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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:	Local Government Yorkshire and Humber
Year ended:	31 March 2012
List No:	CO/224E 246E
Head or Main Office:	The Orangery Back Lane Wakefield WF1 2TG
Website address (if available)	www.lgyh.gov.uk
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> / No <input type="checkbox"/> (Tick as appropriate)
General Secretary:	Justin Homer
Contact name for queries regarding the completion of this return:	Anne Beevers
Telephone Number:	01924 200262
e-mail:	Anne.Beevers@lgyh.gov.uk

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 020 7210 3734

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

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

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



RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
33				

OFFICERS IN POST

(see note 10)

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

All officers are as detailed in the "Change of Officers" section below

CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Chair LGYH		Cllr Peter Box	8 July 2011
Vice Chairs (x4)		Cllr Roger Stone (Sheffield City Region)	8 July 2011
		Cllr Tom Fox (Local Gov NY & York)	8 July 2011
		Cllr Janet Battye (Leeds City Region)	8 July 2011
		Cllr Stephen Parnaby (Hull & Humber Ports)	8 July 2011

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	INCOME		
939,033	From Members Subscriptions, levies, etc	562,475	
2,900	Investment income Bank Interest	5,414	
941,933			567,889
203,677	Other income Consultancy Fees (Seminars, conferences etc)	103,830	
2,728,152	Special Projects	1,647,973	
1,154,716	CLG & Related Funding	78,599	
12,114	Information Services, handbooks, sundry income	7,655	1,838,057
5,040,592	TOTAL INCOME		2,405,946
	EXPENDITURE		
	Administrative expenses		
862,359	Remuneration and expenses of staff	728,412	
	Severance Costs	331,143	
97,469	Occupancy costs	83,234	
18,945	Printing, Stationery, Post & Telephone	20,595	
8,570	Legal and Professional fees	26,537	
19,934	Miscellaneous - Board Meetings, Members Allices	15,914	
15,802	Staff Training & Recruitment	14,600	
11,866	External provided services	13,682	
20,059	Subscriptions, Publications, Website	21,857	
1,055,004			1,255,974
	Other charges		
958	Bank charges	1,121	
201,972	Seminars, conferences etc	103,035	
2,587,852	Special Projects	1,611,923	
1,180,286	CLG Grant and related Expenditure	78,330	
8,000	Current service cost less employer contributions	-107,000	
(1,445,000)	Past Service/curtailment/Settlement Gain	35,000	
47,000	Pension Finance cost	-123,000	1,599,409
3,636,072	TOTAL EXPENDITURE		2,855,383
1,404,520	NET (EXPENDITURE)/INCOME		-449,437
0	Reserves and Pension surplus transferred from YHA		15,446
1,899,000	Gains and (losses) on Revaluation of Pension assets and Liabilities		(1,477,000)
3,303,520	Net (Expenditure) /Income after gains & losses on revaluation of pension assets and Liabilities		(1,910,991)
(3,245,512)	Amount of fund at beginning of year		62,008
4,000	Increase in Dilapidation Reserve held by Wakefield MDC		
	Transfer from Dilapidation Reserve (Long Term Creditor)		5,000
62,008	Amount of fund at end of year		(1,843,983)

ACCOUNT 3

**Fund
Account**

Name of account:

£

£

Income

From members
Investment income
Other income (specify)

Total Income

Expenditure

Administrative expenses
Other expenditure (specify)

Total Expenditure

Surplus (Deficit) for the year

Amount of fund at beginning of year

Amount of fund at the end of year (as Balance Sheet)

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND
(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
			Surplus (Deficit) for the year
			Amount of fund at beginning of year
			Amount of fund at the end of year (as Balance Sheet)

ACCOUNT 5

**Fund
Account**

Name of account:

£

£

Income

From members
Investment income
Other income (specify)

Total Income

Expenditure

Administrative expenses
Other expenditure (specify)

Total Expenditure

Surplus (Deficit) for the year

Amount of fund at beginning of year

Amount of fund at the end of year (as Balance Sheet)

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6		Fund Account	
Name of account:		£	£
Income			
	From members		
	Investment income		
	Other income (specify)		
		Total Income	
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 7

**Fund
Account**

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

BALANCE SHEET AS AT [31 March 2012]

