

Form AR27

Trade Union and Labour relations (Consolidation) Act 1992

Employers' Association's details

Name of Employers' Association:

The National Hairdressers Federation

Year ended:

31st December 2018

List number:

CO/70E/

Head or Main Office:

One Abbey Court
Fraser Road
Priory Business Park
Bedford
MK44 3WH

Has the address changed during the year to which the return relates?

Yes

No

X

(Tick as appropriate)

Website address (if available)

www.nhf.info

General Secretary:

Hilary Hall

Contact name for queries regarding the completion of this return:

Kishon Mather

Telephone Number:

01234 834382

E-mail:

Kishon.mather@nhf.info

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
5,354	23	1	9	5,387

Change of officers

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

Position held	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Honorary Treasurer	Y McConnell	P Curry	13/05/2018
Board Member	A Goddard	M McCune	13/05/2018

Officers in post

(see note 10)

Please insert a complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
A Leonard	President
I Egerton	Vice-President
P Curry	Honorary Treasurer
E Clough	Board Member
M Coray	Board Member
J Cownley	Board Member
K Huggins	Board Member
S Scarr	Board Member
R Sparkes	Board Member
J Wells	Board Member
A Lodge-Stewart	Board Member
A Ball	Board Member
M McCune	Board Member

Revenue account/General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
1,260,212	From Members	Subscriptions, levies, etc		1,307,375
72,718	Investment income	Interest and dividends (gross)	80,684	
0		Bank interest (gross)	0	
0		Other (specify)	0	
				80,684
0	Other income	Rents received	0	
97,843		Insurance commission	103,739	
0		Consultancy fees	0	
48,379		Competitions/Seminars	42,573	
34,854		Miscellaneous receipts sundry	20,576	
64,947		Advertising/sponsorship	45,294	
27,178		Sales to members	25,182	
				237,364
1,606,131		Total income		1,625,423
	Expenditure			
	Administrative expenses			
503,111		Remuneration and expenses of staff	539,876	
39,268		Occupancy costs	37,900	
71,469		Printing, Stationery, Post & telephone	69,785	
37,473		Legal and Professional fees	38,739	
-		Miscellaneous (specify)		
8,240		Honoraria	8,446	
38,828		Office equipment charges	40,980	
156,841		Travel, publicity & promotion	264,967	
				1,000,693
27,483	Other charges	Bank charges	22,446	
41,542		Depreciation	48,606	
0		Sums written off	0	
13,072		Affiliation fees	11,607	
45,887		Meeting fees	49,068	
132,507		Competition expenses	107,036	
346,517		Direct membership services	249,092	
5,422		Sundry & admin charges	4,780	
				492,635
37,563	Taxation			15,978
1,505,223		Total expenditure		1,509,306
100,908		Surplus/Deficit for year		116,117
186,474		Gains/(Losses) on investments		(191,477)
3,185,479		Amount of fund at beginning of year		3,472,861
3,472,681		Amount of fund at end of year		3,397,501

Accounts other than the revenue account/general fund

(See notes 11 to 16)

Account 2		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	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:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
3,472,861	Amount of fund at the end of year (as Balance Sheet)		

Accounts other than the revenue account/general fund

(See notes 11 to 16)

Account 4		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	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:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	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:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	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:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	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 2018

(see notes 19 and 20)

Previous Year		£	£
423,839	Fixed Assets (as at page 8)		382,361
	Investments (as per analysis on page 9)		
3,612,940	Quoted (Market value £)	2,475,068	
500,007	Unquoted	503,171	
			2,978,239
3,112,947	Total Investments		
	Other Assets		
52,130	Sundry debtors	62,797	
33,961	Cash at bank and in hand	52,799	
205,008	Short term deposits	270,199	
	Others (specify)		
291,099	Total of other assets		385,795
3,827,885		Total assets	3,746,395
5,230	Member Shares	5,387	
2,536,339	Income and Expenditure Account	2,709,858	
	Designated Funds		
423,839	Tangible and intangible fixed asset fund	382,361	
507,453	Revaluation fund	299,895	
	Liabilities		
-	Corporation tax	-	
46,690	Sundry creditors	41,292	
308,334	Accrued expenses	307,602	
-	Other liabilities		
355,024		Total liabilities	348,894
3,827,885		Total assets	3,746,395

