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# FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

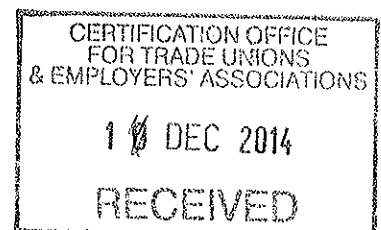
Name of Employers' Association:	BACTA
Year ended:	30 June 2014
List No:	092E
Head or Main Office:	3 rd Floor 134-136 Buckingham Palace Road London SW1W 9SA
Website address (if available)	www.bacta.org.uk
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Tick as appropriate)
General Secretary:	John White
Contact name for queries regarding the completion of this return:	John Silverstone
Telephone Number:	020 7730 6444 / 07989604787
e-mail:	johns@bacta.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  
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



# 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>439</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>443</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
Vice President	J Godden		21 February 2014
Vice President		J Frost	26 March 2014



# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		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		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		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		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		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		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 30 June 2014

(see notes 19 and 20)

Previous Year Restated		£		£
2,519,389	<b>Fixed Assets</b> (as at page 11)			5,009,755
	<b>Investments</b> (as per analysis on page 13)			
75	Quoted (Market value £229 )	75		
27,334,297	Unquoted	28,036,907		
	<b>Total Investments</b>			28,036,982
	<b>Other Assets</b>			
356,391	Sundry debtors	280,691		
875,386	Cash at bank and in hand	677,724		
-	Stocks of goods	-		
-	Others (specify)	-		
	<b>Total of other assets</b>			958,415
<b>31,085,538</b>	<b>TOTAL ASSETS</b>			<b>34,005,152</b>
12,395,068	Revenue Account Balance	12,145,878		
(822,484)	Revaluation Reserve- Property	1,677,516		
2,029,614	Revaluation Reserve-Investments	2,667,128		16,490,522
	<b>Liabilities</b>			
17,048,958	Loans	17,142,408		
-	Bank overdraft	-		
17,602	Tax payable	9,201		
60,329	Sundry creditors	88,832		
355,451	Accrued expenses	261,406		
	Provisions			
1,000	Other liabilities	12,783		17,514,630
<b>31,085,538</b>	<b>TOTAL LIABILITIES</b>			<b>34,005,152</b>
<b>31,085,538</b>	<b>TOTAL ASSETS</b>			<b>34,005,152</b>

# SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	496,044		496,044
From Investments	527,890		527,890
Other Income (including increases by revaluation of assets)	3,498,415		3,498,415
<b>Total Income</b>	4,522,349		4,522,349
<b>EXPENDITURE</b>			
From Revenue A/c	1,634,025		1,634,025
(including decreases by revaluation of assets) Not in Revenue A/c	-		-
<b>Total Expenditure</b>	1,634,025		1,634,025
<b>Funds at beginning of year</b> (including reserves)	13,602,198		13,602,198
<b>Funds at end of year</b> (including reserves)	16,490,522		16,490,522
<b>ASSETS</b>			
Fixed Assets			5,009,755
Investment Assets			<del>28</del> 28,036,982
Other Assets			958,415
		<b>Total Assets</b>	34,005,152
<b>LIABILITIES</b>		<b>Total Liabilities</b>	17,514,630
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			16,490,522



# NOTES TO THE ACCOUNTS

(see note 36)

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

**BACTA**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2014**

**1 Accounting Policies**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**Investment properties**

Investment properties are included in the financial statements at open market value based on the latest valuation carried out by the Management Committee.

**Funds Under Management**

Funds Under Management, within Fixed asset investments, are included in the financial statements at market value.

**Depreciation and diminution in value of fixed assets**

Tangible fixed assets are written off over their estimated useful economic lives at the following annual rates:

Motor vehicles	33% per annum straight line
Fixtures and fittings	20% per annum straight line
Computer equipment	33% per annum straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or circumstances indicate the carrying value may not be recoverable.

**Subscriptions**

Subscriptions are accounted for on the accruals basis.

**Other Income**

All other income is accounted for on the accruals basis.

**Pension contributions**

The Association makes contributions to the personal pension schemes of employees, whose assets are maintained separately from the Association.

**Group accounts**

The financial statements present information about the Association as an individual undertaking and not about its group. The Association and its subsidiary undertakings comprise a small-sized group. The Association has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.

**Statement of cash flows**

The Association has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is the size of a small company.

**Operating lease rentals**

Costs under operating leases are charged to the Income and Expenditure Account in the year to which they relate.

**BACTA**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2014 (Continued)**

**1 Accounting Policies (Continued)**

**Deferred Tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the Management Committee consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**2 Amedis Project**

BACTA receives royalty income from a licensing agreement in place for The Amedis project which is a business communication standard for the amusement and leisure machine industry run on behalf of BACTA members.

