

**Form AR21**  
**Trade Union and Labour Relations (Consolidation) Act 1992**

**Trade Union's details**

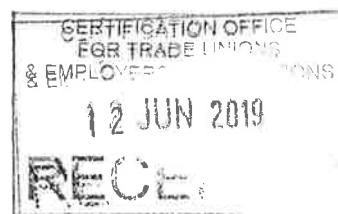
Name of Trade Union:	<input type="text" value="Nautilus International"/>
Year ended:	<input type="text" value="31 December 2018"/>
List number:	<input type="text" value="T151"/>
Head or Main Office address:	<input type="text" value="1 &amp; 2 The Shrubberies&lt;br/&gt;George Lane&lt;br/&gt;South Woodford&lt;br/&gt;London E18 1BD"/>
Has the address changed during the year to which the return relates?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Tick as appropriate)
Website address (if available)	<input type="text" value="www.nautilusint.org"/>
General Secretary:	<input type="text" value="Anthony Mark Dickinson"/>
Telephone Number:	<input type="text" value="020 8989 6677"/>
Contact name for queries regarding the completion of this return:	<input type="text" value="Olu Tunde"/>
Telephone Number:	<input type="text" value="020 8989 6677"/>
E-mail:	<input type="text" value="enquiries@nautilusint.org"/>

**Please follow the guidance notes in the completion of this return. Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 0330 109 3602.**

**The address to which returns and other documents should be sent are:**

**-For Unions based in England and Wales: Certification Office for Trade Unions and Employers' Associations, Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX.**

**-For Unions based in Scotland: Certification Office for Trade Unions and Employers' Associations, Melrose House, 69a George Street, Edinburgh EH2 2JG.**



## Return of members

(see notes 10 and 11)

	Number of members at the end of the year				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	Totals
Male	12,354	158	274	7,006	19,792
Female	534	13	10	295	852
Total	12,888	171	284	7,301	A 20,644

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

20,644

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

~~20,644~~ 2

## 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
	None		

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated

and names:

**NAUTILUS INTERNATIONAL**  
**Attachment for AR21**  
**2018**

U Jurgens – Chair of Council	S Gudgeon
W van Hoboken – Vice Chair of Council	W Jackson
I Mackenzie – Deputy Vice Chair of Council	E Layfiel
J Bowry	P Lees
J Cameron	M Lloyd
T Cardy	P Lok
R Cleland	P McMillen
A Corrie	P Minter
R Downs	S Schravemade
B Doyle	J Tyson
H Eijkenaar	J van der Zee
G Feikema	J Waiman
D Gorshokov	A M Dickinson – Nautilus International GS
M Graves	
N Groen	

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

H Lafèbre - Chair  
J Lang – Resigned June 2018  
J McAuslan  
L Mercer  
S Clinch – appointed June 2018

**Changes of Officers during 2018**  
**Council Member**

None



## Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£	£
<b>Federation and other bodies</b>		
<b>Total federation and other bodies</b>		
<b>Other income</b>		
Profit from Sales of Investment	65,370	
Gain on Revaluation of Investment (less Revaluation transfer)	-1,046,967	
Advertising Revenue	273,447	
Others	163,400	
Income from Agreement	2,509,743	
<b>Total other income</b>		1,964,993
<b>Total of all other income</b>		1,964,993

## Analysis of benefit expenditure shown at general fund

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	
		Education and Training services	
Representation – Non Employment Related Issues			
		Negotiated Discount Services	
Communications			
		Salary Costs	
Advisory Services			
		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
<b>carried forward</b>		<b>Total (should agree with figure in General Fund)</b>	

## Accounts other than the revenue account/general fund

(see notes 21 to 23)

<b>Fund 2</b>		<b>Fund Account</b>	
<b>Name: Legal Defence Fund</b>		<b>£</b>	<b>£</b>
<b>Income</b>			
From members			286,112
Investment income (as at page 12)			
Other income (specify)			
From Agreement			173,803
	<b>Total other income as specified</b>		173,803
	<b>Total Income</b>		459,915
<b>Expenditure</b>			
Benefits to members			497,134
Administrative expenses and other expenditure (as at page 10)			
	<b>Total Expenditure</b>		497,134
	<b>Surplus (Deficit) for the year</b>		-37,219
	<b>Transfer Out</b>		22,221
	<b>Amount of fund at beginning of year</b>		2,559,440
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		2,500,000
	<b>Number of members contributing at end of year</b>		N/A

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

(See notes 21 to 23)

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

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



(See notes 21 to 23)

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

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

## Political fund account

(see notes 24 to 33)

<b>Political fund account 1</b>		<b>To be completed by trade unions which maintain their own political fund</b>	
	<b>Income</b>	Members contributions and levies	£
		Investment income (as at page 12)	£
		Other income (specify)	£
		Total other income as specified	
		Total income	
Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period			
	<b>Expenditure A</b> (as at page i)		£
	<b>Expenditure B</b> (as at page ii)		£
	<b>Expenditure C</b> (as at page iii)		£
	<b>Expenditure D</b> (as at page iv)		£
	<b>Expenditure E</b> (as at page v)		£
	<b>Expenditure F</b> (as at page vi)		£
	<b>Non-political expenditure</b> (as at page vii)		£
		Total expenditure	
		Surplus (deficit) for year	
		Amount of political fund at beginning of year	
		Amount of political fund at the end of year (as Balance Sheet)	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	
<b>Political fund account 2</b>		<b>To be completed by trade unions which act as components of a central trade</b>	
	<b>Income</b>	Contributions and levies collected from members on behalf of central political fund	£
		Funds received back from central political fund	£
		Other income (specify)	£
		Total other income as specified	
		Total income	
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		£
	Administration expenses in connection with political objects (specify)		£
	Non-political expenditure		£
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of	
		Amount remitted to central political fund	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	



