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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

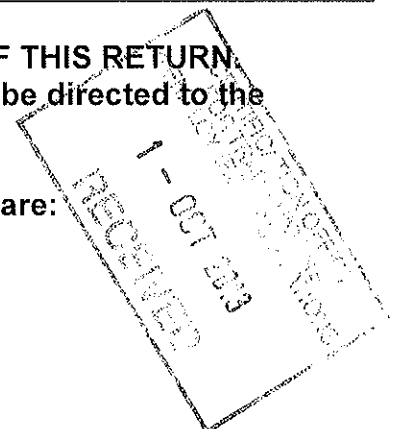
Name of Employers' Association:	BUILDERS MERCHANTS FEDERATION LIMITED
Period ended:	31 MARCH 2013
List No:	234E
Head or Main Office:	1180 Elliott Court Coventry Business Park Herald Avenue Coventry CV5 6UB
Website address (if available)	http://www.bmf.org.uk
Has the address changed during the period to which the return relates?	Yes <input type="checkbox"/> X <input checked="" type="checkbox"/> No <input type="checkbox"/> (Tick as appropriate)
Managing Director:	JOHN NEWCOMB
Contact name for queries regarding the completion of this return:	JOHN NEWCOMB or PETER MATTHEWS
Telephone Number:	02476 854980
e-mail:	John.Newcomb@bmf.org.uk or peter.matthews@bmf.org.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 PERIOD

Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
317	3	1	7	328

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 period 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
Managing Director		John Newcomb	1 August 2012

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Period			£	£
	INCOME			
573,283	From Members	Subscriptions, levies, etc		637,375
7,933		Sales of services to members		36,238
0	Investment income	Interest and dividends (gross)		0
308		Bank interest (gross)		70,847
0	Other income	Rents received		0
7,515		Insurance commission		13,144
0		Consultancy fees		0
0		Publications/Seminars		0
5,999		Miscellaneous receipts (Sundry income)		3,541,744
141,022		Other (BMF Training income)		190,546
293,831		Other (BMF Apprenticeship income)		25,698
		TOTAL INCOME		4,515,592
	EXPENDITURE			
	Administrative expenses			
809,079		Remuneration and expenses of staff	588,422	
101,839		Occupancy costs	166,241	
38,903		Printing, Stationery, Post	22,148	
20,363		Telephones	17,319	
105,499		Legal and Professional fees	41,349	
82,451		Miscellaneous (Marketing, publications, recruitment campaign, course fees)	194,543	
13,197	Other charges	Bank charges	3,589	
		Depreciation		
		Sums written off		
11,561		Affiliation fees		
10,261		Donations	13,803	
		Conference and meeting fees	40,768	
		Expenses		
		Miscellaneous (specify)		
(22,618)	Taxation		596,741	
		TOTAL EXPENDITURE		1,684,923
		Surplus/Deficit for period		2,830,669
		Amount of fund at beginning of period		609,783
		Amount of fund at end of period		3,440,452

BALANCE SHEET AS AT 31 MARCH 2013

(see notes 19 and 20)

Previous Period		£	£
408,713	Fixed Assets (as at page 11)	1,030,566	1,030,566
6	Investments (as per analysis on page 13)	0	
	Quoted (Market value £)		
	Unquoted		
	Total Investments		0
	Other Assets		
155,557	Sundry debtors	432,233	
518,144	Cash at bank and in hand	3,204,519	
0	Stocks of goods	0	
0	Others (specify)	0	
	Total of other assets		3,636,752
1,082,420	TOTAL ASSETS		4,667,318
0	Repairs and maintenance fund		0
609,783	Accumulated fund		3,440,452
0	Revaluation Reserve		0
	Liabilities		
0	Loans		0
0	Bank overdraft		0
28,456	Tax payable		596,741
94,662	Sundry creditors		229,498
186,727	Accrued expenses		198,737
0	Provisions		0
162,792	Other liabilities		201,890
472,637	TOTAL LIABILITIES		1,226,866
1,082,420	TOTAL ASSETS		4,667,318

