

NATIONWIDE GROUP STAFF UNION
ACCOUNTS
YEAR ENDED 31 DECEMBER 2017



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NATIONWIDE GROUP STAFF UNION

ACCOUNTS

YEAR ENDED 31 DECEMBER 2017

CONTENTS

	Pages
Statement of Responsibilities of the National Executive Committee	1
Report of the Independent Auditors	2-3
Income and Expenditure Account – Combined Funds	4
Income and Expenditure Account – General Fund	5
Income and Expenditure Account – Charitable Fund	6
Balance Sheet	7
Cashflow Statement	8
Accounting Policies	9 - 11
Notes to the Accounts	12 - 16
Statement to Members	17



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**

Opinion

We have audited the financial statements of the Nationwide Group Staff Union [“The Union”] for the year ended 31 December 2017 which comprise the Income and Expenditure account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of the 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 Union's affairs as at 31 December 2017 and of its 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 the 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 ISA's (UK) require us to report to you where:

- The National Executive Committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The National Executive Committee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Union's ability to continue to adopt a 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 National Executive Committee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors report thereon. Our opinion of 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 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.

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

Matters on which we are required to report by exception

The Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) requires us to report to you if, in our opinion:

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

We have nothing to report in this regard.

Responsibilities of the National Executive Committee

As explained more fully in the Statement of Responsibilities of the National Executive Committee, the National Executive Committee is responsible for the preparation of financial statements and being satisfied that they give a true and fair view, and for such internal control as the National Executive Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the National Executive Committee is responsible for assessing the Union'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 National Executive Committee either intends to liquidate the Union 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 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 <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



H W FISHER & COMPANY
Chartered Accountants
Statutory Auditor

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

Date: 21 March 2018

NATIONWIDE GROUP STAFF UNION
INCOME AND EXPENDITURE ACCOUNT

COMBINED FUNDS

YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
INCOME:			
Subscriptions		1,291,136	1,256,733
Other operating income	1	121,388	125,722
Charitable donations received (see page 6)		826	326
		<u>1,413,350</u>	<u>1,382,781</u>
EXPENDITURE			
Services to members	2	930,475	897,542
Meeting expenses	3	93,942	89,034
Administration expenses	4	129,635	130,797
Premises and equipment costs	5	136,922	146,998
Donations (see page 6)		12,750	1,681
		<u>1,303,724</u>	<u>1,266,052</u>
OPERATING SURPLUS		<u>109,626</u>	<u>116,729</u>
UNREALISED GAIN ON INVESTMENTS	8	23,221	25,669
COMPREHENSIVE RESULT FOR THE YEAR		<u>132,847</u>	<u>142,398</u>
RESERVES BROUGHT FORWARD		1,285,541	1,143,143
RESERVES CARRIED FORWARD		<u>1,418,388</u>	<u>1,285,541</u>

NATIONWIDE GROUP STAFF UNION
INCOME AND EXPENDITURE ACCOUNT

GENERAL FUND

YEAR ENDED 31 DECEMBER 2017

		2017	2016
	Note	£	£
INCOME:			
Subscriptions		1,291,136	1,256,733
Other operating income	1	121,388	125,722
		<u>1,412,524</u>	<u>1,382,455</u>
EXPENDITURE			
Services to members	2	930,475	897,542
Meeting expenses	3	93,942	89,034
Administration expenses	4	129,635	130,797
Premises and equipment costs	5	136,922	146,998
		<u>1,290,974</u>	<u>1,264,371</u>
OPERATING SURPLUS		121,550	118,084
UNREALISED GAIN ON INVESTMENTS	8	23,221	25,669
COMPREHENSIVE RESULT FOR THE YEAR		<u>144,771</u>	<u>143,753</u>
RESERVES BROUGHT FORWARD		1,259,736	1,123,983
TRANSFER TO THE CHARITABLE FUND		-	(8,000)
RESERVES CARRIED FORWARD		<u>1,404,507</u>	<u>1,259,736</u>