**Political fund account expenditure (b)**

Expenditure under section 72 (1) (b) of the Trade Union and Labour Relations (Consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

Expenditure of money on the provision of any services or property for use by or on behalf of any political party
--

Name of political party to which payment was made	Total amount paid during the period £
<b>Total</b>	

## Political fund account expenditure (c)

Expenditure under section 72 (1) (c) of the Trade Union and Labour Relations (Consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000  
during the period to which return relates.

Expenditure in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office

Title and Date of election	Name of political party/organisation	Name of candidate, organisation or political party (see note 33(iii))	£
<b>Total</b>			









**Expenditure from the political fund not falling within section 72(1) of the trade union & labour relations (consolidation) act 1992**

**For expenditure not falling within section 72(1) the required information is-**

(a) the nature of each cause or campaign for which money was expended, and the total amount expended in relation to each one	£
	Total
	Total expenditure
(b) the name of each organisation to which money was paid (otherwise than for a particular cause or campaign), and the total amount paid to each one	£
	Total
	Total expenditure
(c) the total amount of all other money expended	£
	Total
	Total expenditure

## Analysis of administrative expenses and other outgoings excluding amounts charged to political fund accounts

(see notes 34 and 35)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		
Salaries and Wages included in above	£	3,789,538
Auditors' fees		50,000
Legal and Professional fees		358,350
Occupancy costs		465,851
Stationery, printing, postage, telephone, etc.		321,220
Expenses of Executive Committee (Head Office)		52,419
Expenses of conferences		180,917
Other administrative expenses (specify)		
Strategic Campaigning		104,686
Travel & Organising		451,162
Pension Deficit Funding		11,000
Telegraph Cost		472,464
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		292,026
Computer cost		392,744
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Foreign Exchange Movement		-151,317
Actuarial Gains on SPF Scheme		-466,000
<b>Total</b>		6,325,060
Charged to:	General Fund (Page 3)	63,25,060
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
<b>Total</b>		6,325,060



## Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			182,461
Interest (gross) from:			
Government securities (Gilts)			86,978
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
			269,439
		Total investment income	269,439
		Credited to:	
		General Fund (Page 3)	269,439
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Political Fund	
		Total Investment Income	269,439

**Balance sheet as at**

31 December 2018

(see notes 49 to 52)

Previous Year		£	£
708,480	<b>Fixed Assets</b> (at page 14)		881,517
	<b>Investments</b> (as per analysis on page 15)		
17,375,311	Quoted (Market value £15,707,593)		15,707,593
276,007	Unquoted		276,007
	<b>Total Investments</b>		15,983,600
	<b>Other Assets</b>		
	Loans to other trade unions		
580,314	Sundry debtors		309,648
1,175,906	Cash at bank and in hand		979,138
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,756,220	<b>Total of other assets</b>		1,288,786
20,116,018	<b>Total assets</b>		18,153,903
12,957,140	General Fund (Account )		11,844,514
2,559,440	Legal Defence Fund (Account )		2,500,000
2,127,029	Fund (Account Listed Investment Revaluation Reserves )		2,127,029
	Superannuation Fund (Account )		
	Political Fund (Account )		
257,386	Revaluation Reserve		257,386
	<b>Liabilities</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
1,509,651	Sundry creditors		1,366,036
	Accrued expenses		
520,000	Supplementary Fund deficit		
185,372	Other liabilities – Deferred Taxation		58,938
2,215,023	<b>Total liabilities</b>		1,424,974
20,116,018	<b>Total assets</b>		18,153,903

## Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
<b>Cost or Valuation</b>						
At start of year	315,000		1,462,022	368,320		2,145,342
Additions			465,063			465,063
Disposals			-16,120	-8,420		-24,540
Revaluation/Transfers						
At end of year	315,000		1,910,965	359,900		2,585,865
<b>Accumulated Depreciation</b>						
At start of year	-36,377		-1,161,839	-238,646		-1,436,862
Charges for year	-5,160		-225,015	-61,851		-292,026
Disposals			16,120	8,420		24,540
Revaluation/Transfers						
At end of year	-41,537		-1,370,734	-292,077		1,704,348
<b>Net book value at end of year</b>	273,463		540,231	67,823		881,517
<b>Net book value at end of previous year</b>	278,623		300,183	129,674		708,480

## Analysis of investments

(see notes 58 and 59)

<b>Quoted</b>		All Funds Except Political Funds £	Political Fund £
	Equities (e.g. Shares)	9,871,961	
	Government Securities (Gilts)		
	Other quoted securities (to be specified)		
	Unit & Investment Trust	5,835,632	
	<b>Total quoted</b> (as Balance Sheet)	15,707,593	
	Market Value of Quoted Investment	15,707,593	
<b>Unquoted</b>	Equities		
	Equity Holding	276,007	
	Government Securities (Gilts)		
	Mortgages		
	Bank and Building Societies		
	Other unquoted investments (to be specified)		
	<b>Total unquoted</b> (as Balance Sheet)	276,007	
	Market Value of Unquoted Investments	276,007	

