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- PRINT ON ONE SIDE ONLY

FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

Nautilus International

Year ended:

31 December 2013

List no:

151T

Head or Main Office:

1 & 2 The Shrubberies
George Lane
South Woodford
London
E18 1BD

Website address (if available)

www.nautilusint.org

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

Yes	<input type="checkbox"/>
-----	--------------------------

No	<input checked="" type="checkbox"/>
----	-------------------------------------

(Click the appropriate box)

General Secretary:

Anthony Mark Dickinson

Telephone Number:

020 8989 6677

Contact name for queries regarding

Olu Tunde

Telephone Number:

020 8989 6677

E-mail:

accounts@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: 020 7210 3734

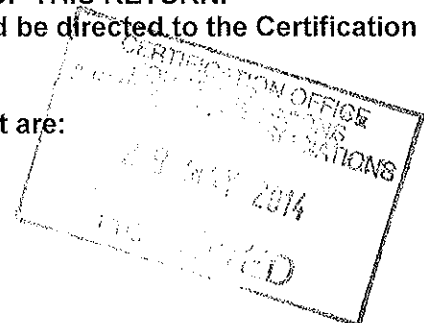
The address to which returns and other documents should be sent are:

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

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



(Revised February 2011)

NAUTILUS INTERNATIONAL

Attachment for Form R21-2013

U Jurgens

W van Hoboken

D Bland

C Bowie

A Butlin

A Cattie

R Downs

R Doyle

H Eijkenaar

G Feikema

M Graves

M Gray

S Gudgeon

W Jackson

S Jones

M Lloyd

P Lok

A MacDonald

I MacKenzie

N Martin

L MacDowell

P Minter

I Nicholson

F Oyedepo

G Pearson

J Shaw

K Sloodstra

J Stone

J van der Zee

A M Dickinson

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

J Lang - Chair

H Lafèbre

R MacDonald

G Thompson

Change of Officers during 2013

Council Member

Davies G

April 2013

Hofton J

April 2013

Morrison D

April 2013

Quinn M

April 2013

Troman M

April 2013

M Smyth

December 2013

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	13,632	319	267	6,307	20,525
FEMALE	465	25	12	183	685
TOTAL	14,097	344	279	6,490	A 21,210

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

2

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

21,208

OFFICERS IN POST

(see note 12)

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.

RETURN OF 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
		See attached	

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		3,264,560
From Members: Other income from members (specify)		
 Total other income from members		
Total of all income from members		3,264,560
Investment income (as at page 12)		206,271
Other Income		
Income from Federations and other bodies	500,989	
Investment Transfer (as at page 4)		
Income from any other sources (as at page 4)	888,791	
 Income from Memorandum Agreements with Employers	2,257,594	
Total of other income (as at page 4)		3,647,374
		TOTAL INCOME
		7,118,205
EXPENDITURE		
Benefits to members (as at page 5)		
Administrative expenses (as at page 10)		7,089,472
Federation and other bodies (specify)		
TUC	41,566	
ITF	17,951	
Others & Donations	154,095	
Total expenditure Federation and other bodies		213,612
Taxation		42,811
		TOTAL EXPENDITURE
		7,345,895
		Surplus (deficit) for year
		(227,690)
		Amount of general fund at beginning of year
		5,280,219
		Amount of general fund at end of year
		5,052,529

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	
		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			
carried forward		Total (should agree with figure in General Fund)	

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Legal Defence Fund	£	£
Income			
	From members		264,694
	Investment income (as at page 12)		
	Other income (specify)		
	Income from Memorandum Agreements with Employers	183,048	
	Total other income as specified		183,048
	Total Income		447,742
Expenditure			
	Benefits to members		185,643
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		185,643
	Surplus (Deficit) for the year		262,099
	Amount of fund at beginning of year		1,700,031
	Amount of fund at the end of year (as Balance Sheet)		1,962,130
	Number of members contributing at end of year		N/A