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at page 11)		
	Investments (as per analysis on page 13)		
	Quoted (Market value £)		
	Unquoted		
	Total Investments		
	Other Assets		
1,000,603	Sundry debtors	213,766	
1,887,923	Cash at bank and in hand	2,176,537	
	Stocks of goods		
	Others (specify)		
2,888,526			2,390,303
	Total of other assets		
2,888,526		TOTAL ASSETS	2,390,303
1,440,008	General Reserves	816,017	
(1,378,000)	Pension Scheme Reserve	(2,660,000)	-1,843,983
62,008			
	Liabilities		
	Loans		
	Bank overdraft		
	Tax payable		
1,448,518	Sundry creditors	1,574,286	
	Accrued expenses		
	Provisions		
1,378,000	Other liabilities -Pension Scheme	2,660,000	
2,826,518			4,234,286
2,888,526		TOTAL LIABILITIES	2,390,303

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period				
Additions during period				
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period				
BOOK AMOUNT at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET				

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 23 to 25)

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	562,475		562,475
From Investments	5,414		5,414
Other Income (including increases by revaluation of assets)	1,838,057		1,838,057
Total Income	2,405,946		2,405,946
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	4,311,937		4,311,937
Funds at beginning of year (including reserves)	62,008		62,008
Funds at end of year (including reserves)	-1,843,983		-1,843,983
ASSETS			
Fixed Assets			
Investment Assets			
Other Assets			2,390,303
		Total Assets	2,390,303
LIABILITIES			
		Total Liabilities	4,234,286
NET ASSETS (Total Assets less Total Liabilities)			

NOTES TO THE ACCOUNTS

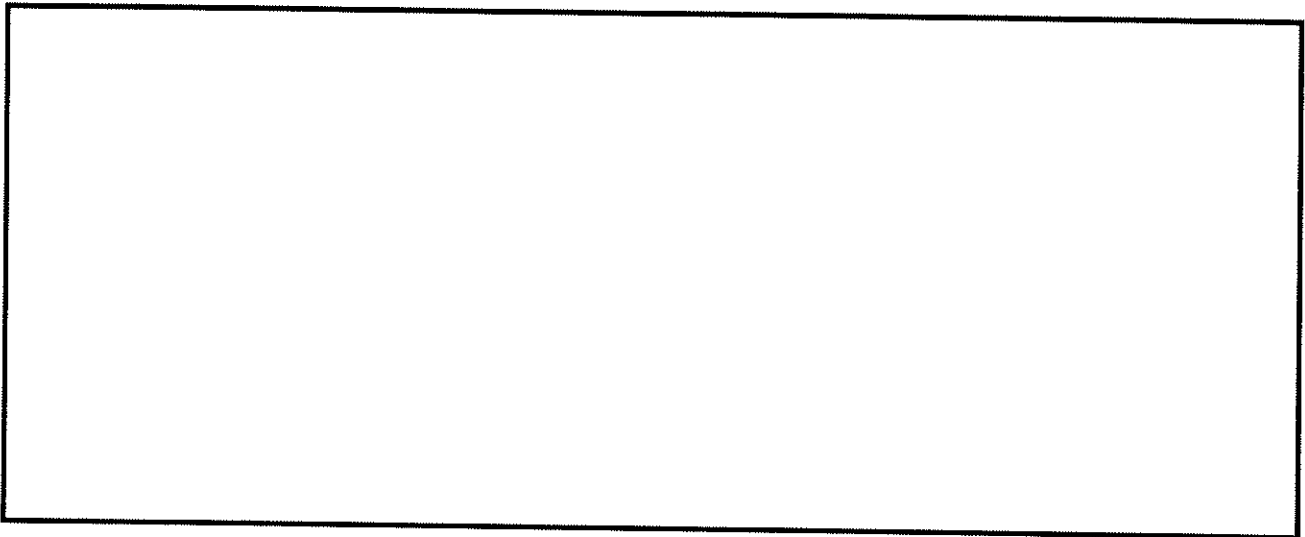
(see note 36)

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

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ACCOUNTING POLICIES

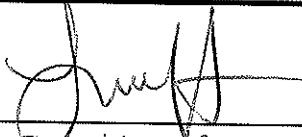

(see notes 37 and 38)



SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>JUSTIN HOMER</u> Date: <u>29 AUGUST 2012</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>JOHN MOTHERSOLE</u> Date: <u>29 AUGUST 2012</u>	CHAIR OF YORKMERE AND HUNGERFORD EXECUTIVE'S GROUP (SEE ATTACHED STRUCTURE CHART)
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CHECK LIST