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period	522,011	17,165	2,437	541,613
Additions during period	775,505	254,501	3,149	1,033,155
Less: Disposals during period	(522,011)	(17,165)		(539,176)
Less: DEPRECIATION:	(1,293)	(2,121)	(175)	(3,589)
Total to end of period	(1,293)	(2,121)	(1,612)	(5,026)
BOOK AMOUNT at end of period	774,212	252,380	3,974	1,030,566
Freehold	774,212			
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET	774,212	252,380	3,974	1,030,566

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities N/A	
	British Municipal and County Securities N/A	
	Other quoted securities (to be specified) N/A	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities N/A	
	British Municipal and County Securities N/A	
	Mortgages N/A	
	Other unquoted securities (to be specified) N/A	
	TOTAL QUOTED (as Balance Sheet)	
6	*Market Value of Unquoted Investments	
6		

* 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)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		<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)		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		<input type="checkbox"/> YES	<input type="checkbox"/>
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?		<input type="checkbox"/>	<input type="checkbox"/>
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 £
INCOME			
From Members	673,613		673,613
From Investments	70,847		70,847
Other Income (including increases by revaluation of assets)	3,771,132		3,771,132
Total Income	4,515,592		4,515,592
EXPENDITURE (including decreases by revaluation of assets)	1,684,923		1,684,923
Total Expenditure	1,684,923		1,684,923
Funds at beginning of period (including reserves)	609,783		609,783
Funds at end of period (including reserves)	3,440,452		3,440,452
ASSETS			
Fixed Assets			1,030,566
Investment Assets			0
Other Assets			3,636,752
		Total Assets	4,667,318
LIABILITIES		Total Liabilities	1,226,866
NET ASSETS (Total Assets less Total Liabilities)			3,440,452

NOTES TO THE ACCOUNTS

(see note 36)

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

Builders Merchants Federation

Notes to the financial statements

For the period ended 31 March 2013

1. Accounting policies

a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Industrial and Provident Societies Acts 1965 to 2002.

The comparative figures for the nine and a half months to 16 January 2012 relate to the employers association prior to its registration as an IPSOC.

b) Income and expenditure

Income and expenditure are accounted for on an accruals basis.

c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, on a straight line basis over their expected useful lives at the following rates:

Freehold building	2%	per annum
Fixtures and fittings	10%	per annum
Computer	33%	per annum

d) Investments

Investments are held at the lower of cost and market value.

e) Leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

f) Pensions

Contributions due to the defined contributions pension schemes in respect of the accounting period are charged against profits for that period.

2. Surplus before taxation

The surplus before taxation is stated after crediting:

	14 ½ month period ended 31 March 2013 £	9 ½ month period ended 16 January 2012 £
Contributions and subscriptions	637,375	573,283
Other income from members	115,587	21,739
	<hr/> <hr/>	<hr/> <hr/>
and after charging:		
Auditors' remuneration:		
▪ Audit	8,250	8,000
▪ Other services	2,650	-
Operating lease charges	7,292	-
Staff costs and expenses (excluding pension contributions)	542,280	769,776
Contributions paid to defined contribution pension schemes	46,142	39,303
	<hr/> <hr/>	<hr/> <hr/>

3. Taxation

	14 ½ month period ended 31 March 2013 £	9 ½ month period ended 16 January 2012 £
Current period taxation		
UK corporation tax	596,741	(22,618)
	<hr/>	<hr/>
Total UK taxation	<u>596,741</u>	<u>(22,618)</u>

4. Tangible fixed assets

	Freehold Land and Buildings £	Fixtures and Fittings £	Computer £	Totals £
Cost				
At the start of the period	522,011	17,165	2,437	541,613
Additions in the period	775,505	254,501	3,149	1,033,155
Disposals in the period	(522,011)	(17,165)	-	(539,176)
	<hr/>	<hr/>	<hr/>	<hr/>
At the end of the period	775,505	254,501	5,586	1,035,592
Depreciation				
At the start of the period	115,892	15,571	1,437	132,900
Charge for the period	1,293	2,121	175	3,589