**3 Taxation**

	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>£</b>	<b>£</b>
<b>(a) Analysis of credit for the period</b>		
<i>Current tax:</i>		
United Kingdom Corporation Tax	-	-
Group Relief recoverable	(41,417)	(42,050)
Adjustments in respect to prior years	-	(64,127)
 Total current tax	 41,417	 106,177
<i>Deferred tax:</i>		
Origination and reversal of timing differences	-	-
 Taxation credit for period	 <u>41,417</u>	 <u>106,177</u>

Taxation losses of £204,615 (2013: £206,630) with a corporation tax effect of £41,417 (2013: £42,050) have been surrendered to two subsidiary companies at a cost of 20p - 20.4p per pound (2013: 20p - 23.75p per pound) of surrendered loss.

**BACTA**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2014 (Continued)**

**3 Taxation (Continued)**

	Year ended 30 June 2014 £	Year ended 30 June 2013 £
(b) Factors affecting the tax charge for the Loss / (profit) before tax	<u>(290,607)</u>	<u>127,232</u>
Profit multiplied by the standard rate of corporation tax in the UK of 21% (2013: 23%)	(61,027)	(29,263)
Effects of:		
Disallowed expenses and non-taxable income	(92,691)	(28,475)
Excess (capital allowances) / depreciation	649	(1,653)
Group relief	40,923	47,525
Losses carried forward	<u>112,146</u>	<u>11,866</u>
	<u>-</u>	<u>-</u>

(c) Deferred tax

No recognition has been made of the deferred tax asset relating to losses carried forward of approximately £5.8m (2013: £5.3m) with a corporation tax effect of approximately £1.2m (2013: £1.2m) following the accounting policies in note 1.

No recognition has been made of the deferred tax asset relating to excess capital allowances of £4,000 (2013: £3,900) due to the amounts being immaterial.

**4 Tangible Fixed Assets**

	Fixtures, Fittings and Computer Equipment £	Motor Vehicles £	Fixed Assets Total £
Cost:			
At 1 July 2013	19,066	24,545	43,611
Additions	3,398	-	3,398
At 30 June 2014	<u>22,464</u>	<u>24,545</u>	<u>47,009</u>
Depreciation:			
At 1 July 2013	7,532	16,690	24,222
Charge for the year	5,177	7,855	13,032
At 30 June 2014	<u>12,709</u>	<u>24,545</u>	<u>37,254</u>
Net book value:			
At 30 June 2014	<u>9,755</u>	<u>-</u>	<u>9,755</u>
At 30 June 2013	<u>11,534</u>	<u>7,855</u>	<u>19,389</u>

**BACTA**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2014 (Continued)**

**5 Tangible Fixed Assets (Continued)**

	<b>Investment Property £</b>
Valuation at 1 July 2013	2,500,000
Revaluation in the year	<u>2,500,000</u>
Valuation at 30 June 2014	<u><u>5,000,000</u></u>

The historical cost of this property is £2,697,691.

The carrying value of the investment property as at 30 June 2014 was considered by the Management Committee and believed to be an appropriate representation of open market value, based on information provided by the valuer, in August 2014.

**6 Fixed asset investments**

	<b>30 June 2014 £</b>	<b>30 June 2013 £</b>
£250 3.5% War loan stock		
Cost	75	75
Market value as at 30 June 2014 was £229 (2013: £229)		
Funds Under Management (See below for details)		
Market value as at 30 June 2014	13,436,907	12,734,297
Investment in subsidiary undertaking, BACTA Ltd	14,599,000	14,599,000
Investment in Preference Shares, ATE Ltd	<u>1,000</u>	<u>1,000</u>
Total investments at book value	<u><u>28,036,982</u></u>	<u><u>27,334,372</u></u>

The Investment Committee has ring fenced £10 million to be retained on a long-term basis to ensure the ongoing viability of BACTA.

BACTA holds 49% of the preference share capital of ATE (Amusement Trades Exhibitions Limited) with an estimated market value of £1,000.

Note 13 includes details of the subsidiary undertakings BACTA Limited and European Amusement & Gaming Expo Ltd.

**BACTA**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2014 (Continued)**

<b>7 Debtors</b>	<b>30 June 2014 £</b>	<b>30 June 2013 £</b>
<b>Due within one year:</b>		
Trade debtors	19,996	83,205
Other debtors	53,830	93,270
VAT	29,718	5,370
Prepayments and accrued income	87,907	84,399
European Amusement & Gaming Expo Ltd (Note 13)	89,240	89,803
BACTA Charitable Trust (note 13)	-	344
	<u>280,691</u>	<u>356,391</u>
	<u>280,691</u>	<u>356,391</u>
<b>8 Creditors: Amounts falling due within one year</b>	<b>30 June 2014 £</b>	<b>30 June 2013 £</b>
Building bonds	1,000	1,000
Trade creditors	88,832	60,329
Other taxes and social security	9,201	17,602
Others Creditors, accruals and deferred income	261,406	355,451
BACTA Charitable Trust (note 13)	11,783	-
	<u>372,222</u>	<u>434,382</u>
	<u>372,222</u>	<u>434,382</u>
<b>9 Creditors: Amounts falling due after one year</b>	<b>30 June 2014 £</b>	<b>30 June 2013 £</b>
Amounts owing to group undertakings	17,142,408	17,048,958
	<u>17,142,408</u>	<u>17,048,958</u>
	<u>17,142,408</u>	<u>17,048,958</u>
<b>10 General Fund</b>	<b>30 June 2014 £</b>	<b>30 June 2013 £</b>
Balance at 1 July 2013	12,395,068	12,161,659
Deficit/surplus for the year	(249,190)	233,409
	<u>12,145,878</u>	<u>12,395,068</u>
Balance at 30 June 2014	<u>12,145,878</u>	<u>12,395,068</u>