Fixed Assets Account

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
Cost or valuation				
At start of period	493,789	235,620	-	729,409
Additions during period	-	7,128	-	7,128
Less: Disposals during period	-	40,830	-	40,830
Less: DEPRECIATION:				
At start of period	148,949	156,621	-	305,570
Charges for period	9,876	38,730	-	48,606
Written off for the period	-	(40,830)	-	(40,830)
Total to end of period	158,825	154,521	-	313,346
Book amount at end of period	334,964	47,397	-	382,361
Freehold	-			
Leasehold (50 or more years unexpired)	334,964			
Leasehold (less than 50 years unexpired)	-			
As balance sheet	334,964	47,397	-	382,361

Analysis of investments

(see note 22)

Quoted		Other Funds £
	British Government & British Government Guaranteed Securities	2,475,068
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total quoted (as Balance Sheet)	2,475,068
	*Market Value of Quoted Investments	
Unquoted	British Government Securities	-
	British Municipal and County Securities	-
	United Trust Bank	503,164
	Other unquoted securities (to be specified)	1
	World Hair Ltd	6
	Prior Park Management Ltd	
	Total quoted (as Balance Sheet)	503,171
	*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)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
Company name	Company registration number (if not registered in England & Wales, state where registered)		
Incorporated Employers' Associations			
Are the shares which are controlled by the association registered in the association's name		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
Company name	Names of shareholders		
Unincorporated Employers' Associations			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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 24 to 33)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	1,307,375	-	1,307,375
From Investments	80,684	-	80,684
Other Income (including increases by revaluation of assets)	45,887	-	45,887
Total Income	1,433,946	-	1,433,946
Expenditure (including decreases by revaluation of assets)	1,509,306	-	1,509,306
Total Expenditure	1,509,306	-	1,509,306
Funds at beginning of year (including reserves)	3,472,861	-	3,472,861
Funds at end of year (including reserves)	3,397,601	-	3,397,501
Assets			
Fixed Assets			382,861
Investment Assets			2,978,239
Other Assets			385,795
		Total Assets	3,746,395
Liabilities			
		Total Liabilities	348,894
Net assets (Total Assets less Total Liabilities)			3,397,501

Notes to the accounts

(see note 34)

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

Please see attached the notes to the accounts

Accounting policies

(see notes 35 and 36)

General information

National Hairdressers' Federation limited is a Community Benefit Society and its registered office is One Abbey Court, Fraser Road, Priory Business Park, Bedford, MK44 3WH.

The Federation is principally engaged in the representation of owners of hairdressing salons, barber shops and beauty salons in Great Britain.

Basis of accounting

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102, the Financial Standard applicable in the UK and the Republic of Ireland and the Co-operative and Community Benefit Societies Act 2014.

The Federation's functional and presentational currency is GBP.

The principal accounting policies of the society are set out below. The policies have remained unchanged from the previous year.

Going concern

The Board have not identified any material uncertainties that may cast significant doubt about the ability of the Federation to continue as a going concern. The Federation's income levels, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position has been assessed. The Federation has sufficient financial resources. As a consequence, the Board believes that the Federation is well placed to manage its business risks successfully. The Board has a reasonable expectation that the Federation has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Scope of the financial statements

These financial statements incorporate the transactions, assets and liabilities of the National Hairdressers' Federation Limited.

Membership income

Membership subscriptions are recognised on an accruals basis over the period of the subscription.

Insurance commission

Insurance commission income is recognised in the income and expenditure account on an accruals basis.

Other income

All other income is recognised in the income and expenditure account on an accruals basis.

Taxation

In accordance with an agreement with HM Revenue & Customs, the charge for taxation is based on the interest receivable, investment income and other non-membership income for the period after deducting allowable expenses.

