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PRINT ON ONE SIDE ONLY

## FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

### ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Year ended:

List No:

Head or Main Office:

Website address (if available)

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

Yes

No

(Tick as appropriate)

General Secretary:

Contact name for queries  
regarding  
the completion of this return:

Telephone Number:

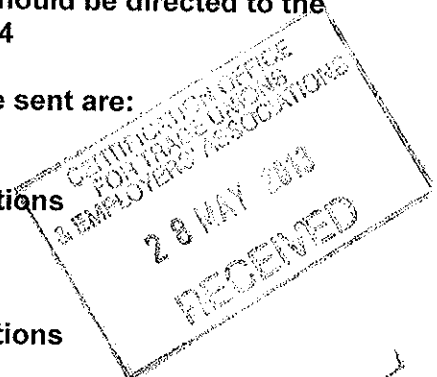
e-mail:

**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  
22<sup>nd</sup> 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



**MEMBERS OF THE NATIONAL HAIRDRESSERS' FEDERATION LIMITED  
NATIONAL EXECUTIVE COUNCIL AS AT 31 DECEMBER 2012**

M Coray : President  
P Curry : Vice President  
J Bonn : Honorary Treasurer  
J Armstrong  
J Beattie  
Mrs E Clough  
I Egerton  
Mrs G Elliot  
Mrs A Goddard-Wilson  
D Harrison  
Mrs E Hayden  
Mrs A Leonard  
A Rapkin  
M Thornhill  
Mrs A Walker

**OFFICER OF THE NATIONAL HAIRDRESSERS' FEDERATION LIMITED WHO IS NOT A  
MEMBER OF THE NATIONAL EXECUTIVE COUNCIL AS AT 31 DECEMBER 2012:**

None

## 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
<b>5,388</b>	<b>12</b>	<b>-</b>	<b>28</b>	<b>5,428</b>

## 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.

## 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
National Executive Council Member	Mrs N Boone	Mrs E Hayden	07 October 2012
National Executive Council Member	Mrs A Morgan	I Egerton	07 October 2012
National Executive Council Member	M Bridger	n/a	21 November 2012

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	<b>INCOME</b>		
1,205,399	From Members Subscriptions		1,151,939
23,408	Investment income Interest and dividends (gross)	35,621	
72	Bank interest (gross)	-	
			35,621
115,218	Other income Insurance commission	114,396	
64,712	Advertising/sponsorship	72,644	
52,367	Competitions/seminars	50,519	
23,041	Miscellaneous receipts - sundry	13,130	
52,778	Sales to members	50,957	
(15,045)	Exceptional item – refund due from HMRC	(3,435)	
111,478	Exceptional item – reduction to VAT unclaimed by members	-	
-	Exceptional item – interest rec'd on delayed VAT repayments	6,265	
-	Exceptional item – World Hair Ltd distribution	35,000	
			339,476
1,633,428	<b>TOTAL INCOME</b>		1,527,036
	<b>EXPENDITURE</b>		
	Administrative expenses		
345,547	Remuneration and expenses of staff	395,000	
34,744	Occupancy costs	34,475	
60,049	Printing, stationery, postage & telephone	52,470	
38,710	Honoraria	36,384	
25,912	Legal and professional fees	27,613	
24,862	Office equipment charges	28,598	
131,386	Travel, publicity & promotion	141,587	
			716,127
	Other charges		
8,368	Bank and investment manager's charges	18,452	
58,028	Depreciation	42,620	
7,589	Cost of sales to members	5,956	
32,657	Affiliation fees, donations & subscriptions	18,024	
149,094	Conference and meeting fees	144,745	
89,477	Expenses – competition	97,207	
394,966	Direct membership services	450,475	
18,202	Sundry & admin charges	7,043	
31,615	Irrecoverable VAT	25,474	
6,641	Insurance premium tax	8,350	
-	Exceptional item – CEO recruitment costs	23,000	
-	Exceptional item – website development costs	25,647	
			866,993
1,457,757	<b>TOTAL EXPENDITURE</b>		1,583,120
175,671	Deficit for year		(56,084)
(42,539)	Gain (loss) on Investments (unrealised gain £98,032; realised gain £6,232)		104,264
2,383,717	Amount of funds at beginning of year		2,516,849
2,516,849	Amount of funds at end of year		2,565,029

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

ACCOUNT 2		<i>Not applicable</i>		Fund Account	
Name of account:		£		£	
<b>Income</b>	From members				
	Investment income				
	Other income (specify)				
	<b>Total Income</b>				
<b>Expenditure</b>	Administrative expenses				
	Other expenditure (specify)				
	<b>Total Expenditure</b>				
	Surplus (Deficit) for the year				
Amount of fund at beginning of year					
Amount of fund at the end of year (as Balance Sheet)					