FUND 3		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	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)		
	Number of members contributing at end of year		

FUND 4		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	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)		
	Number of members contributing at end of year		

FUND 5		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	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)		
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 6		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	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)		
	Number of members contributing at end of year		

FUND 7		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	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)		
	Number of members contributing at end of year		

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	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 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	

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union	
		£	£
Income	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	
Expenditure	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 year	
		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	

ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

Administrative Expenses		£
Remuneration and expenses of staff		
Salaries and Wages included in above	£	3,748,242
Auditors' fees		31,709
Legal and Professional fees		294,464
Occupancy costs		385,101
Stationery, printing, postage, telephone, etc.		265,761
Expenses of Executive Committee (Head Office)		67,449
Expenses of conferences		99,386
Other administrative expenses (specify)		
Travel & Organising		539,876
Pension Deficit Funding		802,920
Telegraph		603,473
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		172,829
Computer cost		136,778
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Gain from disposal of Union Car		(7,211)
Foreign Exchange Movement		(51,305)
Total		7,089,472
Charged to:		
	General Fund (Page 3)	7,089,472
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
Total		7,089,472

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			159,855
Interest (gross) from:			
Government securities (Gilts)			32,866
Mortgages			
Local Authority Bonds			
Bank and Building Societies			13,550
Other investment income (specify)			
		Total investment income	206,271
Credited to:			
		General Fund (Page 3)	206,271
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	
		Total Investment Income	206,271

BALANCE SHEET as at 31 December 2013

(see notes 47 to 50)

Previous Year		£	£
800,436	Fixed Assets (at page 14)		782,181
	Investments (as per analysis on page 15)		
6,216,156	Quoted (Market value £ 8,765,469)	6,792,318	
176,007	Unquoted	176,007	
6,392,163	Total Investments		6,968,325
	Other Assets		
	Loans to other trade unions		
482,693	Sundry debtors		515,347
718,798	Cash at bank and in hand		744,854
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,201,491	Total of other assets		1,260,201
8,394,090	TOTAL ASSETS		9,010,707
5,280,219	Fund (General fund)		5,052,529
1,700,031	Fund (Legal Defence)		1,962,130
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
368,042	Revaluation Reserve		368,042
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
912,798	Sundry creditors		1,039,006
	Accrued expenses		
	Provisions		
133,000	Other liabilities Supplementary Pension Deficit		589,000
1,045,798	TOTAL LIABILITIES		1,628,006
8,394,090	TOTAL ASSETS		9,010,707

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
Cost or Valuation						
At start of year		480,000	830,330	263,421	0.00	1,573,751
Additions			90,086	82,377	0.00	172,463
Disposals				(71,555)	0.00	(71,555)
Revaluation/Transfer s						
At end of year		480,000	920,416	274,243	0.00	1,674,659
Accumulated Depreciation						
At start of year		8,865	643,651	120,799	0.00	773,315
Charges for year		8,865	105,049	58,915	0.00	172,829
Disposals				(53,666)	0.00	(53,666)
Revaluation/Transfer s						
At end of year		17,730	748,700	126,048	0.00	892,478
Net book value at end of year						
		462,270	171,716	148,195	0.00	782,181
Net book value at end of previous year						
		471,135	186,679	142,622		800,436

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Shares	2,325,824	
Government Securities (Gilts)		
Government Stock	408,412	
Other quoted securities (to be specified)		
Unit & Investment Trust	1,865,873	
Fixed Interest	2,192,209	
TOTAL QUOTED (as Balance Sheet)	6,792,318	
Market Value of Quoted Investment	8,765,469	
UNQUOTED		
Equities		
Equity Holding	176,007	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	176,007	
Market Value of Unquoted Investments	176,007	