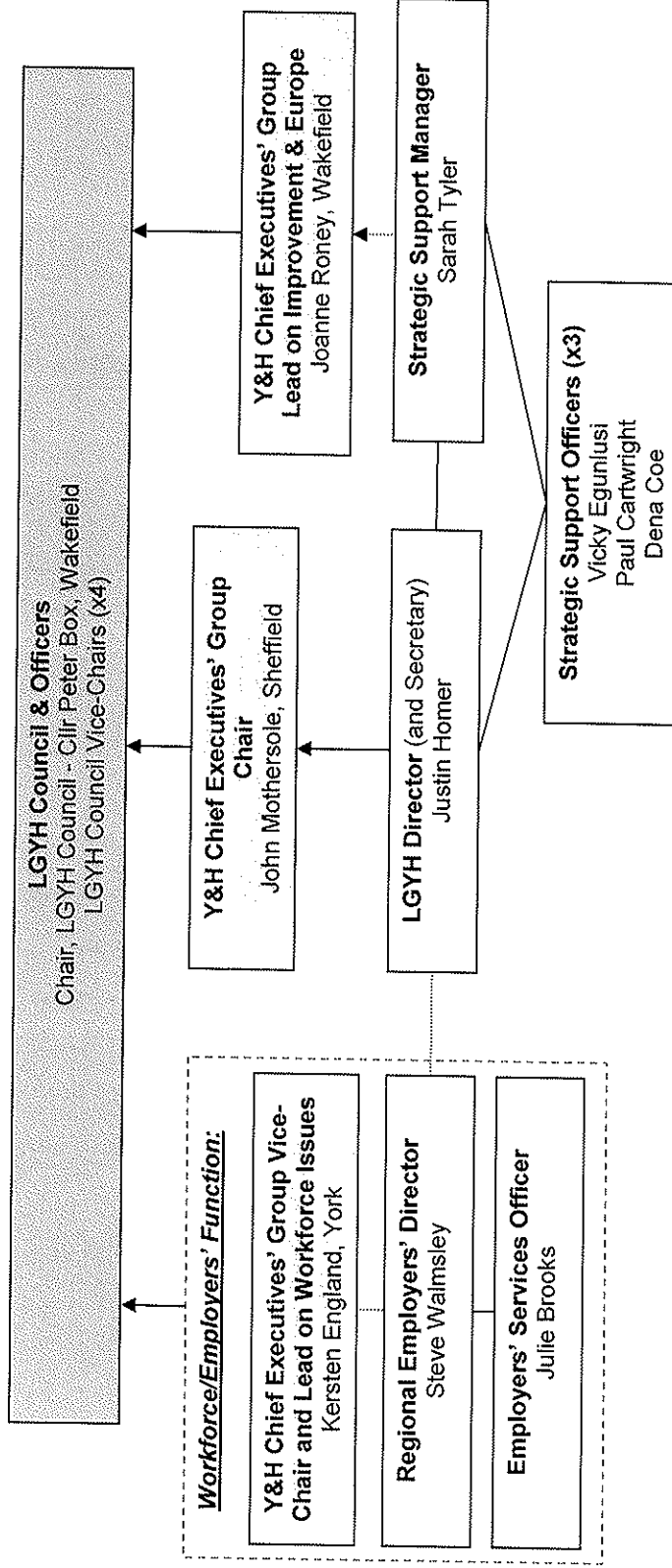
(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	/	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	/	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	/	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	/	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES	/	NO	

HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	/	NO	
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LGYH SECRETARIAT AND REPORTING STRUCTURE



- Externally funded Special Project Officers hosted in the LGYH Secretariat:**
- Y&H Climate Change Co-ordinator
 - Y&H Climate Change Skills Fund Programme Officer
 - Strategic Support Officer, Special Projects
 - Regional Health & Wellbeing Collaborative Coordinator

AUDITOR'S REPORT

(see notes 42 to 47)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

YES

NO

If YES name the relevant companies:

COMPANY NAME

COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)

INCORPORATED EMPLOYERS' ASSOCIATIONS

Are the shares which are controlled by the association registered in the association's name

YES

NO

If NO, please state the names of the persons in whom the shares controlled by the association are registered.

COMPANY NAME

NAMES OF SHAREHOLDERS

UNINCORPORATED EMPLOYERS ASSOCIATIONS

Are the shares which are controlled by the association registered in the names of the association's trustees?

YES

NO

If NO, state the names of the persons in whom the shares controlled by the association are registered.

