

NATIONWIDE GROUP STAFF UNION

ACCOUNTS

YEAR ENDED 31 DECEMBER 2015



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NATIONWIDE GROUP STAFF UNION

ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

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STATEMENT OF RESPONSIBILITIES OF THE NATIONAL EXECUTIVE COMMITTEE

The legislation relating to trade unions requires the Union to submit a return for each calendar year to the Certification Officer. This return contains accounts which must give a true and fair view of the state of affairs of the Union at the year end and of its transactions for the year then ended. The accounts set out on the following pages have been prepared on the same basis and are used to complete the return to the Certification Officer.

In relation to the Nationwide Group Staff Union these requirements to prepare accounts that give a true and fair view is the responsibility of the National Executive Committee. The National Executive Committee is responsible for preparing the accounts in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In so doing the National Executive Committee 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 have been followed.
- Prepare the accounts on the going concern basis unless it is inappropriate to do so.

The National Executive Committee is responsible for keeping proper accounting records and establishing and maintaining a satisfactory system of control over its records and transactions in order to comply with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE
NATIONWIDE GROUP STAFF UNION**



We have audited the financial statements of the Nationwide Group Staff Union for the year ended 31 December 2015, set out on pages 3 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the Union's members, as a body. Our audit work has been undertaken so that we might state to the Union'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 Union and the Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Union's National Executive Committee and auditors

As explained more fully in the Statement of Responsibilities of the National Executive Committee on page 1, the Union's National Executive Committee is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Union's National Executive Committee; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements give a true and fair view of the state of the Union's affairs as at 31 December 2015 and of its income and expenditure for the year then ended.

Matters on which we are required to report by exception

We are required by the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) to report to you by exception in respect of the following matters if, in our opinion:

- A satisfactory system of control over transactions has not been maintained.
- The Union has not kept proper accounting records.
- The financial statements are not in agreement with the books of account.
- We have not received all the information and explanations we need for our audit.

We have nothing to report to you in respect of the above matters.

H W FISHER & COMPANY
Chartered Accountants
Statutory Auditor

Acre House
11 – 15 William Road
London NW1 3ER
United Kingdom

Dated: 16 March 2016

NATIONWIDE GROUP STAFF UNION
 INCOME AND EXPENDITURE ACCOUNT
 COMBINED FUNDS
 YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 <i>As restated</i> £
INCOME:			
Subscriptions		1,201,461	1,112,207
Other operating income	1	141,732	131,002
Charitable donations received (see page 5)		583	-
		1,343,776	1,243,209
EXPENDITURE			
Services to members	2	856,240	819,867
Meeting expenses	3	75,406	86,426
Administration expenses	4	164,932	118,845
Premises and equipment costs	5	162,417	135,705
Donations (see page 5)		6,200	7,370
		1,265,195	1,168,213
OPERATING SURPLUS		78,581	74,996
UNREALISED GAIN/(LOSS) ON INVESTMENTS	8	16,000	8,000
COMPREHENSIVE RESULT FOR THE YEAR		94,581	82,996
RESERVES			
BROUGHT FORWARD AS PREVIOUSLY REPORTED		998,562	923,566
PRIOR YEAR ADJUSTMENT	14	50,000	42,000
BROUGHT FORWARD AS RESTATED		1,048,562	965,566
RESERVES			
CARRIED FORWARD		1,143,143	1,048,562

NATIONWIDE GROUP STAFF UNION
 INCOME AND EXPENDITURE ACCOUNT
 GENERAL FUND
 YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 <i>As restated</i> £
INCOME:			
Subscriptions		1,201,461	1,112,207
Other operating income	1	141,732	131,002
		1,343,193	1,243,209
EXPENDITURE			
Services to members	2	856,240	819,867
Meeting expenses	3	75,406	86,426
Administration expenses	4	164,932	118,845
Premises and equipment costs	5	162,417	135,705
		1,258,995	1,160,843
OPERATING SURPLUS		84,198	82,366
UNREALISED GAIN ON INVESTMENTS	8	16,000	8,000
COMPREHENSIVE RESULT FOR THE YEAR		100,198	90,366
RESERVES			
BROUGHT FORWARD AS PREVIOUSLY REPORTED		973,785	901,419
PRIOR YEAR ADJUSTMENT	14	50,000	42,000
BROUGHT FORWARD AS RESTATED		1,023,785	943,419
TRANSFER TO THE CHARITABLE FUND		-	(10,000)
RESERVES			
CARRIED FORWARD		1,123,983	1,023,785