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		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 Ltd (Section 226)	02032373		
Nautilus Trustees Ltd	1829326		
Are the shares which are controlled by the union registered in the names of the union's trustees?		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 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	3,264,560		3,264,560
From Investments	206,271		206,271
Other Income (including increases by revaluation of assets)	4,095,116		4,095,116
Total Income	7,565,947		7,565,947
EXPENDITURE (including decreases by revaluation of			
Total Expenditure	7,531,538		7,531,538
Funds at beginning of year (including reserves)	7,348,292		7,348,292
Funds at end of year (including reserves)	7,382,701		7,382,701
ASSETS			
Fixed Assets			782,181
Investment Assets			6,968,325
Other Assets			1,260,201
		Total Assets	9,010,707
LIABILITIES		Total Liabilities	1,628,006
NET ASSETS (Total Assets less Total Liabilities)			7,382,701

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

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

See attached signed audited Nautilus International 2013 accounts

ACCOUNTING POLICIES

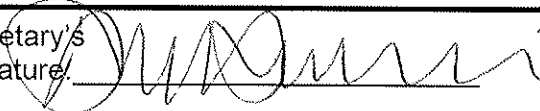
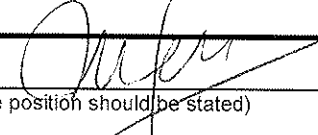
(see notes 74 and 75)

See attached signed audited Nautilus International 2013 accounts

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: 	AGS Signature:  <small>(or other official whose position should be stated)</small>
Name: Anthony Mark Dickinson Date: 21 MAY 2014	Name: Michael Jess Date: 21 MAY 2014

CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? <small>(see Page 2 and Note 12)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? <small>(see Page 2 and Note 12)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? <small>(see Pages 19 and 21 and Notes 76 and 77)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? <small>(see Pages 20 and 21 and Notes 2 and 77)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? <small>(see Notes 8 and 78)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: <small>(see Note 80)</small>	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED <small>(see Page 17 and Notes 7 and 59)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

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 83 and 84)

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 83)

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 rule 83)

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 AR21 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 85)

AUDITOR'S REPORT (continued)

SEE ATTACHED ACCOUNTS

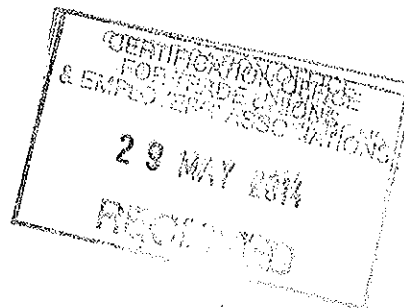
Signature(s) of auditor or auditors:	<i>haysmacintyre</i>	
Name(s):	haysmacintyre	
Profession(s) or Calling(s):	Chartered Accounts	
Address(es):	26 Red Lion Square London WC1R 4AG	
Date:	27/5/2014	
Contact name and telephone number:	Bernadette King 020 7969 5500	

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



NAUTILUS
INTERNATIONAL

Annual Report and Accounts
For the year ended
31st December 2013



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

NAUTILUS INTERNATIONAL

ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 2013

Contents	Page
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Statement of Income and Expenditure	2
Cash flow statement	3
Notes to the Financial Statements	4 – 10
Statement of Council and General Secretary's Responsibilities	11
Independent Auditors' Report	12

NAUTILUS INTERNATIONAL

REFERENCE AND ADMINISTRATION INFORMATION

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
Web site: 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
26 Red Lion Square
London WC1R 4AG

PRINCIPAL BANKER

Unity Trust Bank Plc
Ninebrindley Place
Birmingham B1 2HB

ABN Amro
Psrklaan 1
3016 BA Rotterdam
The Netherlands

FNV GBF
Nz. Voorburgwal 225
1012 TL Amsterdam
The Netherlands

NAUTILUS INTERNATIONAL

REFERENCE AND ADMINISTRATION INFORMATION

Members of Nautilus International Council at Balance
Sheet date

U Jurgens Chair
W van Hoboken Vice Chair
M Smyth Deputy Vice Chair 31/12/2013

D Bland	S Jones	K Slootstra
C Bowie	M Lloyd	J Stone
A Butlin	P Lok	M Troman 30/4/13
A Cattie	A MacDonald	J van der Zee
G Davies 30/4/13	I MacKenzie	A M Dickinson
R Downs	N Martin	
B Doyle	L McDowell	
H Eijkenaar	P Minter	
G Feikema	D Morrison 30/4/13	
M Graves	I Nicholson	
M Gray	F Oyedepo	
S Gudgeon	G Pearson	
J Hofton 30/4/13	M Quinn 30/4/13	
W Jackson	J Shaw	