## Analysis of investment income (controlling interests)

(see notes 60 and 61)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
Company name	Company registration number (if not registered in England & Wales, state where registered)		
Oceanair Services Ltd	1572658		
NUMAST Pension Trustees (Section226)	02032373		
Nautilus Trustees Ltd	1829326		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
Company name	Names of shareholders		



## Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>Income</b>			
From Members	3,622,461		3,622,461
From Investments	269,439		269,439
Other Income (including increases by revaluation of assets)	1,964,993		1,964,993
<b>Total Income</b>	5,856,893		5,856,893
<b>Expenditure</b> (including decreases by revaluation of assets)	7,243,659		<del>7,243,659</del>
<b>Total Expenditure</b>	<del>7,028,959</del> 7,243,659		<del>7,028,959</del> 7,243,659
<b>Funds at beginning of year</b> (including reserves)	17,900,995		17,900,995
<b>Funds at end of year</b> (including reserves)	16,728,928		16,728,928
<b>Assets</b>			
Fixed Assets			881,517
Investment Assets			15,983,600
Other Assets			1,288,786
		<b>Total Assets</b>	18,153,903
<b>Liabilities</b>			
		<b>Total Liabilities</b>	(1,424,974)
<b>Net assets (Total Assets less Total Liabilities)</b>			16,728,929

## Information on Industrial action ballots

(see notes 74 to 80)

**Did the union hold any ballots in respect of industrial action during the return period?**

**YES    NO**

If Yes How many ballots were held:

For each ballot held please complete the information below:

### **Ballot 1**

Number of individuals who were entitled to vote in the ballot

#### **Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question 1

Number of Individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

**\* 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot Y / N

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? Y / N

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot Y / N

### **Ballot 2**

Number of individuals who were entitled to vote in the ballot

#### **Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question 1

Number of Individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

**\* 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot Y / N

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? Y / N

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot Y / N

**For additional ballots please continue on next page**

**Ballot 3**

Number of individuals who were entitled to vote in the ballot

**Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question [ ] 1

Number of Individuals answering "No" to the question [ ] 2

Number of invalid or otherwise spoiled voting papers returned [ ] 3

**\* 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot Y / N

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? Y / N

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot Y / N

**Ballot 4**

Number of individuals who were entitled to vote in the ballot

**Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question [ ] 1

Number of Individuals answering "No" to the question [ ] 2

Number of invalid or otherwise spoiled voting papers returned [ ] 3

**\* 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot Y / N

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? Y / N

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot Y / N

**Ballot 5**

Number of individuals who were entitled to vote in the ballot

**Number of votes cast in the ballot**

Number of Individuals answering "Yes" to the question [ ] 1

Number of Individuals answering "No" to the question [ ] 2

Number of invalid or otherwise spoiled voting papers returned [ ] 3

**\* 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot Y / N

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? Y / N

If yes, were the number of individuals answering "Yes" to the question(or each question) at least 40% of the number of individuals who were entitled to vote in the ballot Y / N

**Use a continuation sheet if necessary**

## Information on Industrial action

(see note 81)

### \*Categories of Nature of Trade Dispute :

A: terms and conditions of employment, or the physical conditions in which any workers are required to work;

B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;

C: allocation of work or the duties of employment between workers or groups of workers;

D: matters of discipline;

E: a worker's membership or non-membership of a trade union;

F: facilities for officials of trade unions;

G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

### Did Union members take industrial action during the return period in response to any inducement on the part of the Union? YES / NO

If YES, for each industrial action taken please complete the information below:

#### Industrial Action 1

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

#### Industrial Action 2

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

#### Industrial Action 3

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

use a continuation page if necessary

**Industrial Action 4**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

**Industrial Action 5**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

**Industrial Action 6**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

**Industrial Action 7**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

**Industrial Action 8**

1. please tick the nature of the trade dispute for which industrial action was taken using the categories\* below:

A  B  C  D  E  F  G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

## Notes to the accounts

(see notes 82 and 83)

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

See attached

## Accounting policies



(see notes 84 and 85)

See attached

## Signatures to the annual return

(see notes 86 and 87)

**including the accounts and balance sheet contained in the return. Please send the return with the original signatures. Copies will not be accepted.**

<p>General Secretary's Signature:</p>  <p>Name: Anthony Mark Dickinson</p> <p>Date: 06/06/2019</p>	<p>Assistant General Secretary Signature: (or other official whose position should be stated)</p>  <p>Name: Oluwole Samuel Tunde</p> <p>Date: 06/06/2019</p>
---	--

## Checklist

(see notes 88 and 89)

**(please tick as appropriate)**

Has the return of change of officers been completed? (see Page 2 and Note 12)	Yes	X	No	
Has the list of officers in post been completed? (see Page 2a and Note 12)	Yes	X	No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes	X	No	
Has the auditor's report been completed? (see Pages 24 and 25 and Notes 2 and 92)	Yes	X	No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes	X	No	
A member's statement is: (see Note 104)	Enclosed		To follow	X
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	X	No	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 to 103)	Yes	X	No	