NATIONWIDE GROUP STAFF UNION
 INCOME AND EXPENDITURE ACCOUNT
 CHARITABLE FUND
 YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
INCOME:		
Donations received	826	326
Transfer from General Fund	-	8,000
	826	8,326
EXPENDITURE		
Donations made	12,750	1,681
	12,750	1,681
COMPREHENSIVE RESULT FOR THE YEAR	(11,924)	6,645
RESERVES		
BROUGHT FORWARD	25,805	19,160
RESERVES		
CARRIED FORWARD	13,881	25,805

NATIONWIDE GROUP STAFF UNION

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2017

		2017		2016	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	6		207,325		224,266
Intangible fixed assets	7		3,712		6,787
Fixed Asset Investments	8		731,204		707,983
CURRENT ASSETS					
Debtors and prepayments	9	31,615		31,243	
Cash at bank and in hand		552,623		462,389	
		<u>584,238</u>		<u>493,632</u>	
CURRENT LIABILITIES					
Creditors and accruals	10	(108,091)		(147,127)	
NET CURRENT ASSETS			<u>476,147</u>		<u>346,505</u>
			<u>1,418,388</u>		<u>1,285,541</u>
Represented by :					
RESERVES					
General Fund			1,404,507		1,259,736
Charitable Fund			13,881		25,805
			<u>1,418,388</u>		<u>1,285,541</u>

T R POIL

GENERAL SECRETARY



K HART

TREASURER



Approved:

21 March 2018

NATIONWIDE GROUP STAFF UNION

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2017

		2017	2016
	Note	£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating surplus		109,626	116,729
Adjustments for:			
Amortisation of intangible fixed assets		3,075	3,075
Depreciation of tangible fixed assets		20,541	18,153
Decrease/(increase) in trade and other receivables		(372)	4,442
Increase/(decrease) in trade and other payables		(39,036)	54,007
NET CASH GENERATED FROM OPERATING ACTIVITIES		<u>93,834</u>	<u>196,406</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of tangible fixed assets		(3,600)	(17,246)
Purchases of Intangible fixed assets		-	-
Purchase of investments		-	(350,000)
NET CASH FROM INVESTING ACTIVITIES		<u>(3,600)</u>	<u>(367,246)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		<u>90,234</u>	<u>(170,840)</u>
Cash and cash equivalents at beginning of year		462,389	633,229
CASH AND CASH EQUIVALENTS AT END OF YEAR	12	<u>552,623</u>	<u>462,389</u>

NATIONWIDE GROUP STAFF UNION

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2017

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 2017 are 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.

The financial statements are prepared in sterling, which is the functional currency of the Trade Union. Monetary amounts in these financial statements are rounded to the nearest £.

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 2017

The investment property has been valued internally by the National Executive Committee.

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 £99,267.

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 2017

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 2017

1	OTHER OPERATING INCOME	2017	2016
		£	£
	<u>Other Income</u>		
	Advertising revenue	1,800	2,700
	Bank interest	1,344	6,077
	Overstatement of bank interest in previous years	(2,412)	-
	Draws and lotteries:		
	Draw income	357,263	348,587
	Prizes awarded	(268,000)	(261,231)
	Insurance commission	23,112	18,380
	Rapport insurance	-	494
	Other commission	7,470	2,191
	Overstatement of commission in previous years	(9,568)	-
		<u>111,009</u>	<u>117,198</u>
	<u>Investment Income</u>		
	Flat rental	8,571	8,517
	Dividend income	1,808	7
		<u>10,379</u>	<u>8,524</u>
		<u>121,388</u>	<u>125,722</u>
2	SERVICES TO MEMBERS	2017	2016
		£	£
	Magazine costs	34,940	33,662
	Legal and professional	19,478	11,408
	TUC affiliation fee	35,051	33,420
	Postage	9,670	10,955
	Publications	3,054	3,375
	Staff costs	800,056	779,748
	Telephone	15,522	21,042
	Training	9,623	5,231
	Disciplinary and grievance meetings	6,525	9,080
	Website costs	9,378	6,813
	VAT Recovered	(16,095)	(17,192)
	Other expenses	3,273	-
		<u>930,475</u>	<u>897,542</u>