A M Dickinson

General Secretary


NAUTILUS INTERNATIONAL


BALANCE SHEET

AT 31 DECEMBER 2013

	Notes	2013		2012	
		£	£	£	£
FIXED ASSETS					
Freehold land and buildings	2	462,270		471,135	
Motor vehicles	2	148,195		142,622	
Equipment	2	171,716		186,679	
			782,181		800,436
INVESTMENTS	3		6,968,325		6,392,163
			7,750,506		7,192,599
CURRENT ASSETS					
Debtors and prepayments		515,347		482,693	
Cash at bank and in hand					
Current accounts		530,777		552,252	
Deposit accounts		214,077		166,546	
		1,260,201		1,201,491	
Less: Creditors	4	(1,039,006)		(912,798)	
			221,195		288,693
Net assets excluding pension liability			7,971,701		7,481,292
SPF pension liability	11		(589,000)		(133,000)
NET ASSETS			<u>£7,382,701</u>		<u>£7,348,292</u>
RESERVES					
General Fund	7		5,052,529		5,280,219
Legal Defence Fund	8		1,962,130		1,700,031
Revaluation Reserve	5		368,042		368,042
			<u>£7,382,701</u>		<u>£7,348,292</u>

The financial statements were approved and authorised for issue by the Council on 3 April 2014 and were signed below on its behalf by:


 U Jurgens Chair


 A M Dickinson General Secretary

NAUTILUS INTERNATIONAL

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31ST DECEMBER 2013

	Note	General Fund £	Legal Defence Fund £	Total £	2012 £
Subscription income from individual members		3,264,560	264,694	3,529,254	3,489,063
Subscription income from Memorandum Agreements with employers		2,257,594	183,048	2,440,642	1,981,797
Contribution from RLE		500,989	-	500,989	491,014
Investment income net of corporation tax	6	200,706	-	200,706	221,583
Advertising revenue		567,580	-	567,580	539,302
Other income net of corporation tax	6	66,025	-	66,025	36,060
		<u>6,857,454</u>	<u>447,742</u>	<u>7,305,196</u>	<u>6,758,819</u>
EXPENDITURE					
Travel and general organising		539,876	-	539,876	467,974
Elections and BGM costs		99,386	-	99,386	92,664
Legal defence costs		-	185,643	185,643	190,325
Affiliations and council expenses		245,031	-	245,031	248,168
Telegraph – net cost		603,473	-	603,473	599,852
Phone, post, printing and stationery		265,761	-	265,761	243,141
Professional fees and bank charges		326,173	-	326,173	198,691
Donations		36,030	-	36,030	32,923
Staff costs		3,189,242	-	3,189,242	2,944,027
Pension fund asset and costs	11	802,920	-	802,920	229,931
Building costs		385,101	-	385,101	370,278
Computer and equipment costs		136,778	-	136,778	147,207
(Gain)/loss on disposal of motor vehicles		(7,211)	-	(7,211)	8,892
Depreciation - Freehold buildings		8,865	-	8,865	8,865
Motor vehicles		58,915	-	58,915	65,855
Computers and equipment		105,049	-	105,049	150,199
		<u>6,795,389</u>	<u>185,643</u>	<u>6,981,032</u>	<u>5,998,992</u>
TOTAL OPERATING SURPLUS		62,065	262,099	324,164	759,827
Foreign exchange net movement		51,305	-	51,305	(34,339)
Profit on sale of investments net of corporation tax	6	217,940	-	217,940	273,268
TOTAL SURPLUS FOR THE YEAR		<u>£331,310</u>	<u>£262,099</u>	<u>£593,409</u>	<u>£998,756</u>
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES				2013	2012
				£	£
Total surplus for the year				593,409	998,756
Actuarial (losses) on SPF net pension costs				(559,000)	(77,000)
Gain on revaluation of land and buildings				-	-
Total recognised gains and losses related to the year				<u>£34,409</u>	<u>£921,756</u>