Accounting policies (continued)

Operating leases

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

Pension costs

Contributions in respect of defined contribution pension schemes are charged to the income and expenditure account in the period in which they are due to the scheme.

Cash flow statement

The Board has taken advantage of the exemption permitted by section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as a small entity from the requirement to prepare a cashflow.

Intangible fixed assets

Intangible assets are stated at their original purchase price plus incidental costs of acquisition. Amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Software	3 years straight line
----------	-----------------------

Tangible fixed assets

Tangible fixed assets are stated at their original purchase price plus incidental costs of acquisition. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold property	50 years straight line
Office furniture, fittings and equipment	4 years straight line
Computer equipment and software	3 years straight line

Investments

Non-listed investments are valued at cost with provision being made for any permanent diminution in value. Listed investments and investments whose fair value can be measured reliably are stated at their fair value as at the end of the financial period. Investments in joint ventures are valued at less provision for diminution in value.

Short-term bank deposits

Short term bank deposits are funds accessible instantly at the statement of financial position date.

Fund accounting

The general funds consist of those funds which the Federation may use in furtherance of its objectives at the discretion of the Board.

Designated funds are funds set aside by the Board for specific purposes.

Joint venture

The shareholding in World Hair Limited represents 50% of the total called up and fully paid ordinary share capital. In accordance with applicable standards, NHF jointly controls the venture with one or more other entities. None of the entities alone can control this entity but all together can do so and decisions on financial and operating policy essential to the activities, economic performance and financial position of that venture require each venturer's consent. This joint venture has been accounted for as an investment.

Debtors

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

Creditors

Short term creditors are measured at the transaction price.

Financial Instruments

The Federation only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and other third parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income and expenditure account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Accounting policies (continued)

If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Federation would receive for the asset if it were to be sold at the statement of financial position date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Signatures to the annual return
including the accounts and balance sheet contained in the return.**

(see notes 37 and 38)

Chairman

Secretary

Secretary's Signature:

Agnes Leonard

Name: AGNES LEONARD

Date: 12/5/19.

Chairman's Signature:

(or other official whose position should be stated)

H. Hall

Name: HILBERT HALL

Date: 15/9/19

Checklist
(see note 39)
(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see page 2a)	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 the 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	

Checklist for auditor's report

(see notes 40 to 44)

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 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)

Please explain in your report overleaf or attached.

2. 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)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:
In our opinion the financial statements:
 - give a true and fair view of the matters to which they relate to.
 - have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Opinion

We have audited the financial statements of National Hairdressers' Federation Limited (the 'Federation') for the year ended 31 December 2018, which comprise the Income and expenditure account, the Statement of financial position, the Statement of changes in equity and the 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, the financial statements:

- give a true and fair view of the state of the Federation's affairs as at 31 December 2018 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014;
- 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 Federation 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 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Federation'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.
-

Other information

The Board is responsible for the other information. The other information comprises the information included in the Report of the Board, set out on pages 4 to 8, 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 Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Federation has not kept proper accounting records; or
- the financial statements are not in agreement with the Federation's books of account; or
- we have not received all the information and explanations we need for our audit.

Responsibilities of the NHF Board for the financial statements

As explained more fully in the Statement of Board's Responsibilities set out on page 8, the Board is responsible for the preparation of the financial statements set out on pages 12 – 24 and for being satisfied that they give a true and fair view, and for such internal control as the Board 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 Board is responsible for assessing the Federation'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 Board either intend to liquidate the Federation 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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Federation's members, as a body, in accordance with regulations made under Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Federation'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 Federation and the Federation's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Gareth Norris FCA
Senior Statutory Auditor
For and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants

Milton Keynes

Date: 17 MAY 2019

Signature(s) of auditor or auditors:	Grant Thornton UK LLP	
Name(s):	Gareth Norris	
Profession(s) or Calling(s):	Statutory Auditor	
Address(es):	Victoria House 199 Avebury Boulevard Milton Keynes MK9 1AU	
Date:	17 MAY 2019	
Contact name for enquiries and telephone number:	Gareth Norris 01908 359658	

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