COMPANY NAME

NAMES OF SHAREHOLDERS

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

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

YES/NO
If "No" please explain below.

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

YES/NO
If "No" please explain below.

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

YES/NO
If "No" please explain below.

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

AUDITOR'S REPORT (continued)

PLEASE REFER TO ENCLOSED SIGNED
FINANCIAL STATEMENTS.

Signature(s) of auditor or auditors:

Name(s):

Profession(s) or Calling(s):

Address(es):

Date:

Contact name and telephone number:

Local Government Yorkshire and Humber

Financial statements

For the year ended 31 March 2012



LOCAL GOVERNMENT YORKSHIRE AND HUMBER

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LOCAL GOVERNMENT YORKSHIRE AND HUMBER

AUDITORS REPORT FOR THE YEAR ENDED 31 MARCH 2012

Independent auditors' report to the members of Local Government Yorkshire and Humber

We have audited the financial statements of Local Government Yorkshire and Humber for the year ended 31 March 2012 which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of Executive Board and auditors

The Executive Board are responsible for the preparation of the financial statements and for being satisfied that they 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 (APB's) Ethical Standards for Auditors. This report is made solely to the organisation's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the organisation'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 organisation and the organisation's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

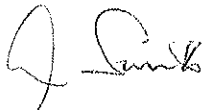
In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2012 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992 and appropriate accounting standards.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the members were not entitled to prepare the financial statements in accordance with the small companies' regime.



Alastair Smith (Senior statutory auditor)

For and on behalf of Mazars LLP, Chartered Accountants (Statutory auditor)

Mazars LLP, Leeds

Date 30 AUGUST 2012

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
INCOME			
From members			
Subscriptions, levies etc, employer		562,475	939,033
Inv. Income			
Bank interest		5,414	2,900
Other income			
Consultancy fees (Seminars, Conferences & Exhibitions)		103,380	203,677
Special Projects		1,647,973	2,728,152
CLG grant income		78,599	1,154,716
Information services, handbooks, sundry income		7,655	12,114
Total income		<u>2,405,946</u>	<u>5,040,592</u>
EXPENDITURE			
Admin expenses			
Remuneration and expenses of staff		728,412	862,359
Severance costs		331,143	-
Occupancy costs		88,234	97,469
Printing, stationery, post and telephone		20,595	18,945
Legal and professional fees		26,537	8,570
Miscellaneous		15,914	19,934
Staff training and recruitment		14,600	15,802
Externally provided services		13,682	11,866
Subscriptions, publications, website		21,857	20,059
Other charges			
Bank charges		1,121	958
Seminars, Conferences, exhibitions		103,035	201,972
Special projects		1,611,923	2,587,852
CLG grant transitional and exceptional costs		78,330	1,180,286
Current service cost less employer contributions	2	(107,000)	8,000
Past Service/Curtailment/Settlement Gain	2	35,000	(1,445,000)
Pension finance costs	2	(123,000)	47,000
Total expenditure		<u>2,855,383</u>	<u>3,636,072</u>
Net (expenditure)/ income		(449,437)	1,404,520
Reserves and pension surplus transferred from YHA	2	15,446	-
(Losses) and gains on revaluation of pension assets and liabilities	2	(1,477,000)	1,899,000
Net (expenditure)/income after gains and losses on revaluation of pension assets and liabilities		<u>(1,910,991)</u>	<u>3,303,520</u>
Increase in dilapidation reserve held by Wakefield MDC		-	4,000
Funds brought forward at 1 April 2011		62,008	(3,245,512)
Funds carried forward at 31 March 2012		<u>(1,843,983)</u>	<u>62,008</u>

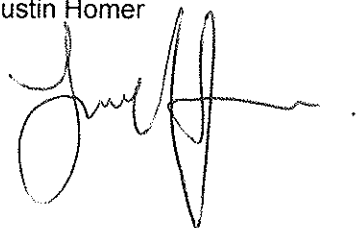
LOCAL GOVERNMENT YORKSHIRE AND HUMBER

BALANCE SHEET AS AT 31 MARCH 2012

	Note	2012	2011
		£	£
Current assets			
Debtors		213,766	1,000,603
Cash at bank and in hand		<u>2,176,537</u>	<u>1,887,923</u>
		2,390,303	2,888,526
Creditors: amounts falling due within one year		<u>(1,574,286)</u>	<u>(1,448,518)</u>
Net current assets		<u>816,017</u>	<u>1,440,008</u>
Net assets excluding pension liability		816,017	1,440,008
Pension liability	2	<u>(2,660,000)</u>	<u>(1,378,000)</u>
Net assets/ (liabilities) including pension liability		<u>(1,843,983)</u>	<u>62,008</u>
Reserves			
General reserve excluding pension liability		816,017	1,440,008
Pension reserve	2	<u>(2,660,000)</u>	<u>(1,378,000)</u>
Total reserves		<u>(1,843,983)</u>	<u>62,008</u>