## Checklist for auditor's report

(see notes 90 to 96)

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 92 and 93)

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 92)

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)

Signature(s) of auditor or auditors:	<div style="border: 1px solid black; padding: 5px; font-family: cursive;">Haysmacintyre LLP</div>	
Name(s):	<div style="border: 1px solid black; padding: 5px;">Haysmacintyre LLP</div>	
Profession(s) or Calling(s):	<div style="border: 1px solid black; padding: 5px;"><b>Chartered Accountant</b></div>	
Address(es):	<div style="border: 1px solid black; padding: 5px;">10 Queen Street Place London EC4R 1AG</div>	
Date:	<div style="border: 1px solid black; padding: 5px; font-family: cursive;">11/06/2019</div>	
Contact name for enquiries and telephone number:	<div style="border: 1px solid black; padding: 5px;">Bernadette King 020 7969 5500</div>	

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 NAUTILUS INTERNATIONAL

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### **Opinion**

We have audited the financial statements of Nautilus International for the year ended 31 December 2018 set out on pages 1 to 13. These financial statements have been prepared under the accounting policies set out on pages 5 to 7.

In our opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 2018 and of the Union's net movement in funds, including the income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice

### **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 Union 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.

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

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

### **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.

### **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 council members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the council members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Union'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.

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

We have nothing to report in respect of the following matters in relation to which the regulations require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Union; or
- sufficient accounting records have not been kept; or
- the Union's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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

**NAUTILUS INTERNATIONAL (continued)**

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**Use of audit report**

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

*Haysmacintyre LLP*

**Haysmacintyre LLP  
Chartered Accountants  
Registered Auditors  
11 April 2019**

**10 Queen Street Place  
London  
EC4R 1AG**

**Membership audit certificate**  
**made in accordance with section 24ZD of the**  
**Trade Union and Labour Relations (Consolidation) Act 1992**

(See notes 97 to 103)

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

YES/NO

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

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

**Membership audit certificate**  
**Section one**

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

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

YES/NO

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

YES/NO

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

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

## Membership audit certificate (continued)

Signature of assurer	<i>Haysmacintyre LLP</i>
Name	Haysmacintyre LLP
Address	10 Queen Street Place London EC4R 1AG
Date	
Contact name and telephone number	Bernadette King 020 7969 5500

**Membership audit certificate**  
**Section two**

For a trade union with no **more than 10,000 members** at the end of the reporting period preceding the one to which this audit relates.

To the best of your knowledge and belief has the trade union during this reporting period complied with its duty to compile and maintain a register of the names and addresses of its members and secured, so far as is reasonably practicable, that the entries in the register are accurate and up-to-date?

YES/NO

If "NO" Please explain below:

Signature	
Name	
Office held	
Date	



**Annual Report and Accounts  
For the year ended  
31 December 2018**

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

**NAUTILUS INTERNATIONAL**

**ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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<b>Contents</b>	<b>Page</b>
Statement of Financial Position	1
Statement of Comprehensive Income	2
Statement of Cash Flows	3
Statement of Changes in Funds	4
Notes to the Financial Statements	5 – 13
Statement of Council and General Secretary's Responsibilities	14
Independent Auditors' Report	15 - 16



**NAUTILUS INTERNATIONAL**

**REFERENCE AND ADMINISTRATION INFORMATION**

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**HEAD OFFICE**

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

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

**CUSTODIAN TRUSTEE**

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

**INVESTMENT ADVISER**

UBS AG  
1 Finsbury Avenue  
London EC2M 2AN

**INVESTMENT CUSTODIAN**

Productive Nominees Limited  
1 Finsbury Avenue  
London EC2M 2AN

**AUDITORS**

haysmacintyre  
10 Queen Street Place  
London EC4R 1AG

**ASSURER**

haysmacintyre  
10 Queen Street Place  
London EC4R 1AG

**PRINCIPAL BANKERS**

Unity Trust Bank Plc  
Ninebrindley Place  
Birmingham B1 2HB

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

ABN Amro  
Parklaan 1  
3016 BA Rotterdam  
The Netherlands

FNV GBF  
Nz. Voorburgwal 225  
1012 TL Amsterdam  
The Netherlands

Bank Coop AG  
Aeschenplatz 3  
4002 Basel

# NAUTILUS INTERNATIONAL

## REFERENCE AND ADMINISTRATION INFORMATION

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

U Jurgens	Chair
W van Hoboken	Vice Chair
I MacKenzie	Deputy Vice Chair
M Dickinson	General Secretary
J Bowry	P Lees
J Cameron	M Lloyd
T Cardy	P Lok
R Cleland	P McMillen
A Corrie	P Minter
R Downs	S Schravemade
R Doyle	J Tyson
H Eijkenaar	J van der Zee
G Feikema	J Wainman
D Gorshokov	
M Graves	
N Groen	
S Gudgeon	
W Jackson	
E Layfield	