NAUTILUS INTERNATIONAL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2013

	Note	2013 £	2013 £	2012 £	2012 £
Reconciliation from operating surplus to net cash flow from operations:					
Operating surplus		324,164		759,827	
Investment income		(206,271)		(223,830)	
SPF contributions		(175,000)		(125,000)	
SPF current year costs		72,000		69,000	
Depreciation		172,829		224,919	
(Gain)/loss on disposal of fixed assets		(7,211)		8,892	
Corporation tax deducted from income		24,830		3,121	
(Increase) in debtors and prepayments		(32,654)		(80,769)	
Increase in creditors		101,323		160,873	
Net cash inflow from operations			274,010		797,033
Returns on investment and servicing of finance					
Investment income receivable		206,271		223,830	
			206,271		223,830
Taxation					
			(17,926)		(3,616)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(172,463)		(221,252)	
Proceeds from disposal of tangible fixed assets		25,100		78,152	
Payments to acquire investments		(2,428,502)		(2,614,249)	
Proceeds from disposal of investments		2,139,566		2,206,071	
			(436,299)		(551,278)
Net cash inflow for the year			26,056		465,969
Net funds at 1 January			718,798		252,829
Net funds at 31 December			£744,854		£718,798

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 in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 and applicable accounting standards.

1.2 REVENUE

Revenue is recognised when receivable by the Union and is stated net of VAT where applicable.

1.3 DEPRECIATION

Depreciation is provided using the following rates to reduce by annual instalments the cost 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

1.4 INVESTMENTS

Investments are included in the financial statements at cost.

1.5 LEGAL DEFENCE FUND

The annual transfer of members' contributions to the Legal Defence Fund is 7.5% per annum. In 2013 the reserve has grown to £1.9million as compared to £1.7 million in 2012. The level of the Fund is kept under review.

1.6 PENSION COSTS

The Union participates in two multi employer pension schemes; namely the MNOPF and MNOPP. Contributions to the Schemes are charged to the Union's Income and Expenditure Account as they fall due.

The Union accounts for these schemes as though they were defined contribution schemes as permitted by FRS17. The information required by FRS17 is disclosed in note 11 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 balance sheet. Current service costs, curtailments, settlement gains and losses and net financial returns are included in the income and expenditure account in the period to which they relate. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

1.7 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.

1.8 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.

1.9 FOREIGN CURRENCY TRANSACTIONS

The Union has operations in the Netherlands and Switzerland. Transactions and balances denominated in Euros and Swiss Francs have been included in these financial statements using the net investment method under SSAP20, with all amounts being translated at the exchange rate ruling at the balance sheet date.

1. ACCOUNTING POLICIES (continued)

1.10 OPERATING LEASE RENTALS

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

2. FIXED ASSETS

	Freehold land and buildings £	Motor Vehicles £	Computers And Equipment £	Total £
Cost or valuation				
At 1st January 2013	480,000	263,421	830,330	1,573,751
Additions	-	82,377	90,086	172,463
Disposal	-	(71,555)	-	(71,555)
At 31st December 2013	480,000	274,243	920,416	1,674,659
Depreciation				
At 1st January 2013	8,865	120,799	643,651	773,315
Charge for the year	8,865	58,915	105,049	172,829
Disposal	-	(53,666)	-	(53,666)
At 31st December 2013	17,730	126,048	748,700	892,478
Net book value				
31st December 2013	£462,270	£148,195	£171,716	£782,181
31st December 2012	£471,135	£142,622	£186,679	£800,436

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.