**BACTA**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2014 (Continued)**

**11 Revaluation Reserve**

	30 June 2014 £	30 June 2013 £
Balance at 1 July 2013	1,207,130	253,842
Revaluation in the year	<u>3,137,514</u>	<u>953,288</u>
Balance at 30 June 2014	<u><u>4,344,644</u></u>	<u><u>1,207,130</u></u>

**12 Financial Commitments**

At 30 June 2014 the company was committed to making the following payments under non-cancellable

	30 June 2014 £	30 June 2013 £
Operating leases which expire:		
Under one year	-	48,750
Between two and five years	<u>55,000</u>	<u>-</u>

**13 Subsidiary undertakings**

**BACTA Limited**

The entire share capital of BACTA Limited a company registered in England & Wales, of 14,599,001 ordinary shares of £1, is held in trust on behalf of BACTA.

The following transactions took place between BACTA and BACTA Ltd during the period 1 July 2013 and 30 June 2014:

- \* £117,058 charged on the outstanding loan from BACTA Ltd to BACTA.
- \* Group relief granted from BACTA to BACTA Ltd at a cost to BACTA Ltd of £23,656 (2013: £47,140).
- \* Recharge of expenses and costs of £3,600 (2013: £3,518) incurred by BACTA on BACTA Ltd's behalf.

The total amount owed by BACTA to BACTA Ltd at 30 June 2014 was £17,142,408 (2013: £17,048,958).

The audited financial statements for the period ended 30 June 2014 of BACTA Limited include:

	30 June 2014 £
Aggregate of share capital and reserves	<u>17,180,303</u>
Profit after tax for the period to 30 June 2014	<u><u>92,154</u></u>

**BACTA**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2014 (Continued)**

**13 Subsidiary undertakings (continued)**

**European Amusement & Gaming Expo Ltd**

The entire share capital of European Amusement and Gaming Expo Ltd (EAG Ltd), a company EAG Ltd was incorporated on the 17 April 2009 and was set up to organise commercial trade

The following transactions took place between the BACTA and EAG Ltd during the period 1 July 2013 and 30 June 2014:

- \* Management fee of £49,473 (2013 - £48,048) to cover the costs of staff time and office space.
- \* Facilities supplied (and billed) at the January exposition of £23,477 (2013 - £nil).
- \* Group relief granted from BACTA to EAG at a cost to EAG of £17,761 (2013: £39,803).

The total amount owed by EAG Ltd to BACTA at 30 June 2014 was £89,240 (2013: £89,803).

The audited financial statements for the period ended 30 June 2013 of EAG include:

	<b>30 June 2014 £</b>
Aggregate of share capital and reserve:	<u>157,826</u>
Profit after tax for the period to 30 June	<u>71,044</u>

**14 Related parties**

BACTA Charitable Trust is considered to be a related party of BACTA as they share administrative staff and management and a number of BACTA Officers are also Trustees of BACTA Charitable Trust. At 30 June 2014 the Association owed the Trust £11,783 (2013: £344 was due from the Trust).



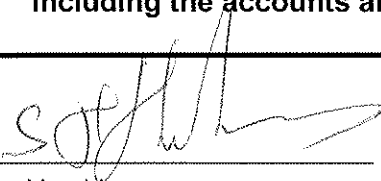
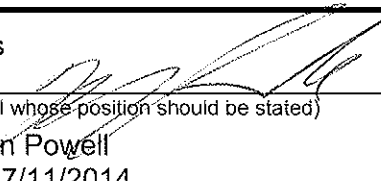
# ACCOUNTING POLICIES

(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.

President's Signature:  Name: Steven Hawkins Date: 27/11/2014	Treasurer's Signature:  (or other official whose position should be stated) Name: John Powell Date: 27/11/2014
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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	

# 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/~~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)

# BACTA

## Independent Auditors' Report to the Members of BACTA

We have audited the financial statements of BACTA for the year ended 30 June 2014 which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses the 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 Association's members, as a body. Our audit work has been undertaken for no purpose other than to draw to the attention of the Association's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the Association and Association's members as a body, for our work, for this report, or for the opinions we have formed.

### Respective responsibilities of General Treasurer and auditors

As explained more fully in the Statement of the Responsibilities of the General Treasurer, the General Treasurer is 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.

### 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 Management Committee; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Report of the Management Committee to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 Association's affairs as at 30 June 2014 and of its net income for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

In our opinion the information given in the Report of the Management Committee is consistent with the financial statements.

*Vg.t. la. LLP*

Kingston Smith LLP  
Chartered Accountants and Registered Auditors

Devonshire House  
60 Goswell Road  
London EC1M 7AD

Date: 28/11/2014