NAUTILUS INTERNATIONAL  
 STATEMENT OF FINANCIAL POSITION  
 AT 31 DECEMBER 2018

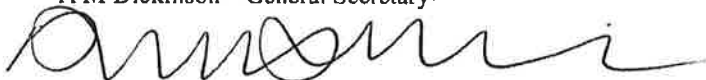
	Notes	2018		2017	
		£	£	£	£
<b>PROPERTY, PLANT AND EQUIPMENT</b>					
Freehold land and buildings	3	273,463		278,623	
Motor vehicles	3	67,823		127,565	
Equipment	3	540,231		302,292	
		<u>881,517</u>		<u>708,480</u>	
<b>INVESTMENTS</b>	4		15,983,600		17,651,318
			<u>16,865,117</u>		<u>18,359,798</u>
<b>CURRENT ASSETS</b>					
Debtors and prepayments		309,648		580,314	
Cash and cash equivalents					
Current accounts		869,782		896,342	
Deposit accounts		109,356		279,564	
		<u>1,288,786</u>		<u>1,756,220</u>	
Less: Creditors	5	(1,366,036)		(1,509,651)	
			(77,250)		246,569
Deferred taxation	6		(58,938)		(185,372)
<b>Net assets excluding pension asset</b>			<u>16,728,929</u>		<u>18,420,995</u>
SPF pension liability	7		-		(520,000)
<b>NET ASSETS</b>			<u>£16,728,929</u>		<u>£17,900,995</u>
<b>RESERVES</b>					
General Fund			11,844,514		12,957,140
Legal Defence Fund			2,500,000		2,559,440
Revaluation Reserve – land and buildings			257,386		257,386
Revaluation Reserve – listed investments			2,127,029		2,127,029
			<u>£16,728,929</u>		<u>£17,900,995</u>

The financial statements were approved and authorised for issue by the Council on 11 April 2019 and were signed below on its behalf by:

U Jurgens Chair



A M Dickinson General Secretary



NAUTILUS INTERNATIONAL

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	General Fund £	Legal Defence Fund £	Total £	2017 £
<b>INCOME</b>					
Subscription income from individual members		3,336,349	286,112	3,622,461	3,419,249
Subscription income from Memorandum Agreements with employers		2,335,940	173,803	2,509,743	2,510,639
Investment income		269,439	-	269,439	258,949
Advertising revenue		273,447	-	273,447	285,350
Other income		163,400	-	163,400	326,392
		<u>6,378,575</u>	<u>459,915</u>	<u>6,838,490</u>	<u>6,800,579</u>
<b>EXPENDITURE</b>					
Travel and general organising		451,162	-	451,162	488,635
Elections and BGM costs		180,917	-	180,917	135,356
Legal defence costs		-	497,134	497,134	380,891
Affiliations and council expenses		318,613	-	318,613	315,001
Telegraph – net cost		472,464	-	472,464	401,057
Phone, post, printing and stationery		321,220	-	321,220	295,765
Professional fees and bank charges		430,572	-	430,572	286,018
Strategic campaigning		104,686	-	104,686	129,923
Donations		25,700	-	25,700	30,562
Staff costs		3,789,538	-	3,789,538	3,849,759
Pension fund asset and costs	7	11,000	-	11,000	15,000
Building costs		465,851	-	465,851	350,559
Computer and equipment costs		392,744	-	392,744	350,629
Gain on disposal of fixed assets		-	-	-	(38,301)
Depreciation - Freehold buildings		10,523	-	10,523	14,228
Motor vehicles		61,851	-	61,851	62,558
Computers and equipment		214,721	-	214,721	130,830
Fixtures and Fittings		4,931	-	4,931	4,471
		<u>7,256,493</u>	<u>497,134</u>	<u>7,753,627</u>	<u>7,202,941</u>
<b>TOTAL OPERATING DEFICIT</b>		<b>(877,918)</b>	<b>(37,219)</b>	<b>(915,137)</b>	<b>(402,362)</b>
Gains on disposal of investments		65,370	-	65,370	197,600
(Losses)/gains on revaluation of investments		(1,046,967)	-	(1,046,967)	801,630
<b>(DEFICIT)/SURPLUS BEFORE TAXATION</b>		<b>(1,859,515)</b>	<b>(37,219)</b>	<b>(1,896,734)</b>	<b>596,868</b>
Taxation	9	107,350	-	107,350	(165,253)
<b>TOTAL (DEFICIT)/SURPLUS FOR THE YEAR</b>		<b>(1,752,165)</b>	<b>(37,219)</b>	<b>(1,789,384)</b>	<b>431,615</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Actuarial gains on SPF scheme				466,000	68,000
Foreign exchange gains				151,317	321,783
<b>TOTAL COMPREHENSIVE INCOME</b>				<b>£(1,172,067)</b>	<b>£821,398</b>

**NAUTILUS INTERNATIONAL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>OPERATING ACTIVITIES</b>				
Operating deficit	(915,137)		(402,362)	
Depreciation	292,026		269,570	
Investment income	(273,447)		(258,949)	
SPF contributions	(65,000)		(65,000)	
SPF costs	11,000		15,000	
Decrease/(increase) in debtors	270,666		(176,783)	
Increase in creditors	84,895		18,578	
	<u>(594,997)</u>		<u>(599,946)</u>	
Net cash outflow from operations				
Taxation	(184,469)		(229,108)	
	<u>(184,469)</u>		<u>(229,108)</u>	
		(779,466)		(829,054)
<b>INVESTING ACTIVITIES</b>				
Interest and dividends received	273,447		258,949	
Payments to acquire tangible fixed assets	(465,063)		(120,437)	
Proceeds from disposal of tangible fixed assets	-		113,714	
Payments to acquire investments	(1,783,708)		(4,831,829)	
Proceeds from disposal of investments	2,590,574		5,744,192	
	<u>2,590,574</u>		<u>5,744,192</u>	
		615,250		1,164,589
Impact of foreign exchange gains		(32,552)		43,532
Net cash (outflow)/inflow for the year		<u>(196,768)</u>		<u>379,067</u>
Net funds at 1 January		1,175,906		796,839
Net funds at 31 December		<u>£979,138</u>		<u>£1,175,906</u>