DM Hall valued Bannermill Place on an open market basis on 27 April 2011 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:

	2013 £	2012 £
Cost	353,778	353,778
Accumulated depreciation	(255,972)	(248,896)
Net Book Value	£97,806	£104,882

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2013

3. INVESTMENTS	2013 £	2012 £
Fixed interest securities	2,600,621	2,536,660
Other quoted securities		
Investment Trusts	1,168,047	590,872
Overseas Trusts	697,826	884,034
Equity Holdings	2,325,824	2,204,590
	<u>£6,792,318</u>	<u>£6,216,156</u>
Market value of quoted investments at 31st December	<u>£8,765,469</u>	<u>£7,601,160</u>
Unquoted		
Equity holdings	<u>£176,007</u>	<u>£176,007</u>
Total of quoted and unquoted investments held at cost at 31st December	<u>£6,968,325</u>	<u>£6,392,163</u>
4. CREDITORS		
Legal Defence Fund costs	141,900	141,900
Corporation tax	30,810	5,925
VAT	1,215	2,169
Other creditors	865,081	762,804
	<u>£1,039,006</u>	<u>£912,798</u>
5. REVALUATION RESERVE		2013 £
Balance at 1st January 2013		368,042
Transfer of realised profits to the General Fund		-
Balance at 31st December 2013		<u>£368,042</u>

This represents the excess of the revaluation of the Union's freehold properties over the net book value.

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2013

6. TAXATION	2013 £	2012 £
Current year taxation		
UK corporation tax at 23.25% (2012: 20%)	30,810	5,925
Adjustment for prior year underprovision	12,001	(2,804)
	<u>£42,811</u>	<u>£3,121</u>
Reconciliation of tax charge		
Operating surplus	<u>348,994</u>	<u>762,948</u>
Corporation tax at 23.25% (2012: 20%)	81,141	152,590
Effects of:		
Non-taxable activity	(55,736)	(140,588)
Charitable donations	(8,377)	(6,077)
Chargeable gains	18,154	-
Marginal relief	(4,372)	-
Prior year adjustments	12,001	(2,804)
UK corporation tax	<u>£42,811</u>	<u>£3,121</u>
The above charge is disclosed in the accounts within the figures for:-		
Profit on sale of investments	<u>£17,981</u>	<u>£nil</u>
Interest received on general investments	<u>£5,565</u>	<u>£2,247</u>
Other income	<u>£19,265</u>	<u>£874</u>

7. GENERAL FUND

	2013 £
Balance at 1st January 2013	5,280,219
Surplus for the year	331,310
Actuarial losses on pension scheme	(559,000)
Transfer of realised profits from revaluation reserve	-
Balance at 31st December 2013	<u>£5,052,529</u>

8. LEGAL DEFENCE FUND

This represents a provision against payments for certain legal costs and provident benefits incurred in accordance with the Rules of the Union.

	£
Balance at 1st January 2013	1,700,031
Surplus for the year	262,099
Balance at 31st December 2013	<u>£1,962,130</u>

9. 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.

NAUTILUS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2013

10. OPERATING LEASE COMMITMENTS

At the balance sheet date, the Union had the following commitments in respect of non-cancellable operating leases:

	2013 £	2012 £
Land and buildings		
Expiring after more than 5 years	£106,995	£106,995

11. 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 FRS17. The Union includes the assets and liabilities of the SPF in the Union's balance sheet, with a subsequent 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 2011, the next triennial valuation will be conducted as at 31 December 2014. The principal assumptions used by the actuaries were Discount Rate of 5.3% for Pre Retirement and 3.0% for Post Retirement and salaries would increase by 3.0% per annum. The market value of the assets at 31st December 2011 was £4,233,000.