Disposals in the period	<u>(115,892)</u>	<u>(15,571)</u>	<u>-</u>	<u>(131,463)</u>
At the end of the period	<u>1,293</u>	<u>2,121</u>	<u>1,612</u>	<u>5,026</u>
Net book value				
At the end of the period	<u>774,212</u>	<u>252,380</u>	<u>3,974</u>	<u>1,030,566</u>
At the start of the period	<u>406,119</u>	<u>1,594</u>	<u>1,000</u>	<u>408,713</u>

Gain on disposal of Soho square property

	£
Proceeds	4,000,000
Less: Professional fees	(52,137)
Net book value of property	<u>(406,119)</u>
	<u>3,541,744</u>

5. Fixed asset investments

Shares in group undertakings	
31 March 2013	16 January 2012
<u>2013</u>	<u>2012</u>
£	£
-	<u>6</u>

Cost

The following investments which were held at 17 January 2012 were dissolved on 25 December 2012:

<u>Name of undertaking</u>	<u>Holding</u>	<u>Activities</u>
Builders Merchants Training Limited	100%	Dormant
Builders Merchants Association Limited	100%	Dormant
Builders Merchants Confederation Limited	100%	Dormant

6. Debtors

	31 March 2013	16 January 2012
	£	£
Trade debtors	160,461	73,141
Other debtors, and prepayments	<u>271,772</u>	<u>82,416</u>
	<u>432,233</u>	<u>155,557</u>

7. Creditors : amounts due within 1 year

	31 March 2013	16 January 2012
	£	£
Trade creditors	224,946	84,407
Corporation tax liability	596,741	-
Other creditors	4,552	10,255
Accruals	198,737	186,727
Deferred income	201,890	162,792
	<u>1,226,866</u>	<u>444,181</u>

8. Operating lease commitments

At 31 March 2013 the Federation was committed to making the following payments in respect of operating leases:

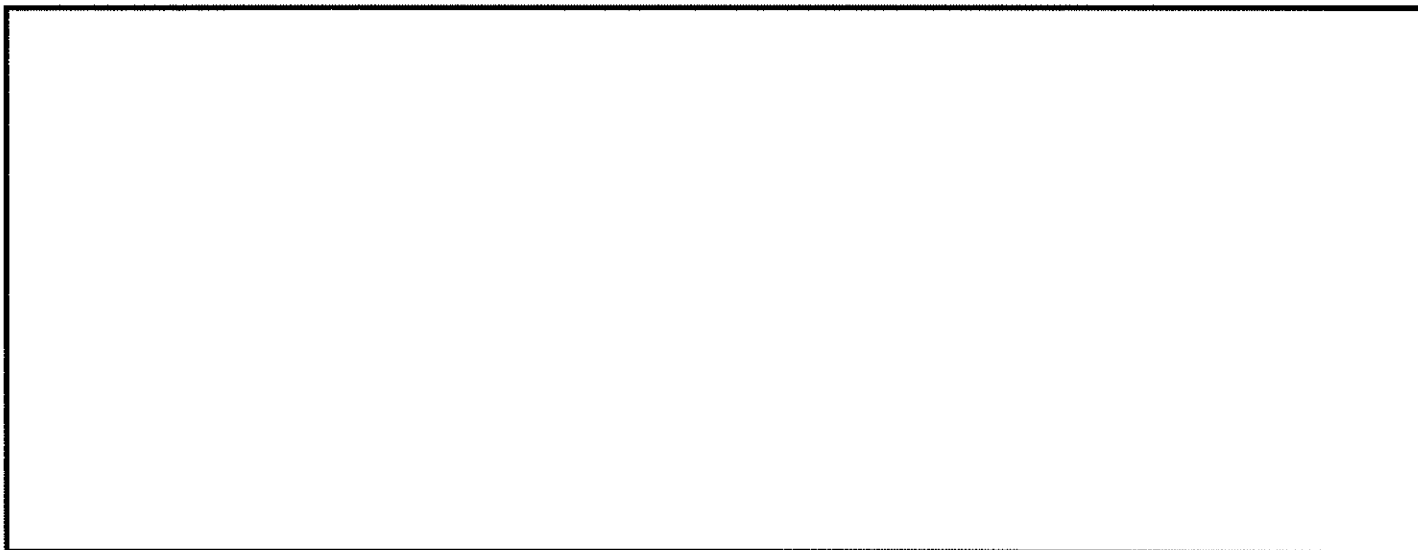
	31 March 2013	16 January 2012
	£	£
Other assets:		
Leases and expiring within one year	12,500	14,864
Leases and expiring in 2 to 5 years	-	-
	<u>12,500</u>	<u>14,864</u>