ACCOUNT 3		<i>Not applicable</i>		Fund Account	
Name of account:		£		£	
<b>Income</b>	From members				
	Investment income				
	Other income (specify)				
	<b>Total Income</b>				
<b>Expenditure</b>	Administrative expenses				
	Other expenditure (specify)				
	<b>Total Expenditure</b>				
	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		<i>Not applicable</i>		Fund Account	
Name of account:		£		£	
<b>Income</b>	From members				
	Investment income				
	Other income (specify)				
		<b>Total Income</b>			
<b>Expenditure</b>	Administrative expenses				
	Other expenditure (specify)				
			<b>Total Expenditure</b>		
		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		<i>Not applicable</i>		Fund Account	
Name of account:		£		£	
<b>Income</b>	From members				
	Investment income				
	Other income (specify)				
		<b>Total Income</b>			
<b>Expenditure</b>	Administrative expenses				
	Other expenditure (specify)				
			<b>Total Expenditure</b>		
		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		<i>Not applicable</i>		Fund Account	
Name of account:		£		£	
<b>Income</b>	From members				
	Investment income				
	Other income (specify)				
		<b>Total Income</b>			
<b>Expenditure</b>	Administrative expenses				
	Other expenditure (specify)				
			<b>Total Expenditure</b>		
		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		<i>Not applicable</i>		Fund Account	
Name of account:		£		£	
<b>Income</b>	From members				
	Investment income				
	Other income (specify)				
		<b>Total Income</b>			
<b>Expenditure</b>	Administrative expenses				
	Other expenditure (specify)				
			<b>Total Expenditure</b>		
		Surplus (Deficit) for the year			
		Amount of fund at beginning of year			
		Amount of fund at the end of year (as Balance Sheet)			

## BALANCE SHEET AS AT 31 DECEMBER 2012

(see notes 19 and 20)

Previous Year		£	£
465,121	<b>Fixed Assets</b> (as at page 8)		448,645
	<b>Investments</b> (as per analysis on page 9)		
1,097,824	Quoted (Market value)	1,292,614	
7	Unquoted (note 3)	7	
1,097,831	<b>Total Investments</b>		1,292,621
	<b>Other Assets</b>		
102,659	Sundry debtors	80,509	
443,227	Cash at bank and in hand	449,726	
480,886	Short term deposits (note 3)	502,913	
31,198	Stocks of goods	15,539	
1,057,970	<b>Total of other assets</b>		1,048,687
2,620,922	<b>TOTAL ASSETS</b>		2,789,953
5,689	Member Shares	5,428	
549,176	Income & Expenditure Fund		
1,327,023	• National Operations	477,483	
	• Regions and Networking Groups	1,444,377	
465,121	Tangible Fixed Asset Fund	448,645	
45,829	Revaluation Reserve		
(1,078)	• National Operations	136,364	
	• Regions and Networking Groups	-	
125,089	Restructure Fund	52,732	
2,516,849	<b>Liabilities</b>		2,565,029
60,224	Sundry creditors	65,509	
43,829	Accrued expenses	38,978	
-	Deferred income: subscriptions in advance	120,437	
-	<b>Provision for liabilities and charges</b>	-	
104,073	<b>TOTAL LIABILITIES</b>		224,924
2,620,922	<b>TOTAL ASSETS</b>		2,789,953



## FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures, Fittings & Equipment	Total
	£	£	£
<b>COST OR VALUATION</b>			
At start of period	493,789	151,043	644,832
Additions during period	-	26,144	26,144
Less: Disposals during period	-	-	-
Assets fully written down in period	-	(22,226)	(22,226)
Less: DEPRECIATION:			
At start of period	89,693	90,018	179,711
Charges for the period	9,876	32,744	42,620
Assets fully written down in period	-	(22,226)	(22,226)
Total to end of period	99,569	100,536	200,105
<b>BOOK AMOUNT</b> at end of period	394,220	54,425	448,645
Freehold			
Leasehold (50 or more years unexpired)			
Leasehold (less than 50 years unexpired)	394,220		
<b>AS BALANCE SHEET</b>	394,220	54,425	448,645

## ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
<b>QUOTED</b>	British Government & British Government Guaranteed Securities	1,292,614
	British Municipal and County Securities	-
	Other quoted securities	-
	TOTAL QUOTED (as Balance Sheet)	1,292,614
	*Market Value of Quoted Investments	1,292,614
<b>UNQUOTED</b>	British Government Securities	-
	British Municipal and County Securities	-
	Mortgages	-
	Other unquoted securities	
	- World Hair Ltd	1
	- Priory Park Management Ltd	6
	TOTAL UNQUOTED (as Balance Sheet)	7
	*Market Value of Unquoted Investments	7

\* 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)

<b>Does the association, or any constituent part of the association, have a controlling interest in any limited company?</b>		<input type="checkbox"/>	<input type="checkbox"/> NO
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
<b>INCORPORATED EMPLOYERS' ASSOCIATIONS</b>			
<b>Are the shares which are controlled by the association registered in the association's name</b>		<input type="checkbox"/> YES	<input type="checkbox"/> 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		
<b>UNINCORPORATED EMPLOYERS ASSOCIATIONS</b>			
<b>Are the shares which are controlled by the association registered in the names of the association's trustees?</b>		<input type="checkbox"/> YES	<input type="checkbox"/> NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

## SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	1,151,939	-	1,151,939
From Investments	35,621	-	35,621
Other Income (including increases by revaluation of assets)	443,740	-	443,740
<b>Total Income</b>	1,631,300	-	1,631,300
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	1,583,120	-	1,583,120
<b>Funds at beginning of year</b> (including reserves)	2,516,849	-	2,516,849
<b>Funds at end of year</b> (including reserves)	2,565,029	-	2,565,029
<b>ASSETS</b>			
Fixed Assets			448,645
Investment Assets			1,292,621
Other Assets (note 3)			1,048,687
		<b>Total Assets</b>	2,789,953
<b>LIABILITIES</b>		<b>Total Liabilities</b>	(224,924)
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			2,565,029

# NOTES TO THE ACCOUNTS

(see note 36)

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

None

## ACCOUNTING POLICIES



(see notes 37 and 38)

See attached

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Treasurer's Signature: 	President's Signature: 
Name: Jeffery Bonn	Name: Mark Coray
Date:	Date:

## 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	

# AUDITOR'S REPORT

(see notes 42 to 47)

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 which they have audited and which are contained in this return give a true and fair view of the matters to which they relate?

Yes

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 section 28 of the 1992 Act; and
  - (c) whether the accounts to which the report relates agree with the accounting records?

Yes

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 its accounts and remittances.

Yes

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 on which the report has been conducted and/or some other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.

See attached.

## AUDITOR'S REPORT (continued)

See attached

Signature(s) of auditor or auditors:	<u>Buzzacott LLP</u>	
Name(s):	Buzzacott LLP	
Profession(s) or Calling(s):	Statutory Auditor	
Address(es):	130 Wood Street London EC2V 6DL	
Date:	22 May 2013	
Contact name and telephone number:	Amanda Francis 0207 556 1200	

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



**NATIONAL HAIRDRESSERS' FEDERATION LIMITED**  
**ANNUAL RETURN – 31 December 2012**

**INDEPENDENT AUDITOR'S REPORT (made in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992)**

We have audited the attached financial statements of the National Hairdressers' Federation Limited for the year ended 31 December 2012 which comprise the revenue account, the balance sheet, the principal accounting policies and related notes. They have been prepared under the historical cost convention (as modified by the revaluation of certain listed investments at market value) and in accordance with the attached accounting policies. 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).

This report is made solely to the members of the National Hairdressers' Federation Limited. Our audit work has been undertaken so that we might state to the 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 members, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the National Executive Council and the Auditor**

The National Executive Council of the Federation 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 Federation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the National Executive Council; 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 National Hairdressers' Federation Limited's affairs as at 31 December 2012 and of its income and expenditure for the year then ended.

**NATIONAL HAIRDRESSERS' FEDERATION LIMITED**  
**ANNUAL RETURN – 31 December 2012**

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

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- ◆ the Federation has not kept proper accounting records; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanation we need for our audit.

Buzzacott LLP

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

22 May 2013

**NATIONAL HAIRDRESSERS' FEDERATION LIMITED**  
**ANNUAL RETURN - 31 December 2012**

**PRINCIPAL ACCOUNTING POLICIES**

A summary of the principal accounting policies is set out below.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of quoted investments, and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Membership fees and insurance commission**

Membership fees and insurance commission income are recognised in the revenue account on a receipts basis unless amounts received are specifically identified as relating to future accounting periods, in which case, these receipts are treated as deferred income within the financial statements.

**Other income**

All income, other than membership fees and insurance commission, is credited to the revenue account on a receivable basis.

**Taxation**

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

**Pension costs**

Contributions in respect of personal pension schemes are charged to the revenue account in the year in which they are paid to the scheme.

**Operating leases**

Rentals applicable to operating leases, where substantially all the risks of ownership remain with the lessor, are charged to the revenue account on a straight line basis over the term of the lease.

**Tangible fixed assets**

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

- |  |                        |
|--|------------------------|
| ◆ Long leasehold property                  | 2% on a straight line  |
| ◆ Office furniture, fittings and equipment | 20% on a straight line |
| ◆ Computer equipment and software          | Over 3 years           |

**Investments**

**NATIONAL HAIRDRESSERS' FEDERATION LIMITED**  
**ANNUAL RETURN - 31 December 2012**

Investments in subsidiary companies and non-listed investments are valued at cost with provision being made for any permanent diminution in value. Listed investments are stated at their market value as at the end of the financial period.

**Stocks**

Stocks are valued at the lower of cost and net realisable value with provision being made for slow moving, obsolete or defective items.

**Fund accounting**

The general funds consist of those funds which the Federation may use in furtherance of its objectives at the discretion of the National Executive Council (NEC).

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

Funds belonging to the individual Regions and Networking Groups are treated as restricted funds, as they are deemed as being for use by the relevant individual Region and Networking Group only.