Nautilus International pension contribution into the MNAOASPF for the year was £175,000 (2012: £125,000). Contributions to the scheme will be £150,000 each year from 2014 to 2022 with a final balancing payment in 2023.

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

Main assumptions	% per annum	
	2013	2012
Rate of return on investments	3.80	3.50
Increase in earnings	3.35	3.00
Increase in pensions	3.35	3.00
Increase in MNOPF pensions - post April 1997 service	3.35	3.00
Inflation rate	3.35	3.00
Discount rate	4.30	4.30
	Value at 31st December 2013 £'000s	Value at 31st December 2012 £'000s
Market value of assets	4,456	4,551
Present value of scheme liabilities	(5,045)	(4,684)
Net pension scheme deficit	<u>£(589)</u>	<u>£(133)</u>

11. PENSION COMMITMENTS (continued)

	2013 £'000s	2012 £'000s			
Analysis of scheme assets					
Equities	426	456			
Bonds	3,851	3,963			
Cash and other asset types	179	132			
	<u>£4,456</u>	<u>£4,551</u>			
Reconciliation of FRS 17 actuarial valuation of scheme liabilities:					
FRS 17 Actuarial valuation of scheme liabilities at the start of the period	4,684	4,378			
Current service cost	34	35			
Interest on scheme liabilities	196	211			
Employee contributions	1	1			
Loss/(gain) on change of assumptions	525	(127)			
Experience (gain)/loss on liabilities	(92)	278			
Benefits paid	(303)	(92)			
	<u>£5,045</u>	<u>£4,684</u>			
Reconciliation of fair value of scheme assets:					
	2013 £'000s	2012 £'000s			
Fair value of scheme assets at the beginning of the period	4,551	4,266			
Expected return on assets	158	177			
(Loss)/gain on assets	(126)	74			
Employer contributions	175	125			
Employee contributions	1	1			
Benefits paid	(303)	(92)			
	<u>£4,456</u>	<u>£4,551</u>			
	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Fair value of scheme assets	4,456	4,551	4,266	3,901	3,511
Present value of scheme obligations	(5,045)	(4,684)	(4,378)	(4,231)	(4,304)
Net liability recognised in the balance sheet	<u>£(589)</u>	<u>£(133)</u>	<u>£(112)</u>	<u>£(330)</u>	<u>£(793)</u>
Experience gains/(losses) on scheme liabilities	<u>£92</u>	<u>£(278)</u>	<u>£Nil</u>	<u>£(579)</u>	<u>£Nil</u>
Experience gains/(losses) on scheme assets	<u>£Nil</u>	<u>£Nil</u>	<u>£Nil</u>	<u>£Nil</u>	<u>£Nil</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 31st December 2014.

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 MNOPP, a defined contribution scheme.

11. PENSION COMMITMENTS (continued)

The actuarial valuations in March 2003, 2006, 2009 and 2012 of the MNOFF 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 was paid off in full during 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 income and expenditure account when they become payable.

The Trustees of the pension scheme cannot identify the Union's share of the underlying assets and liabilities of the MNOFF 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 MNOFF.

In accordance with FRS17 the scheme is therefore included in the accounts as if it was a defined contribution scheme.

STATEMENT OF COUNCIL AND GENERAL SECRETARY'S RESPONSIBILITIES

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

NAUTILUS INTERNATIONAL

We have audited the financial statements of Nautilus International for the year ended 31st December 2013 set out on pages 1 to 10. These financial statements have been prepared under the accounting policies set out on pages 4 and 5.

This report is made solely to the members of the Union, as a body. 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 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 of the Union, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of the Union's Council and auditors

As described on page 11 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 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 trustees; and the overall presentation of the financial statements. In addition we read all of the financial and non-financial information in the accounts to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the Union as at 31 December 2013 and of its surplus for the year then ended.

Matters on which we are required to report by exception

The Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you 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 required for our audit.

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

haysmacintyre
Chartered Accountants
Registered Auditors

26 Red Lion Square
London
WC1R 4AG

3 April 2014.