The financial statements were approved by the board on 23/3/12 and signed on its behalf by:

Justin Homer



LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Basis of preparation of the accounts

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Income

Income comprises:

- member organisation subscriptions which are recognised over the period to which the subscription relates;
- grant income which is recognised when the criteria associated with the grant are met;
- special project income which is recognised based on the level of completion of the individual project; and
- other income streams which are included at the invoiced value of services supplied, net of value added tax and any discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed asset purchases below £1,750 are written off fully in the year of acquisition.

2 Pension costs – West Yorkshire Pension Fund

The organisation participates in the West Yorkshire Pension Fund (WYPF). WYPF is a multi-employer defined benefit scheme. The scheme is funded and is contracted out of the state scheme. The last full actuarial valuation of the scheme was carried out at 31 March 2007 and updated to 31 March 2011 by professionally qualified actuaries, Hewitt Associates Limited.

Both employer and employee have contributed at a combined rate of 27.4% of pensionable salaries during the year ended 31 March 2012. The organisation paid contributions at the rate of 21.4% during the year. Member contributions for the year were paid at the rate 6.0%.

From 1 April 2012 the organisation will continue to pay contributions of 21.4%. Member contributions will remain at 6.0%.

The major assumptions used by the actuaries were:

	31 March 2012	31 March 2011	31 March 2010
Rate of increase in salaries	5.1%	5.2%	5.65%
Rate of increase in pensions in payment	2.6%	2.8%	3.9%
Discount rate	4.8%	5.4%	5.5%
Inflation assumption (CPI)	2.6%	2.8%	3.9%

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

2 Pension costs – West Yorkshire Pension Fund (continued)

	Long term rate of return expected	Value at 31 March 2012 £	Long term rate of return expected	Value at 31 March 2011 £	Long term rate of return expected	Value at 31 March 2010 £
Equities	8.1%	6,147,770	8.4%	6,241,278	8.0%	6,204,000
Government bonds	3.1%	1,183,950	4.4%	973,332	4.5%	1,098,000
Other bonds	3.7%	456,040	5.1%	332,982	5.5%	307,000
Property	7.6%	333,260	7.9%	307,368	8.5%	290,000
Cash/liquidity	1.8%	166,630	1.5%	196,374	0.7%	343,000
Other	8.1%	482,359	8.4%	486,666	8.0%	545,000
Total market value of assets		8,770,000		8,538,000		8,787,000
Present value of scheme liabilities		(11,430,000)		(9,916,000)		(13,454,000)
Deficit in the scheme		(2,660,000)		(1,378,000)		(4,667,000)
Net pension liability		(2,660,000)		(1,378,000)		(4,667,000)

Analysis of the amounts charged to the income and expenditure account

	2012 £	2011 £
Current service cost	145,000	286,000
Expected return on pension scheme assets	652,000	621,000
Interest on pension scheme liabilities	(535,000)	(674,000)
Net charge	117,000	(53,000)

Movement in deficit during the year

	2012 £	2011 £
Deficit at beginning of year	(1,378,000)	(4,667,000)
Current service cost	(145,000)	(286,000)
Employers contributions	252,000	278,000
Past service/curtailment/settlement gain	(35,000)	1,445,000
Net interest/return on assets	123,000	(47,000)
Net transfer in of assets and liabilities	-	-
Actuarial (loss)/gain	(1,477,000)	1,899,000
Deficit at end of year	(2,660,000)	(1,378,000)

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

3 Related Party Transactions

Local Government Yorkshire and Humber ('LGYH') exists to promote effective working between its member organisations. These member organisations provide the majority of LGYH's income, comprising subscriptions, levies and payments for specific services.

4 Post Balance Sheet Events

Additional pension contribution

The outcome of the 2010 Actuarial Valuation set the new employers contribution rates for the next three years at 21.4%, an increase of 0.8% from the present rate of 20.6%. In addition a separate additional contribution as part of a deficit reduction plan has been set as follows:

2011/12	£45,000
2012/13	£100,000
2013/14	£156,000