**NAUTILUS INTERNATIONAL**  
**STATEMENT OF CHANGES IN FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

<b>2018</b>	<b>General</b>	<b>Legal</b>	<b>Revaluation reserves</b>		<b>Total</b>
	<b>Fund</b>	<b>Defence Fund</b>	<b>Land and</b>	<b>Listed</b>	
	<b>£</b>	<b>£</b>	<b>buildings</b>	<b>investments</b>	<b>£</b>
			<b>£</b>	<b>£</b>	
Balance as at 1 January 2018	12,957,140	2,559,440	257,386	2,127,029	17,900,995
Deficit for the period	(1,752,165)	(37,219)	-	-	(1,789,384)
Other comprehensive income	617,317	-	-	-	617,317
Transfers between reserves	22,221	(22,221)	-	-	-
Balance as at 31 December 2018	<u>£11,844,514</u>	<u>£2,500,000</u>	<u>£257,386</u>	<u>£2,127,029</u>	<u>£16,728,928</u>
<b>2017</b>					
	<b>General</b>	<b>Legal</b>	<b>Revaluation reserves</b>		<b>Total</b>
	<b>Fund</b>	<b>Defence Fund</b>	<b>Land and</b>	<b>Listed</b>	
	<b>£</b>	<b>£</b>	<b>buildings</b>	<b>investments</b>	<b>£</b>
			<b>£</b>	<b>£</b>	
Balance as at 1 January 2017	12,096,092	2,495,590	360,886	2,127,029	17,079,597
Surplus for the period	367,765	63,850	-	-	431,615
Other comprehensive income	389,783	-	-	-	389,783
Transfers between reserves	103,500	-	(103,500)	-	-
Balance as at 31 December 2017	<u>£12,957,140</u>	<u>£2,559,440</u>	<u>£257,386</u>	<u>£2,127,029</u>	<u>£17,900,995</u>

**NAUTILUS INTERNATIONAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF ACCOUNTING**

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

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

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

The following principal accounting policies have been applied:

**1.2 REVENUE**

Revenue mainly comprises subscriptions, investment income and advertising income.

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

**1.3 PROPERTY, PLANT AND EQUIPMENT**

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

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

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

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

**1.4 DEBTORS**

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

**1.5 CASH AND CASH EQUIVALENTS**

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

## NAUTILUS INTERNATIONAL

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES (continued)

##### 1.6 FINANCIAL INSTRUMENTS

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

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

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

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

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

##### 1.7 CREDITORS

Short term creditors are measured at the transaction price.

##### 1.8 LEGAL DEFENCE FUND

The annual transfer of members' contributions to the Legal Defence Fund is 7.5% per annum. In 2018 the reserve was £2.5million. The level of the Fund is kept under review.

##### 1.9 PENSION COSTS

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

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

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

The deficit on the SPF defined benefit pension scheme is shown on the Statement of Financial Position. Current service costs, curtailments, settlement gains and losses and net financial returns are included in the Statement of Comprehensive Income in the period to which they relate. Actuarial gains and losses are recognised as Other Comprehensive Income. Surpluses on the SPF defined benefit pension scheme are not recognized as they are not due back to the employer.

##### 1.10 VAT

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



**NAUTILUS INTERNATIONAL**

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

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.11 TAXATION**

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

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

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

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

**1.12 PROVISIONS FOR LIABILITIES**

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

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

**1.13 FOREIGN CURRENCY TRANSACTIONS**

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

**1.14 OPERATING LEASE RENTALS**

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

**1.15 MEMORANDUM OF AGREEMENT**

The Union concludes agreements with shipowners who operate UK, NL and CH registered vessels with the aim of regulating the conditions of non-domiciled seafarers. It does this in compliance with general trade union organising principles, a recruitment policy approved by the Council and in compliance with the policies and practices of the International Transport Workers' Federation (ITF) applied globally by affiliated seafarer trade unions.

Nautilus also concludes bilateral and multilateral arrangements with fellow seafarer unions worldwide to ensure inter alia that seafarers covered by the agreements it concludes are protected and supported appropriately and in accordance with ITF Policy where that applies. Such arrangements date back to the 1920's – Nautilus has a long and proud history of extending the hand of solidarity and mutual support to fellow seafarer unions and their members and this continues today including via the Nautilus Federation.

Nautilus secures payments from the shipowners, operators and managers with whom it concludes agreements. This income is a contribution to the wider welfare activities of Nautilus and ensures that at no time are members subscriptions, as defined in the Rules of the Union, used for purposes other than for which the Rules provide.