9. Reserves

	Accumulated fund	Repairs and Maintenance fund
At 17 January 2012	609,783	-
Surplus for the period	2,830,669	-
Transfers	-	-
At 31 March 2013	<u>3,440,452</u>	<u>-</u>

ACCOUNTING POLICIES

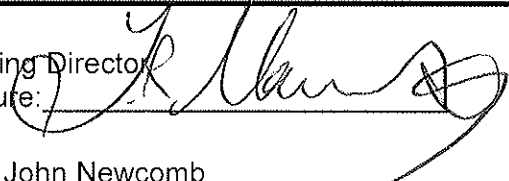

(see notes 37 and 38)



SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Managing Director Signature:  Name: John Newcomb Date: <u>26/9/13</u>	Federation Secretary's Signature:  (or other official whose position should be stated) Name: Peter Matthews Date: <u>26/9/2013</u>
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CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	<input checked="" type="checkbox"/>	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	<input checked="" type="checkbox"/>	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 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

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

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

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)

Independent auditors' report

To the members of

Builders Merchants Federation

We have audited the financial statements of Builders Merchants Federation for the period ended 31 March 2013 which comprise the income and expenditure account, balance sheet and the related notes. 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 society's members, as a body, in accordance with section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditors' 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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board and auditors

As explained more fully in the Statement of Board's Responsibilities set out in the report of the Board, the Board 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 association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board to identify material inconsistencies with the audited financial statements. 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 of the state of the society's affairs as at 31 March 2013 and of its income and expenditure for the period then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts, 1965 to 2002.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts, 1965 to 2002 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the society 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.

SAYER VINCENT
8 Angel Gate
City Road
LONDON
EC1V 2SJ

		Date
Signature(s) of auditor or auditors:	Judith Miller	
Name(s):	SAYER VINCENT	
Profession(s) or Calling(s):	Chartered Accountants and Registered Auditors	
Address(es):	8 Angel Gate City Road London EC1V 2SJ	
Date:		
Contact name and telephone number:	Judith Miller 020 7841 6360	

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

**EVERY EMPLOYERS' ASSOCIATION IS REQUIRED BY LAW TO COMPLETE THIS RETURN.
THE REFUSAL OR WILFUL NEGLECT TO PERFORM THIS DUTY IS A CRIMINAL OFFENCE.**

**THERE IS NO LEGAL REQUIREMENT FOR THIS RETURN TO BE "APPROVED" BY THE
GOVERNING BODY OF THE ASSOCIATION BEFORE SUBMISSION TO THE
CERTIFICATION OFFICE**

GUIDANCE ON COMPLETION

GENERAL

1. Unless the Employers' Association has been authorised to make its annual return to another date, this return must be made to 31 December and sent to the Certification Officer as soon as possible, **and at any event before 1 June**.
2. The accounts must, in accordance with the Act, give a true and fair view of the matters to which they relate.
3. The accounts and balance sheet in the annual return of an association working through branches (i.e. not a federation of autonomous bodies) should include the transactions, assets and liabilities of all the branches.
4. Any negative values should be clearly indicated by placing the entry in brackets.
5. Where the space in any account of analysis is insufficient a separate sheet of paper should be attached to the appropriate page to provide the additional space.
6. The summary sheet on page 11 **must** be completed.