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## FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

### ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:	Electrical Contractors' Association				
Year ended:	31 December 2017				
List No:	1202				
Head or Main Office:	Rotherwick House 3 Thomas More Street St Katherines & Wapping London E1W 1YZ				
Website address (if available)	www.eca.co.uk				
Has the address changed during the year to which the return relates?	<table><tr><td>Yes</td><td><input checked="" type="checkbox"/></td><td>No</td><td><input type="checkbox"/></td></tr></table> (Tick as appropriate)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>		
General Secretary:	Martyn Burnley				
Contact name for queries regarding the completion of this return:	Terry Foreman				
Telephone Number:	01732 471786				
e-mail:	Terry.foreman@eca.co.uk				

**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: 0330 109 3602

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  
Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

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
<b>2,649</b>	<b>22</b>	<b>37</b>	<b>1</b>	<b>2,709</b>

## OFFICERS IN POST

(see note 10)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

## CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
President	Dave Kieft	Mike Smith	17/05/2017
Senior Vice President	Mike Smith	Malcolm Crofts	17/05/2017
Vice President	Malcolm Crofts	Jim Pridham	17/05/2017
Immediate Past President	Andy Basham	Dave Kieft	17/05/2017

**List of all ECA officers in post at the end of the year 31 December 2017**

<b>Title of Office</b>	<b>Name of Officer</b>
President	Mike Smith
Senior Vice President	Malcolm Crofts
Vice President	Jim Pridham
Immediate Past President	David Kieft

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	<b>INCOME</b>		
	From Members                      Subscriptions, levies, etc	4,210,209	
	Investment income      Interest and dividends (gross)	1,066,767	
	Bank interest (gross)	7,000	
	Statute Barred Stamps	55,416	
			5,339,392
	Other income              Rents received	193,375	
	Insurance commission	15,199,583	
	Health & Safety	1,345,916	
	Loss on sale of fixed asset	(56,477)	
	Profit on sale of fixed asset Inv	1,533,953	
	Profit on sale of current asset Inv	66,572	
	Unrealised profits (Inv and Inv property)	1,045,811	
	Share of Associates	768,820	
			20,097,553
			25,436,945
	<b>TOTAL INCOME</b>		
	<b>EXPENDITURE</b>		
	Administrative expenses		
	Remuneration and expenses of staff	7,531,615	
	Occupancy costs                      )		
	Printing, Stationery, Post                      )	14,008,892	
	Telephones                                      )		
	Legal and Professional fees                      )		
	Miscellaneous (specify)		
			21,540,507
	Other charges              Bank charges		
	Expenses		
	Movement in pension deficit (gain)		(2,386,000)
			721,084
	Taxation		
	<b>TOTAL EXPENDITURE</b>		19,875,591
	Surplus/Deficit for year		5,561,354
	Amount of fund at beginning of year		50,948,396
	Amount of fund at end of year		56,509,750

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		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 3		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)

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)

ACCOUNT 6		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 7		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)	

**BALANCE SHEET AS AT 31 December 2017**(see notes 19 and 20)

Previous Year		£	£
	<b>Fixed Assets</b> (as at page 8)		1,869,309
	<b>Investments</b> (as per analysis on page 9)		
	Quoted (Market value £ 11,380,019)	11,380,019	
	Unquoted	12,501,495	
			23,881,514
	<b>Total Investments</b>		25,750,823
	<b>Other Assets</b>		
	Sundry debtors	1,982,939	
	Cash at bank and in hand	34,209,779	
	Stocks of goods		
Others (specify)			
	<b>Total of other</b>		36,192,718
	<b>assets</b>		
		<b>TOTAL ASSETS</b>	61,943,541
	<b>Liabilities</b>		
	Loans		
	Bank overdraft		
	Tax payable	310,150	
Sundry creditors	4,317,297		
Accrued expenses	578,344		
Provisions			
Pension deficit	228,000		
		<b>TOTAL LIABILITIES</b>	5,433,791
		<b>TOTAL ASSETS</b>	56,509,750



# FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
<b>COST OR VALUATION</b>				
At start of period	3,766,012	1,535,145		5,301,157
Additions during period		155,811		155,811
Less: Disposals/Reclass during period	(1,536,382)	(884,593)		(2,420,975)
Less: DEPRECIATION:				
At start	(893,869)	(1,000,883)		(1,894,752)
Year	237,842	(490,226)		252,384
Total to end of period	(656,027)	(510,657)		(1,166,684)
<b>BOOK AMOUNT</b> at end of period	1,573,603	295,706		1,869,309
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET				

# ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	11,380,019
	TOTAL QUOTED (as Balance Sheet)	11,380,019
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	Other unquoted securities (to be specified) at market value	
	Esca Estates Ltd	7,221,428
	Bluesky Trustee Co Ltd	50
	Certsure llp	640,250
	Investment properties	4,639,767
	TOTAL QUOTED (as Balance Sheet)	12,501,495
	*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 X	NO
If YES name the relevant companies:			
<b>COMPANY NAME</b>  As detailed in note 15 of the ECA consolidated accounts	<b>COMPANY REGISTRATION NUMBER</b> (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.			
<b>COMPANY NAME</b>	<b>NAMES OF SHAREHOLDERS</b>		
<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.			
<b>COMPANY NAME</b>	<b>NAMES OF SHAREHOLDERS</b>		

# SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	4,210,209		
From Investments	1,129,183		
Other Income (including increases by revaluation of assets)	20,097,553		
<b>Total Income</b>	25,436,945		
<b>EXPENDITURE</b> (including decreases by revaluation of assets)	19,875,591		
<b>Total Expenditure</b>			
<b>Funds at beginning of year</b> (including reserves)	50,948,396		
<b>Funds at end of year</b> (including reserves)	56,509,750		
<b>ASSETS</b>			
Fixed Assets			1,869,309
Investment Assets			23,881,514
Other Assets			36,192,718
<b>Total Assets</b>			61,943,541
<b>LIABILITIES</b>			
<b>Total Liabilities</b>			5,433,791
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			56,509,750

# NOTES TO THE ACCOUNTS

(see note 36)

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

# ACCOUNTING POLICIES

(see notes 37 and 38)

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>[Signature]</u> Name: <u>MARTYN BURNHAM</u> Date: <u>05/7/18</u>	Chairman's Signature: <u>[Signature]</u> (or other official whose position should be stated) Name: <u>M. D. SMITH</u> Date: <u>05/07/18</u>
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## CHECK LIST

(see note 41)

(please tick as appropriate)

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

# AUDITOR'S REPORT

(see notes 42 to 47)

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

THE CHECKLIST BELOW IS FOR GUIDANCE. A REPORT IS STILL REQUIRED EITHER SET OUT OVERLEAF OR BY WAY OF AN ATTACHED AUDITOR'S REPORT THAT COVERS THE ABOVE 1992 ACT REQUIREMENTS.

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

☒ YES/NO

If "No" please explain below.

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

☒ YES/NO

If "No" please explain below.

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

☒ YES/NO

If "No" please explain below.

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

PLEASE SEE ATTACHED DOCUMENT

## AUDITOR'S REPORT (continued)

<p>Signature(s) of auditor or auditors:</p>	<p><i>Hay MacIntyre</i></p>	
<p>Name(s):</p>	<p>HAYSMACINTYRE</p>	
<p>Profession(s) or Calling(s):</p>	<p>CHARTERED ACCOUNTANTS</p>	
<p>Address(es):</p>	<p>10 QUEEN STREET PLACE LONDON EC4R 1AG</p>	
<p>Date:</p>	<p>05 JULY 2018</p>	
<p>Contact name and telephone number:</p>	<p>SIMON WILKS 020 7969 5525</p>	

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



## **Independent Auditors' Report to The Members of The Electrical Contractors' Association**

### **Qualified Opinion**

We have audited the financial statements of The Electrical Contractors' Association (the 'Association') and its subsidiaries (together, the 'Group') for the year ended 31 December 2017 which comprise the Consolidated Income Statement, the Consolidated Statement of Financial Position, the Association's Statement of Financial Position, the Statement of Changes in Equity, the Consolidated Statement of Cash Flows 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).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the group's and of the Association's affairs as at 31 December 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Trade Union and Labour Relations (Consolidation) Act 1992; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for Qualified Opinion**

On 28 November 2017, the Group sold one of its subsidiaries, EC Insurance Company ('ECIC') to a third party for £28m.

The trading results of ECIC from 1 January 2017 to the date of sale were not audited. The Group has included in the Consolidated Income Statement an estimate of ECIC's Income and Expenditure for that period based on Management figures. As a result we were unable to determine whether any adjustments were necessary in respect of ECIC's Income and Expenditure for the period.

The Group's profit for the financial year and net assets as at 31 December 2017 are unaffected.

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 group and parent 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 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 qualified opinion.

### **Other information**

The Association's council members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the group and Association 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 group and Association 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.

## **Independent Auditors' Report to The Members of The Electrical Contractors' Association (continued)**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Report of the Council for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Report of the Council have been prepared in accordance with applicable legal requirements.

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

Notwithstanding our qualified opinion on the financial statements, in the light of the knowledge and understanding of the group and the Association and its environment obtained in the course of the audit performed subject to the material limitation described above, we have not identified material misstatements in the strategic report or the report of the Council.

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- the Association financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

### **Responsibilities of Council members**

As explained more fully in the Council responsibilities statement, the directors 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 the council members determine 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 council members are responsible for assessing the group's and the Association'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 council members either intend to liquidate the group or the Association or to cease operations, or have no realistic alternative but to do so.

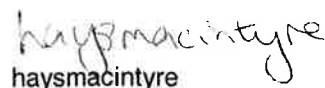
### **Auditor's responsibilities for the audit of the financial statements**

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
haysmacintyre  
Chartered Accountants  
Registered Auditors  
5 July 2018

10 Queen Street Place  
London EC4R 1AG