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

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

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

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

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

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

**3. FIXED ASSETS**

	<b>Freehold land and buildings £</b>	<b>Motor Vehicles £</b>	<b>Computers And Equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1st January 2018	315,000	368,320	1,462,022	2,145,342
Additions	-	-	465,063	465,063
Disposal	-	(8,420)	(16,120)	(24,540)
At 31st December 2018	<u>315,000</u>	<u>359,900</u>	<u>1,910,965</u>	<u>2,585,865</u>
<b>Depreciation</b>				
At 1st January 2018	36,377	238,646	1,161,839	1,436,862
Charge for the year	5,160	61,851	225,015	292,026
Disposal	-	(8,420)	(16,120)	(24,540)
At 31st December 2018	<u>41,537</u>	<u>292,077</u>	<u>1,370,734</u>	<u>1,704,348</u>
<b>Net book value</b>				
31st December 2018	<u>£273,463</u>	<u>£67,823</u>	<u>£540,231</u>	<u>£881,517</u>
31st December 2017	<u>£278,623</u>	<u>£129,674</u>	<u>£300,183</u>	<u>£708,480</u>

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

	<b>2018 £</b>	<b>2017 £</b>
Cost	278,778	278,778
Accumulated depreciation	(257,549)	(252,389)
Net Book Value	<u>£21,229</u>	<u>£26,389</u>

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

4. INVESTMENTS	2018 £	2017 £
Market value of quoted investments at 1st January	17,651,318	16,809,480
Additions at cost	1,783,708	4,831,829
Disposal proceeds	(2,590,574)	(5,744,192)
Realised gains	65,370	206,456
Unrealised (losses)/gains	(1,046,967)	1,128,468
Impact of foreign exchange gains	(155,262)	143,270
Market value of quoted investments at 31st December	<u>15,707,593</u>	<u>17,375,311</u>
Unquoted investments	<u>276,007</u>	<u>276,007</u>
Total investments at market value	<u>£15,983,600</u>	<u>£17,651,318</u>
<b>Cost of investments</b>		
Fixed interest securities	6,753,513	7,020,528
Other quoted securities		
Investment Trusts	-	333,011
Overseas Trusts	3,061,527	3,111,043
Equity Holdings	4,302,648	3,989,859
Unquoted	<u>14,117,688</u>	<u>14,454,441</u>
Equity holdings	<u>276,007</u>	<u>276,007</u>
Total cost of quoted and unquoted investments at 31st December	<u>£14,393,695</u>	<u>£14,730,448</u>
<b>5. CREDITORS</b>		
Legal Defence Fund costs	75,000	76,000
Corporation tax	15,618	238,906
VAT	-	7,739
Other creditors	<u>1,280,640</u>	<u>1,187,006</u>
	<u>£1,371,258</u>	<u>£1,509,651</u>
<b>6. DEFERRED TAXATION</b>		
Balance at 1 January		185,372
Decrease in year		(126,434)
Balance at 31 December		<u>58,938</u>

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

7. PENSION COMMITMENTS

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

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

The pension contributions are determined with the advice of a qualified actuary on the basis of triennial valuations using the aggregate method. The most recent valuation was conducted as at 31st December 2017, the next triennial valuation will be conducted as at 31 December 2020. The principal assumptions used by the actuaries were Discount Rate of 4.5% for Pre Retirement and 2.3% for Post Retirement and salaries would increase by 3.0% per annum. The market value of the assets at 31 December 2017 was £5,285,000.

The assumptions do not take into account the GMP equalisation as it is considered that the impact cannot be quantified at this stage.

Nautilus International pension contribution into the MNAOASPF for the year was £65,000 (2017: £65,000). Contributions to the scheme will be £65,000 each year from 2018 to 2022 with a final balancing payment in 2023.

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

Main assumptions	% per annum	
	2018	2017
RPI inflation	3.25	3.20
CPI inflation	2.25	2.20
Discount rate	2.60	2.35
Expected salary increases	3.25	3.20
Gross pension increases (in deferment and payment)	3.25	3.20
	<b>Value at</b>	<b>Value at</b>
	<b>31st December</b>	<b>31st December</b>
	<b>2018</b>	<b>2017</b>
	<b>£'000s</b>	<b>£'000s</b>
Market value of assets	5,076	5,285
Present value of scheme liabilities	(4,914)	(5,805)
Net pension scheme (deficit)/surplus	<u>£162</u>	<u>£(520)</u>
Analysis of scheme assets		
Equities	614	772
Bonds	4,092	4,298
Cash and other asset types	370	215
	<u>£5,076</u>	<u>£5,285</u>

**NAUTILUS INTERNATIONAL**

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

**FOR THE YEAR ENDED 31 DECEMBER 2018**

<b>7. PENSION COMMITMENTS (continued)</b>	<b>2018</b>	<b>2017</b>
	<b>£'000s</b>	<b>£'000s</b>
Reconciliation of present value of defined benefit obligation:		
Present value of defined benefit obligation at the start of the period	5,805	5,841
Current service cost	-	-
Interest on defined benefit obligation	134	144
Past service cost	-	-
Employee contributions	-	-
Loss on change of assumptions	(853)	11
Experience gain on liabilities	24	-
Benefits paid	(196)	(191)
	<u>£4,914</u>	<u>£5,805</u>
Reconciliation of fair value of scheme assets:		
	<b>2018</b>	<b>2017</b>
	<b>£'000s</b>	<b>£'000s</b>
Fair value of scheme assets at the beginning of the period	5,285	5,203
Interest income (at discount rate)	123	129
Actual return on assets greater than discount rate	(201)	79
Employer contributions	65	65
Employee contributions	-	-
Benefits paid	(196)	(191)
	<u>£5,076</u>	<u>£5,285</u>

In the opinion of the actuary the resources of the scheme are likely in the normal course of events, to meet in full the liabilities of the scheme as they fall due. The next actuarial valuation is to be carried out as at 31 December 2019.