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2017

3	MEETING EXPENSES	2017 £	2016 £
	National Conference	26,052	35,046
	Area Council	23,593	11,495
	National Executive	4,928	6,229
	TUC Meetings	1,959	2,047
	Other meetings	37,410	34,217
		93,942	89,034
4	ADMINISTRATION EXPENSES	2017 £	2016 £
	Audit and accountancy	18,000	21,600
	Ballots	18,624	-
	Accountancy systems	3,221	12,301
	Bank and legal costs	4,140	5,204
	Printing and stationery	1,513	4,724
	Staff costs	84,044	85,275
	Sundry expenses	93	1,693
		129,635	130,797
5	PREMISES AND EQUIPMENT COSTS	2017 £	2016 £
	PREMISES COSTS		
	Cleaning	4,787	6,368
	Insurance	3,881	4,459
	Rent and rates	12,258	13,532
	Repairs	3,227	1,100
	Utilities	5,657	6,741
	Flat expenses	4,328	2,906
		34,138	35,106
	EQUIPMENT COSTS		
	Maintenance and leasing		
	Motor	45,550	45,740
	Office and computer	33,618	44,924
		79,168	90,664
	DEPRECIATION	20,541	18,153
	AMORTISATION	3,075	3,075
		136,922	146,998

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2017

6	TANGIBLE FIXED ASSETS	Land and buildings £	Office equipment £	Computer and software £	Total £
	COST				
	At 1 January 2017	282,203	35,307	157,430	474,940
	Additions	-	240	3,360	3,600
	Disposals	-	-	(1,085)	(1,085)
	At 31 December 2017	<u>282,203</u>	<u>35,547</u>	<u>159,705</u>	<u>477,455</u>
	ACCUMULATED DEPRECIATION				
	At 1 January 2017	84,264	32,273	134,137	250,674
	Charge for the year	3,644	1,571	15,326	20,541
	Relating to disposals	-	-	(1,085)	(1,085)
	At 31 December 2017	<u>87,908</u>	<u>33,844</u>	<u>148,378</u>	<u>270,130</u>
	NET BOOK VALUE				
	At 31 December 2017	<u>194,295</u>	<u>1,703</u>	<u>11,327</u>	<u>207,325</u>
	<i>At 31 December 2016</i>	<u>197,939</u>	<u>3,034</u>	<u>23,293</u>	<u>224,266</u>
7	INTANGIBLE FIXED ASSETS		Website £		
	COST				
	At 1 January 2017		12,300		
	Additions		-		
	At 31 December 2017		<u>12,300</u>		
	AMORTISATION				
	At 1 January 2017		5,513		
	Charge for the year		3,075		
	At 31 December 2017		<u>8,588</u>		
	NET BOOK VALUE				
	<i>At 31 December 2017</i>		<u>3,712</u>		
	<i>At 31 December 2016</i>		<u>6,787</u>		

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2017

8 INVESTMENTS

	Equity Investments £	Investment Property £	Total £
Market Value at 1 January 2017	509,983	198,000	707,983
Acquisitions at cost	-	-	-
Change in value in the year	14,221	9,000	23,221
Market Value at 31 December 2017	<u>524,204</u>	<u>207,000</u>	<u>731,204</u>

9 DEBTORS

	2017 £	2016 £
Other debtors	29	-
Prepayments	31,586	31,243
	<u>31,615</u>	<u>31,243</u>

10 CREDITORS

	2017 £	2016 £
Other creditors	71,997	75,925
Taxes & social security costs	21,194	21,302
Accruals & deferred income	14,900	49,900
	<u>108,091</u>	<u>147,127</u>

11 FINANCIAL COMMITMENTS

At 31 December 2017 the union was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2018:

	2017 £	2016 £
Operating leases which expire:		
Within one year	38,414	31,204
Between two and five years	<u>34,951</u>	<u>23,539</u>

NATIONWIDE GROUP STAFF UNION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2017

12	COMPONENTS OF CASH AND CASH EQUIVALENTS	2017	2016
		£	£
	Cash	552,623	462,389
	Overdraft	-	-
	Cash equivalents	-	-
		<u>552,623</u>	<u>462,389</u>

13 CONTROLLING INTEREST

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



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	£129,132
Benefits:	
Pension Contributions (The Union makes contributions of 15% of salary on behalf of all staff)	£19,370
Car and other allowances	£9,724

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."