NATIONWIDE GROUP STAFF UNION
 INCOME AND EXPENDITURE ACCOUNT
 CHARITABLE FUND
 YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
INCOME:		
Donations received	583	-
	583	-
EXPENDITURE		
Donations made	6,200	7,370
	6,200	7,370
COMPREHENSIVE RESULT FOR THE YEAR	(5,617)	(7,370)
RESERVES		
BROUGHT FORWARD	24,777	22,147
TRANSFER FROM THE GENERAL FUND	-	10,000
RESERVES		
CARRIED FORWARD	19,160	24,777

NATIONWIDE GROUP STAFF UNION

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2015

		2015		2014 As restated	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	6		225,173		231,774
Intangible fixed assets	7		9,862		-
Fixed Asset Investments	8		332,314		166,150
CURRENT ASSETS					
Debtors and prepayments	9	35,685		31,289	
Cash at bank and in hand		633,229		735,980	
		<u>668,914</u>		<u>767,269</u>	
CURRENT LIABILITIES					
Creditors and accruals	10	(93,120)		(116,631)	
NET CURRENT ASSETS			<u>575,794</u>		<u>650,638</u>
			<u>1,143,143</u>		<u>1,048,562</u>
Represented by :					
RESERVES					
General Fund			1,123,983		1,023,785
Charitable Fund			19,160		24,777
			<u>1,143,143</u>		<u>1,048,562</u>

T R POIL

GENERAL SECRETARY

K HART

TREASURER

Approved:

16 March 2016


Karen Hart

NATIONWIDE GROUP STAFF UNION

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2015

	2015	2014
Note	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating surplus	78,581	74,996
Adjustments for:		
Amortisation of intangible fixed assets	2,438	-
Depreciation of tangible fixed assets	18,531	16,478
Decrease/(increase) in trade and other receivables	(4,396)	(2,455)
(Decrease)/increase in trade and other payables	(23,511)	(19,098)
	<u>71,643</u>	<u>69,921</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of tangible fixed assets	(11,930)	(5,806)
Purchases of Intangible fixed assets	(12,300)	-
Purchase of investments	(150,164)	-
	<u>(174,394)</u>	<u>(5,806)</u>
NET CASH FROM INVESTING ACTIVITIES		
	<u>(102,751)</u>	<u>64,115</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of year	735,980	671,865
CASH AND CASH EQUIVALENTS AT END OF YEAR	12 <u><u>633,229</u></u>	<u><u>735,980</u></u>

NATIONWIDE GROUP STAFF UNION

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2015

Accounting Convention

The accounts have been prepared under the historical cost convention and follow all applicable Accounting Standards.

These financial statements for the year ended 31 December 2015 are the first financial statements of Nationwide Group Staff Union prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. On transition to FRS 102 there were no adjustments that affected the financial position and financial performance previously stated.

Trade Unions are governed by the Trade Union and Labour Relations (Consolidation Act) 1992 Amended. Under that Act the accounts of Trade Unions are required to give a true and fair view. Therefore, the accounts of Trade Unions are prepared under FRS102.

However, as a Trade Union is not a company the Regulations that form the Foundation of disclosures under FRS102 have been adopted as considered necessary to ensure the accounts give a true and fair view to the members of the Trade Union.

Going Concern

The Union consider that there are no material uncertainties about the Union's ability to continue as a going concern.

Subscriptions

Subscriptions are accounted for on an accruals basis.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term investments with original maturities of three months or less, and bank overdrafts.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value recognised in the income and expenditure account, except that investments in equity instruments that are not publically traded and whose fair value cannot be measured reliably are measured at cost less impairment.

NATIONWIDE GROUP STAFF UNION

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2015

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade payables are initially recognised at transaction price.

Commission Income

Insurance Scheme Commission is accounted for on a cash received basis. Other commissions are accounted for on an accruals basis.

