average monthly number of employees, excluding trustees, during the year was NIL (2016: NIL).

National Union of Mineworkers Lancashire Area Trust Fund

Notes (continued)
 (forming part of the financial statements)
 for the year ended 31 December 2017

| | | | |
|---|---|------------------|---------------|
| 6 | Taxation | 2017 £ | 2016 £ |
| | Corporation tax based on the results for the year at 19.25% (2016: 20%) | — | — |
| | The Trust is able to set off provident benefit and certain provident benefit administration costs against its income chargeable to corporation tax. | | |
| 7 | Unlisted Investments | 2017 £ | 2016 £ |
| | Stockholdings:- | | |
| | Newcastle 11¼% Stock 2017 | - | 57,959 |
| | Merton 11¼% Stock 2017 | — | <u>29,598</u> |
| | | — | <u>87,557</u> |
| 8 | Debtors: Amounts falling due within one year | 2017 £ | 2016 £ |
| | Accrued interest | 1,350 | 2,391 |
| | Other debtors | — | <u>2,873</u> |
| | | — | <u>5,264</u> |
| 9 | Cash at bank and in hand | 2017 £ | 2016 £ |
| | Bank current accounts | 53,962 | 4,151 |
| | Santander business reserve accounts | 33,038 | 9,336 |
| | Cash in hand | <u>6</u> | <u>257</u> |
| | | <u>87,006</u> | <u>13,744</u> |

National Union of Mineworkers Lancashire Area Trust Fund

Notes (continued)
(forming part of the financial statements)
for the year ended 31 December 2017

| | | | |
|----|---|-----------------|-----------------|
| 10 | Creditors: amounts falling due within one year | 2017 | 2016 |
| | | £ | £ |
| | Accruals | <u>3,300</u> | <u>5,445</u> |
| 11 | Accumulated fund | 2017 | 2016 |
| | | £ | £ |
| | Balance at 1 January 2017 & 31 December 2017 | <u>-</u> | <u>-</u> |
| 12 | Special Area Fund | 2017 | 2016 |
| | | £ | £ |
| | Balance at 1 January 2017 | 101,120 | 134,327 |
| | Deficit for the year | <u>(16,064)</u> | <u>(33,207)</u> |
| | Balance at 31 December 2017 | <u>85,056</u> | <u>101,120</u> |

The Special Reserve Fund is the accumulation of contribution income collected by NUM Lancashire Area in accordance with previous Rule 6.L.

13 Related Party Transactions

During the year fees of £13,897 (2016 – £13,210) were paid to Trade Union Consultancy for consultancy work regarding compensation claims provided by Mr W Kelly, a Trustee of National Union of Mineworkers Lancashire Area Trust Fund.

The National Union of Mineworkers Lancashire Area Trust Fund operates from premises owned by the Steve Sullivan Memorial Trust, whose Trustees are also Trustees of National Union of Mineworkers Lancashire Area Trust Fund. National Union of Mineworkers Lancashire Area Trust Fund have not been charged any rent for occupying the premises during the year (2016 – Nil).