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

The actuarial valuations in March 2003, 2006, 2009 and 2012 of the MNOPF identified significant deficits in the New Section of the industry wide scheme. This is now being funded by the relevant employers. In 2013 Nautilus International paid off the balance due (£154,815) from both the 2003 and 2006 deficit. The 2009 deficit of some £1,308,670 was paid off in 2010 and 2011. A further deficit of £415,424 as disclosed in the March 2012 Valuation was fully paid off in 2013. These contributions are charged to the statement of comprehensive income when they become payable. There were no further deficit collection for both the 2014 and 2017 MNOPF actuarial valuation.

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

7. PENSION COMMITMENTS (continued)

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

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

8. KEY MANAGEMENT PERSONNEL

The aggregate remuneration for the five individuals identified as key management personnel during the year was £313,932 (2017: £314,787).

9. TAXATION

	2018 £	2017 £
Current year taxation		
UK corporation tax	16,787	171,725
Foreign corporation tax	2,832	-
Adjustment for prior year periods	(535)	91,182
	<u>19,084</u>	<u>262,907</u>
Deferred tax	(126,434)	(97,654)
	<u>£(107,350)</u>	<u>£165,253</u>
<b>Reconciliation of tax charge</b>		
(Deficit)/surplus on ordinary activities	(1,896,734)	596,868
	<u>(360,379)</u>	<u>114,897</u>
Corporation tax at 19% (2017: 19.25%)		
Effects of:		
Non-taxable income and non-deductible expenditure	321,934	(75,195)
Chargeable (losses)/gains	(86,675)	21,463
Foreign tax paid	2,832	-
Prior year adjustments	(535)	91,182
Deferred tax adjustment	15,473	12,906
	<u>£(107,350)</u>	<u>£165,253</u>

10. WELFARE FUND

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

11. OPERATING LEASE COMMITMENTS

	2018 £	2017 £
At the year end date, the Union had the following commitments in respect of non-cancellable operating leases:		
Land and buildings		
Payable within one year	106,995	106,995
Payable after more than one year but not later than five years	427,980	427,980
Payable after more than five years	731,133	838,128
	<u>£1,266,108</u>	<u>£1,373,103</u>

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

12. STATEMENT OF COMPREHENSIVE INCOME - 2017

	General fund £	Legal defence fund £	Total £
Subscription income from individual			
Subscription income from Memorandum	3,162,773	256,476	3,419,249
Agreements with employers			
Investment income	2,322,374	188,265	2,510,639
Advertising revenue	258,949	-	258,949
Other income	285,350	-	285,350
	326,392	-	326,392
	<u>6,355,838</u>	<u>444,741</u>	<u>6,800,579</u>
<b>EXPENDITURE</b>			
Travel and general organising	488,635	-	488,635
Elections and BGM costs	135,356	-	135,356
Legal defence costs	-	380,891	380,891
Affiliations and council expenses	315,001	-	315,001
Telegraph – net cost	401,057	-	401,057
Phone, post, printing and stationery	295,765	-	295,765
Professional fees and bank charges	286,018	-	286,018
Strategic campaigning	129,923	-	129,923
Donations	30,562	-	30,562
Staff costs	3,849,759	-	3,849,759
Pension fund asset and costs	15,000	-	15,000
Building costs	350,559	-	350,559
Computer and equipment costs	350,629	-	350,629
Gain on disposal of fixed assets	(38,301)	-	(38,301)
Depreciation - Freehold buildings	14,228	-	14,228
Motor vehicles	62,558	-	62,558
Computer and equipment	130,830	-	130,830
Fixtures and Fittings	4,471	-	4,471
	<u>6,822,050</u>	<u>380,891</u>	<u>7,202,941</u>
<b>TOTAL OPERATING SURPLUS</b>	6,822,050	380,891	7,202,941
Gains on disposal of investments	(466,212)	63,850	(402,362)
Gains on revaluation of investments	197,600	-	197,600
	801,630	-	801,630
	<u>533,018</u>	<u>63,850</u>	<u>596,868</u>
<b>SURPLUS BEFORE TAXATION</b>	533,018	63,850	596,868
Taxation	(165,253)	-	(165,253)
	<u>367,765</u>	<u>63,850</u>	<u>431,615</u>
<b>TOTAL SURPLUS FOR THE YEAR</b>	367,765	63,850	431,615
<b>OTHER COMPREHENSIVE INCOME</b>			68,000
Actuarial losses on SPF scheme			321,783
Foreign exchange gains			<u>£821,398</u>
<b>TOTAL COMPREHENSIVE INCOME</b>			<u><u>1,282,816</u></u>

## NAUTILUS INTERNATIONAL

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

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

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

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

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