Defined Contributions Pension Plan

Contained within administrative and service to member staff costs are fully paid defined pension contributions totalling £69,709.

Termination Benefits

Termination benefits are recognised immediately as an expense when the union is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Depreciation

Depreciation is provided on all tangible fixed assets (except freehold land) at rates estimated to write off the cost of each asset on a straight line basis over its expected useful life as follows:

Freehold building	-	2% per annum
Office equipment	-	25% per annum
Computer equipment	-	25% per annum

Intangible Fixed assets - Website

Amortisation is provided at rates estimated to write off the cost of the website on a straight line basis over its expected useful life which is deemed to be 4 years.

National Conference

The costs of the biennial National Conference are accounted for over two years by providing for in advance and not solely in the year that the National Conference occurs.

NATIONWIDE GROUP STAFF UNION

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2015

Current Taxation

Corporation tax is payable on all interest receivable after relief for any expenditure on provident benefits.

Deferred Taxation

Deferred tax liabilities arise in relation to the difference between the fair value of investments and their original cost less any indexation applicable.

Deferred tax is calculated at the tax rates that are expected to apply in the period where the liability is settled or the asset is realised. Deferred tax is charged or credited in the income and expenditure account.

The Union has adopted a reinvestment policy whereby all realised proceeds on disposal of fixed asset investments are reinvested into fixed asset investments, thereby eliminating the need for the recognition of a deferred tax asset or liability.

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

1	OTHER INCOME	2015	2014
		£	£
	Advertising revenue	2,700	2,700
	Bank interest	4,630	3,751
	Draws and lotteries:		
	Draw income	331,408	318,776
	Prizes awarded	(248,561)	(239,082)
	Insurance commission	36,855	22,760
	Rapport insurance	607	698
	Other commission	6,467	14,221
	Sundry income	7,626	7,178
		<u>141,732</u>	<u>131,002</u>
2	SERVICES TO MEMBERS	2015	2014
		£	£
	Magazine costs	33,297	34,898
	Legal and professional	9,252	11,335
	TUC affiliation fee	32,507	31,645
	Postage	13,182	9,222
	Publications	5,988	6,590
	Staff costs	748,765	705,877
	Telephone	19,547	18,959
	Training	6,228	2,612
	Disciplinary and grievance meetings	9,180	8,865
	Website costs	6,593	6,152
	VAT Recovered	(28,299)	(16,288)
		<u>856,240</u>	<u>819,867</u>

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

3	MEETING EXPENSES	2015	2014
		£	£
	National Conference	33,647	31,938
	Area Council	9,991	9,734
	National Executive	4,909	8,497
	TUC Meetings	1,783	2,120
	Other meetings	25,076	34,137
		<u>75,406</u>	<u>86,426</u>
4	ADMINISTRATION EXPENSES	2015	2014
		£	£
	Audit and accountancy	17,750	15,999
	Ballots	9,460	-
	Accountancy systems	10,481	8,259
	Bank and legal costs	4,868	5,299
	Printing and stationery	2,862	1,997
	Staff costs	84,835	87,291
	Redundancy Costs	28,804	-
	Sundry expenses	5,872	-
		<u>164,932</u>	<u>118,845</u>
5	PREMISES AND EQUIPMENT COSTS	2015	2014
		£	£
	PREMISES COSTS		
	Cleaning	5,554	5,794
	Insurance	4,240	4,006
	Rent and rates	13,404	13,105
	Repairs	26,600	2,692
	Utilities	6,483	6,463
	Flat expenses	3,757	3,513
		<u>60,038</u>	<u>35,573</u>
	EQUIPMENT COSTS		
	Maintenance and leasing		
	Motor	52,049	54,866
	Office and computer	29,361	28,788
		<u>81,410</u>	<u>83,654</u>
	DEPRECIATION	18,531	16,478
	AMORTISATION	2,438	-
		<u>162,417</u>	<u>135,705</u>

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

6 TANGIBLE FIXED ASSETS	Land and buildings £	Office equipment £	Computer and software £	Total £
COST				
At 1 January 2015 - as previously reported	427,203	32,817	130,744	590,764
Prior year adjustment	<u>(145,000)</u>	-	-	<u>(145,000)</u>
At 1 January 2015 - as restated	282,203	32,817	130,744	445,764
Additions	-	687	11,243	11,930
At 31 December 2015	<u>282,203</u>	<u>33,504</u>	<u>141,987</u>	<u>457,694</u>
ACCUMULATED DEPRECIATION				
At 1 January 2015 - as previously reported	105,976	28,991	108,023	242,990
Prior year adjustment	<u>(29,000)</u>	-	-	<u>(29,000)</u>
At 1 January 2015 - as restated	76,976	28,991	108,023	213,990
Charge for the year	3,644	1,576	13,311	18,531
At 31 December 2015	<u>80,620</u>	<u>30,567</u>	<u>121,334</u>	<u>232,521</u>
NET BOOK VALUE				
At 31 December 2015	<u>201,583</u>	<u>2,937</u>	<u>20,653</u>	<u>225,173</u>
<i>At 31 December 2014 - as restated</i>	<u>205,227</u>	<u>3,826</u>	<u>22,721</u>	<u>231,774</u>
7 INTANGIBLE FIXED ASSETS				
COST				
At 1 January 2015	Website £			
Additions	12,300			
At 31 December 2015	<u>12,300</u>			
AMORTISATION				
At 1 January 2015	Website £			
Charge for the year	2,438			
At 31 December 2015	<u>2,438</u>			
NET BOOK VALUE				
At 31 December 2015	<u>9,862</u>			
At 31 December 2014	<u>-</u>			

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

8 INVESTMENTS

	Equity Investments £	Investment Property £	Total £
Market Value at 1 January 2015 - as previously reported	150	-	150
Prior year adjustment	-	166,000	166,000
Market Value at 1 January 2015 - as restated	<u>150</u>	<u>166,000</u>	<u>166,150</u>
Acquisitions at cost	150,164	-	150,164
Change in value in the year	-	16,000	16,000
Market Value at 31 December 2015	<u>150,314</u>	<u>182,000</u>	<u>332,314</u>

9 DEBTORS

	2015 £	2014 £
Other debtors	1,160	960
Prepayments	34,525	30,329
	<u>35,685</u>	<u>31,289</u>

10 CREDITORS

	2015 £	2014 £
Other creditors	55,305	46,520
Taxes & social security costs	19,958	31,961
Accruals & deferred income	17,857	38,150
	<u>93,120</u>	<u>116,631</u>

11 FINANCIAL COMMITMENTS

At 31 December 2015 the union was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2016:

	2015 £	2014 £
Operating leases which expire:		
Within one year	25,679	32286
Between two and five years	<u>16,594</u>	<u>42273</u>

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

12 COMPONENTS OF CASH AND CASH EQUIVALENTS	2015	2014
	£	£
Cash	633,229	735,980
Overdraft	-	-
Cash equivalents	-	-
	<u>633,229</u>	<u>735,980</u>

13 CONTROLLING INTEREST

NGSU has control of NGSU Asset Management Limited which is a dormant company limited by guarantee.

14 PRIOR YEAR ADJUSTMENT

In the accounts for the year ended 31 December 2014, an investment property was classified as a tangible fixed asset. As the required adjustment is material, a prior year adjustment has been made to amend the comparative figures. This transfers the carrying value of £116,000 for property to fixed investment assets. The property is then revalued up to market value which increases the comprehensive result for the year of £74,966 to £82,996 for the year ending 31 December 2014.



INFORMATION TO BE PROVIDED TO MEMBERS UNDER THE
TRADE UNION AND LABOUR RELATIONS
(CONSOLIDATION) ACT 1992 (AMENDED)

Under the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended), the Union is required to circulate all members with details of the salary and benefits provided to the General Secretary, the President and all members of the National Executive Committee. The President and members of the National Executive Committee do not receive any salary from the Union or any benefits. They are reimbursed for any expenditure incurred by them in the performance of their duties on behalf of the Union as is the General Secretary. The details in respect of the General Secretary are as follows:

Salary	£122,316
Benefits:	
Pension Contributions (The Union makes contributions of 12% of salary on behalf of all staff)	£14,678
Car and other allowances	£5,632

We are also required by the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) to circulate the following declaration to all members. The wording is as prescribed by the Act.

"A member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concerns with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice."