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# 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:

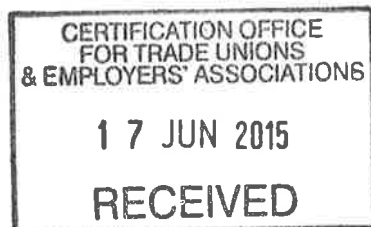
e-mail:

**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





**BRITISH ALLIED TRADES FEDERATION**  
**Directors, Officers and Professional Advisers**

**Directors:** C E Owen (President)  
R Wills  
S Chandhok  
P Thandi  
D Doyle  
G Wroe (elected 13/6/14)  
M Olsen(resigned 13/6/14)

M Hughes (Deputy President)  
R S Burman CBE (retired 13/6/14)  
M Sweeney (Vice President)  
S Parkes  
M Burgess  
K Tucker(appointed 13/6/14)

**Chairmen of Trade Associations:**

Giftware Association  
British Jewellers' Association  
Surface Engineering Association  
Jewellery Distributors' Association  
British Travelgoods and Accessories Association

M Pape  
G Wroe  
S Parkes  
J Milligan  
J Sandison

**Solicitors:**

George Green LLP  
195 High Street  
Cradley Heath  
Warley, West Midlands  
B64 5HW

**Investment Managers:**

Rathbones Investment Managers Ltd  
1 Curzon Street  
London  
W1J 5FB

Cazenove Capital Management Ltd  
12 Moorgate  
London  
EC2V 6DA

**Bankers:**

Barclays Bank  
15 Colmore Row  
Birmingham  
B3 2BH

The Co-operative Bank plc  
118-120 Colmore Row  
Birmingham  
B3 3BA

**Auditors:**

Crowe Clark Whitehill LLP  
Black Country House  
Rounds Green Road  
Oldbury  
B69 2DG

**Insurance Brokers:**

T H March Insurance  
10a Vyse Street  
Birmingham  
B18 6LT

# 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
2335	4	3	23	2365

## 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
President	Michael Hughes	Catherine Owen	13.06.2014
Vice President	Catherine Olsen	Michael Sweeney	13.06.2014
Deputy President	Martin Olsen	Michael Hughes	13.06.2014

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	<b>INCOME</b>		
	From Members                      Subscriptions, levies, etc		
	Investment income      Interest and dividends (gross) Bank interest (gross) Other (specify)		
	Other income              Rents received Insurance commission Consultancy fees Publications/Seminars Miscellaneous receipts (specify)		
	<b>TOTAL INCOME</b>		
	<b>EXPENDITURE</b>		
	Administrative expenses Remuneration and expenses of staff Occupancy costs Printing, Stationery, Post Telephones Legal and Professional fees Miscellaneous (specify)		
	Other charges              Bank charges Depreciation Sums written off Affiliation fees Donations Conference and meeting fees Expenses Miscellaneous (specify)		
	Taxation		
	<b>TOTAL EXPENDITURE</b>		
	Surplus/Deficit for year		
	Amount of fund at beginning of year		
	Amount of fund at end of year		

N/A

# 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)	

N/A

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)	

N/A

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)	

N/A

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)	

# FIXED ASSETS ACCOUNT

(see note 21)

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



# ANALYSIS OF INVESTMENTS

(see note 22)

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

\* 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>		YES	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>		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
<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>		YES	NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		



# SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	1,412,283		1,412,283
From Investments	338,393		338,393
Other Income (including increases by revaluation of assets)	774,561		774,561
<b>Total Income</b>	2,525,237		2,525,237
<b>EXPENDITURE</b> (including decreases by revaluation of assets)	2,284,779		2,284,75
<b>Total Expenditure</b>			
<b>Funds at beginning of year</b> (including reserves)	10,973,823		10,973,823
<b>Funds at end of year</b> (including reserves)	11,214,281		11,214,281
<b>ASSETS</b>			
			591,446
Fixed Assets			10,457,968
Investment Assets			944,470
Other Assets			
		<b>Total Assets</b>	11,993,884
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	779,603
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			11,214,281

# NOTES TO THE ACCOUNTS

(see note 36)

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

A large, empty rectangular box with a black border, intended for the user to enter or attach notes to the accounts. The box occupies most of the page's vertical space below the instructions.

# ACCOUNTING POLICIES

(see notes 37 and 38)

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u><i>R.S. Singleton</i></u> Name: <u>ROSNA SINGLETON.</u> Date: <u>2/6/15.</u>	<p style="text-align: center;"><i>DIRECTOR.</i></p> Chairman's Signature: <u><i>V.A. Doyle</i></u> (or other official whose position should be stated) Name: <u>V.A. DOYLE</u> Date: <u>2/6/15</u>
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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)

# AUDITOR'S REPORT (continued)

[Empty space for auditor's report content]

Signature(s) of auditor or auditors:	<i>Grove Clark Whitehill CP</i>	
Name(s):	<i>CROVE CLARK WHITEHILL CP</i> <del>HELEN DREW</del>	
Profession(s) or Calling(s):	CHARTERED ACCOUNTANTS	
Address(es):	BLACK COUNTRY HOUSE ROUNDS GREEN ROAD OLDBURY B69 2DG	
Date:	11-6-15	
Contact name and telephone number:	HELEN DREW 0121 5431900	

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



## **BRITISH ALLIED TRADES FEDERATION**

### **Report of the Auditors**

#### **Independent Auditors' Report to the Members of the BRITISH ALLIED TRADES FEDERATION**

We have audited the financial statements of British Allied Trades Federation for the year ended 31 December 2014 including the Profit and loss account, the statement of total recognised gains and losses, the statement of Historical costs, profits 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 Company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Directors and Auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Councils 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 Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' Report and any other surround information 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 company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors report.

Helen Drew

Senior Statutory Auditor  
For and on behalf of:

CROWE CLARK WHITEHILL LLP

**Statutory Auditors**  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

19<sup>th</sup> March 2015



**BRITISH ALLIED TRADES FEDERATION**  
**Directors, Officers and Professional Advisers**

**Directors:**

<b>C E Owen</b> (President)	M Hughes (Deputy President)
R Wills	R S Burman CBE (retired 13/6/14)
S Chandhok	M Sweeney (Vice President)
P Thandi	S Parkes
D Doyle	M Burgess
G Wroe (elected 13/6/14)	K Tucker (appointed 13/6/14)
M Olsen (resigned 13/6/14)	

**Chairmen of Trade Associations:**

Giftware Association	M Pape
British Jewellers' Association	G Wroe
Surface Engineering Association	S Parkes
Jewellery Distributors' Association	J Milligan
British Travelgoods and Accessories Association	J Sandison

**Solicitors:**

George Green LLP  
195 High Street  
Cradley Heath  
Warley, West Midlands  
B64 5HW

**Investment Managers:**

Rathbones Investment Managers Ltd  
1 Curzon Street  
London  
W1J 5FB

Cazenove Capital Management Ltd  
12 Moorgate  
London  
EC2V 6DA

**Bankers:**

Barclays Bank  
15 Colmore Row  
Birmingham  
B3 2BH

**Auditors:**

Crowe Clark Whitehill LLP  
Black Country House  
Rounds Green Road  
Oldbury  
B69 2DG

The Co-operative Bank plc  
118-120 Colmore Row  
Birmingham  
B3 3BA

**Insurance Brokers:**

T H March Insurance  
10a Vyse Street  
Birmingham  
B18 6LT

## **BRITISH ALLIED TRADES FEDERATION**

### **Report of the Directors**

To be presented to the Members at the Annual General Meeting to be held on Wednesday 24<sup>th</sup> June 2015.

#### **Members of the Board of Directors**

The Directors and Officers are shown on page 1. The President and Deputy President have served since the Annual General Meeting held in June 2014. All the Directors have served throughout the year except for Mr G Wroe, who was elected and Mr K Tucker, who was appointed on 13<sup>th</sup> June 2014. Roger Burman retired on 13<sup>th</sup> June 2014.

In accordance with Article 13 of the Federation's Articles of Association, in 2014 the Board elected Mr M Sweeney to be Vice President for the following two years.

#### **Statement of Directors' Responsibilities in Respect of the Accounts**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Provision of Information to Auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that;

- so far as that Director is aware, there is no relevant audit information of which the Federation's auditors are unaware, and
- each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Federation's auditors in connection with preparing their report and to establish that the Federation's auditors are aware of that information.

#### **Auditors**

The re-appointment of Crowe Clark Whitehill LLP as auditors for 2015/16 will be proposed at the Annual General Meeting.

#### **Activities and Business Review**

The activities of the Federation consist of the provision of services to members, these principally being the development of Members' trade at home and overseas. In addition, the Federation develops overseas trade for non-members within its industry sectors.

It obtains discounts on stand space fees at several trade fairs in the United Kingdom and provides meeting and conference facilities at Federation House. The Federation also provides central services to its five constituent Trade

Associations such as accounting, IT and office accommodation. The Directors are of the opinion that the current market value of the building is higher than that disclosed in the accounts.

### Review of Trading Results and Taxation

The Federation has a pre tax profit of £226,410 and a post tax profit of £236,164.

	Trade Associations	Central Services	TOTAL
	£	£	£
Trading profit	20,090	206,321	226,410
Tax recoverable	<u>-</u>	<u>9,754</u>	<u>9,754</u>
Profit after Taxation	<u>20,090</u>	<u>216,075</u>	<u>236,164</u>

The trading profit does not include realised or unrealised gains and losses on the portfolio. The net loss on disposals during the year is shown in the Statement of historical cost profits and losses on page 6.

### Review of Investment Performance

Our investment portfolio is managed by two leading firms of investment managers. Our own investment sub-committee, appointed by the Board, meets regularly with the managers to review adherence to the agreed investment policy and to monitor performance against suitable benchmarks. Income from the portfolio remains an important contribution to the Federation's operational revenue and the investment managers are tasked with ensuring that the budgeted level of income is achieved.

Note 8 to the accounts indicates the current composition of the portfolio and reflects any changes to the asset allocation that have been made during the year.

### Membership

Set out below is a record of the Federation's membership (excluding Associate Members) over the last five years as at 31st December in the years stated:

	GA	BJA	SEA	JDA	BTAA	TOTAL
2010	702	623	205	69	106	1705
2011	678	686	197	67	104	1732
2012	671	712	199	68	99	1749
2013	614	735	198	60	84	1691
2014	579	754	197	61	97	1688

The Federation's membership including Associate Members at 31<sup>st</sup> December 2014 was:

GA	BJA	SEA	JDA	BTAA	TOTAL
811	1149	237	61	107	2,365

### Charitable Donations

The Federation made charitable donations of £2,760 (2013: £2,500) during the year.

### Thanks

The year ending 31st December 2014 has been a particularly busy year and the Board records its gratitude for the support and hard work which has been given by the Chairmen and Committees of the Federated Associations and by the staff at all levels.

**Registered Office:**  
Federation House  
10 Vyse Street  
Birmingham, B18 6LT

By Order of the Board  
**R S Singleton**  
Company Secretary  
19<sup>th</sup> March 2015

## **BRITISH ALLIED TRADES FEDERATION**

### **Report of the Auditors**

#### **Independent Auditors' Report to the Members of the BRITISH ALLIED TRADES FEDERATION**

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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 Company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Directors and Auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Councils Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

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In addition, we read all the financial and non-financial information in the Directors' Report and any other surrounding information 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 company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors report.

Helen Drew

Senior Statutory Auditor  
For and on behalf of:

CROWE CLARK WHITEHILL LLP

**Statutory Auditors**

Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

19<sup>th</sup> March 2015

**BRITISH ALLIED TRADES FEDERATION**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 £	2013 £
<b>TURNOVER</b>	2	<b>2,107,773</b>	1,774,006
Cost of Sales		<u>(731,734)</u>	<u>(543,330)</u>
<b>Gross Profit</b>		<b>1,376,039</b>	1,230,676
Administrative expenses	3	<b>(1,553,048)</b>	(1,502,035)
Other operating income	2	<u>65,026</u>	<u>59,418</u>
<b>OPERATING LOSS</b>	2	<b>(111,983)</b>	(211,941)
Income from fixed asset investments	5	<b>336,868</b>	329,129
Other interest receivable		<u>1,525</u>	<u>1,064</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>226,410</b>	118,252
Tax recoverable on profit on ordinary activities	6	<u>9,754</u>	<u>8,100</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>236,164</b></u>	<u>126,352</u>

All amounts relate to continuing operations.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 31 DECEMBER 2014**

Profit for the financial year		<b>236,164</b>	126,352
Increase in valuation of investments	8	<u>4,291</u>	<u>683,411</u>
Total recognised gains for the year		<u><b>240,455</b></u>	<u>809,763</u>

**STATEMENT OF HISTORICAL COST PROFITS AND LOSSES**  
**YEAR ENDED 31 DECEMBER 2014**

Reported profit on ordinary activities before taxation		<b>226,410</b>	118,252
Realisation of investment revaluation profits		<b>148,719</b>	395,308
Depreciation adjustment on revaluation of freehold property		<u>(4,952)</u>	<u>(4,952)</u>
Historical cost profit on ordinary activities before taxation		<u><b>370,177</b></u>	<u>508,608</u>
Historical cost profit for the year		<u><b>379,931</b></u>	<u>516,708</u>

The notes on pages 8 to 14 form part of these accounts



**BRITISH ALLIED TRADES FEDERATION**  
**Company Registration number 69391**

**BALANCE SHEET**

**YEAR ENDED 31 DECEMBER 2014**

	Notes	2014		2013	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		591,446		572,973
Investments	8		<u>10,457,968</u>		<u>10,315,502</u>
			<u>11,049,414</u>		<u>10,888,475</u>
<b>CURRENT ASSETS</b>					
Debtors	9	459,034		407,218	
Cash at bank and in hand		<u>485,436</u>		<u>206,924</u>	
			<u>944,470</u>		<u>614,142</u>
<b>CREDITORS: Amounts falling due within one year</b>	10		<u>(779,603)</u>		<u>(520,475)</u>
<b>NET CURRENT ASSETS</b>			<u>164,867</u>		<u>93,667</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>11,214,281</b>		<b>10,982,142</b>
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred Taxation	11		<u>0</u>		<u>(8,319)</u>
			<u>11,214,281</u>		<u>10,973,823</u>
<b>GENERAL RESERVE</b>	12		8,320,523		7,955,729
<b>REVALUATION RESERVE</b>	13		<u>1,227,167</u>		<u>1,371,595</u>
			9,547,690		9,327,324
<b>RESERVES ALLOCATED TO TRADE ASSOCIATIONS</b>	14		<u>1,666,591</u>		<u>1,646,499</u>
<b>MEMBERS' INTERESTS</b>			<u>11,214,281</u>		<u>10,973,823</u>

The accounts were approved and authorised for issue by the board and were signed on its behalf on 19<sup>th</sup> March 2015.

.....  
**C E Owen**  
**(President)**

.....  
**M Hughes**  
**(Deputy President)**

.....  
**M Sweeney**  
**(Vice President)**

The notes on pages 8 to 14 form part of these accounts

# BRITISH ALLIED TRADES FEDERATION

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2014

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of Accounting

The accounts are prepared under the historical cost convention, modified to include the revaluation of freehold property and investments, and in accordance with applicable accounting standards. The Directors continue to adopt the going concern basis of accounting based on the cash balance, significant investment portfolio and stable membership base.

#### 1.2 Cash Flow

The company 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 a small company.

#### 1.3 Fixed Assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is calculated to write off the cost or valuation of tangible fixed assets, less their estimated residual values over their expected useful lives on the following bases:

Freehold buildings	2%	straight line
Fixtures and fittings	10 – 25%	straight line
Computer equipment	25%	straight line

No depreciation has been provided on freehold land.

The directors have taken advantage of the transitional arrangements of Financial Reporting Standard No.15 and have retained the brought forward valuations of freehold land and buildings.

#### 1.4 Investments

Listed investments are recorded at market value. The excess over cost is credited to the revaluation reserve.

Unlisted investments are held at cost less any provision for permanent diminution in value.

#### 1.5 Turnover

Turnover represents the total amount receivable for membership subscriptions and services provided exclusive of Value Added Tax.

#### 1.6 Deferred Tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets and investments in the financial statements. A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

#### 1.7 Pensions

The Federation contributes to a defined contribution group personal pension plan for members of staff, contributions being charged against profits as incurred.

#### 1.8 Government Grants

Government grants are credited to the profit and loss account as and when receivable.

#### 1.9 Foreign Currency Transactions

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling on the date when the transaction occurred

#### 1.10 Operating Leases

Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the profit and loss account as incurred.

#### 1.11 Other Operating Income

Other operating income represents rents and fees on a receivable basis.

**BRITISH ALLIED TRADES FEDERATION**  
**NOTES TO THE ACCOUNTS – continued**

**YEAR ENDED 31 DECEMBER 2014**

**2. TURNOVER AND OPERATING LOSS**

Description of class of business:	Turnover		Operating Loss	
	2014 £	2013 £	2014 £	2013 £
International services	646,467	485,580	99,902	55,671
Trade associations and members' services	1,461,306	1,288,426	(276,911)	(327,030)
Other operating income (see below)	<u>-</u>	<u>-</u>	<u>65,026</u>	<u>59,418</u>
	<u><b>2,107,773</b></u>	<u><b>1,774,006</b></u>	<u><b>(111,983)</b></u>	<u><b>(211,941)</b></u>

Other operating income:

Rents receivable

	<u><b>65,026</b></u>	<u><b>59,418</b></u>
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The majority of turnover arose in the United Kingdom.

**3. ADMINISTRATIVE EXPENSES**

Administrative expenses include:	2014 £	2013 £
Staff costs:		
Salaries	776,598	710,295
Social security costs	75,962	70,378
Pension costs	<u>46,751</u>	<u>37,141</u>
	<u><b>899,311</b></u>	<u><b>817,814</b></u>

President's fee	5,000	5,000
Depreciation of fixed assets	42,038	38,187
Operating lease rentals of equipment	5,067	8,877
Audit fee	9,470	9,470
Charitable Donations	<u>2,760</u>	<u>2,500</u>

The average number of employees during the year was:

International services	No.	No.
	4	4
Trade Associations	19	16
Central Services	<u>7</u>	<u>7</u>
	<u><b>30</b></u>	<u><b>27</b></u>

**4. TRANSACTIONS WITH DIRECTORS**

During the year the Federation has undertaken transactions with a company owned by a Director totalling £2,850 (2013 : £3,062). During the year the Federation has undertaken transactions with a company where a Director is the CEO totalling £5,975 (2013:nil). These transactions were undertaken at arms length and £nil remained outstanding at the year end.

**BRITISH ALLIED TRADES FEDERATION**  
**NOTES TO THE ACCOUNTS – continued**  
**YEAR ENDED 31 DECEMBER 2014**

<b>5. INCOME FROM FIXED ASSET INVESTMENTS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Dividends on listed investments	<u>336,868</u>	<u>329,129</u>
	<u>336,868</u>	<u>329,129</u>

<b>6. TAX PAYABLE ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Tax recoverable	(1,435)	(8,944)
Prior year adjustment	Nil	<u>237</u>
<b>Total Current Tax</b>	<u>(1,435)</u>	<u>(8,707)</u>
<b>Deferred Tax</b>		
Origination and reversal of timing differences	<u>(8,319)</u>	<u>607</u>
<b>Total Deferred Tax</b> (see note 11)	<u>(8,319)</u>	<u>607</u>
<b>Tax on profit on ordinary activities</b>	<u>(9,754)</u>	<u>(8,100)</u>

**Factors affecting tax charge for the year**

The tax assessed is lower than the relevant standard rate of corporation tax in the UK 20%. The differences are explained below:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<u>226,410</u>	<u>118,252</u>
Profit on ordinary activities multiplied by relevant standard Rate of corporation tax in the UK of 20% (2013: 20%)	<b>45,282</b>	23,650

**Effects of:**

UK dividends received	(48,005)	(44,509)
Movement on accelerated capital allowances	(6,480)	(1,613)
Expenses not deductible for tax purposes	618	850
Depreciation on non-qualifying assets	2,940	2,940
Net gain on disposal of bonds	3,893	24,153
Prior year adjustment	Nil	237
Other	<u>317</u>	<u>(14,415)</u>
<b>Current tax charge for the year</b> (see note above)	<u>(1,435)</u>	<u>(8,707)</u>

There are capital losses carried forward of £351,079, see note 11.

**BRITISH ALLIED TRADES FEDERATION**  
**NOTES TO THE ACCOUNTS – continued**  
**YEAR ENDED 31 DECEMBER 2014**

**7. TANGIBLE FIXED ASSETS**

	<b>Freehold Land and Buildings £</b>	<b>Fixtures and Fittings £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
Cost or Valuation:				
1 January 2014	735,000	573,468	253,559	1,562,027
Additions	-	37,458	23,053	60,511
Disposals	-	-	(142,039)	(142,039)
31 December 2014	<u>735,000</u>	<u>610,926</u>	<u>134,573</u>	<u>1,480,499</u>
Depreciation:				
1 January 2014	220,500	558,483	210,071	989,054
Charge for the year	14,700	6,645	20,693	42,038
Disposals	-	-	(142,039)	(142,039)
31 December 2014	<u>235,200</u>	<u>565,128</u>	<u>88,725</u>	<u>889,053</u>
<b>Net Book Values</b>				
<b>31 December 2014</b>	<u><b>499,800</b></u>	<u><b>45,798</b></u>	<u><b>45,848</b></u>	<u><b>591,446</b></u>
31 December 2013	<u>514,500</u>	<u>14,985</u>	<u>43,488</u>	<u>572,973</u>

The freehold land and buildings were revalued to £735,000 by Simon Murphy (ARICS), an independent valuer, on 31 December 1998 at open market value.

The depreciated historical cost of the freehold property, which exceeds the valuation of £514,500 by £148,556 is as follows:-

	£
Historical cost	1,057,610
Accumulated depreciation	<u>(394,554)</u>
Net Book Value	<u>663,056</u>

**Heritage Assets**

The Federation owns a silver collection, badges, maces and regalia, the cost of which is written off in the year of acquisition. The Directors policy on acquisition is to commission pieces to commemorate specific events and to support the industry. They have no plans to dispose of any items. The collection is recorded by written description and photograph, and is insured at estimated replacement value of £657,258. There is no public access to the collection.

**BRITISH ALLIED TRADES FEDERATION**  
**NOTES TO THE ACCOUNTS – continued**  
**YEAR ENDED 31 DECEMBER 2014**

<b>8. INVESTMENTS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Listed investments at market value:		
Ordinary Shares	<b>6,841,497</b>	6,592,695
Preference Shares	<b>181,051</b>	274,325
Unit Trusts	<b>620,100</b>	783,376
Bonds	<b>1,712,054</b>	1,640,797
Alternative investments	<b><u>487,393</u></b>	<u>446,982</u>
	<b><u>9,842,095</u></b>	<u>9,738,175</u>
Unlisted investments:		
Deposit with Investment Managers	<b><u>615,873</u></b>	<u>577,327</u>
	<b><u>10,457,968</u></b>	<u>10,315,502</u>
Movements during year:	<b>Listed</b>	<b>Unlisted</b>
	<b>Investments</b>	<b>Investments</b>
	<b>£</b>	<b>£</b>
1 January 2014	<b>9,738,175</b>	<b>577,327</b>
Additions	<b>891,945</b>	<b>38,546</b>
Disposals	<b>(792,316)</b>	-
Increase in value	<b><u>4,291</u></b>	<u>-</u>
<b>31 December 2014</b>	<b><u>9,842,095</u></b>	<b><u>615,873</u></b>

The historical cost of Investments as at 31 December 2014 was £ 9,230,801 (2013: £8,943,907).

<b>9. DEBTORS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	<b>334,680</b>	210,702
Other debtors	<b>215</b>	212
Corporation Tax recoverable	<b>1,435</b>	8,944
Prepayments and accrued income	<b><u>122,704</u></b>	<u>187,360</u>
	<b><u>459,034</u></b>	<u>407,218</u>

**BRITISH ALLIED TRADES FEDERATION**  
**NOTES TO THE ACCOUNTS – continued**  
**YEAR ENDED 31 DECEMBER 2014**

<b>10. CREDITORS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade creditors	<b>192,454</b>	88,977
Other taxes and social security	<b>53,972</b>	53,354
Pensions	<b>5,794</b>	5,113
Other creditors	<b>88,682</b>	68,570
Accruals and deferred income	<b>438,701</b>	304,461
	<b><u>779,603</u></b>	<u>520,475</u>

<b>11. DEFERRED TAXATION LIABILITY</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
1 January 2014	<b>8,319</b>	7,712
Charge to profit and loss account	<b><u>(8,319)</u></b>	<u>607</u>
<b>31 December 2014</b>	<b><u>Nil</u></b>	<u>8,319</u>

The deferred tax liability is made up as follows:

Accelerated capital allowances	<b><u>14,789</u></b>	8,319
Short-term timing difference	<b>(1,159)</b>	-
Losses	<b><u>(13,640)</u></b>	<u>-</u>
	<b><u>Nil</u></b>	<u>8,319</u>

The deferred tax liability at 2014: £70,000 relating to the unrealised revaluation gains on investments, after deducting unused capital losses carried forward amounting to £351,079 has not been provided for in accordance with FRS19.

<b>12. GENERAL RESERVE</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
1 January 2014		7,464,888
Profit attributable to Trade Associations, per note 14	<b>20,090</b>	
Profit attributable to Central Services	<b><u>216,075</u></b>	95,533
Profit for the financial year	<b><u>236,164</u></b>	
Transfer from Revaluation Reserve	<b><u>148,719</u></b>	<u>395,308</u>
<b>31 December 2014</b>	<b><u>8,320,523</u></b>	<u>7,955,729</u>

The transfer between Revaluation and General Reserve represents net realised surpluses on disposal of investments.

**BRITISH ALLIED TRADES FEDERATION**  
**NOTES TO THE ACCOUNTS – continued**  
**YEAR ENDED 31 DECEMBER 2014**

<b>13. REVALUATION RESERVE</b>	2014	2013
	£	£
1 January 2014	1,371,595	1,083,492
Increase in value of investments	4,291	683,411
Transfer to General Reserve	<u>(148,719)</u>	<u>(395,308)</u>
<b>31 December 2014</b>	<b><u>1,227,167</u></b>	<b><u>1,371,595</u></b>

**14. RESERVES DESIGNATED TO TRADE ASSOCIATIONS**

	BJA	BTAA	GA	JDA	SEA	Total
	£	£	£	£	£	£
<b>INCOME</b>						
Subscriptions	302,302	37,693	310,516	18,238	97,067	765,816
Share of investment income	1,794	15	1,921	51	5,024	8,805
Other income generated	<u>76,641</u>	<u>10,573</u>	<u>52,700</u>	<u>1,793</u>	<u>467,404</u>	<u>609,111</u>
	<u>380,737</u>	<u>48,281</u>	<u>365,137</u>	<u>20,082</u>	<u>569,495</u>	<u>1,383,732</u>
<b>EXPENDITURE</b>						
Staff Costs	202,625	35,200	169,542	-	176,245	583,612
Other direct expenses	<u>187,325</u>	<u>15,194</u>	<u>183,519</u>	<u>19,057</u>	<u>374,935</u>	<u>780,030</u>
	<u>389,950</u>	<u>50,394</u>	<u>353,061</u>	<u>19,057</u>	<u>551,180</u>	<u>1,363,642</u>
<b>Net (loss)/profit</b>	(9,213)	(2,113)	12,076	1,025	18,315	20,090
Balance 1 January 2014	<u>364,853</u>	<u>3,348</u>	<u>375,403</u>	<u>10,141</u>	<u>892,754</u>	<u>1,646,499</u>
<b>Balance 31 December 2014</b>	<b><u>355,640</u></b>	<b><u>1,235</u></b>	<b><u>387,479</u></b>	<b><u>11,166</u></b>	<b><u>911,071</u></b>	<b><u>1,666,591</u></b>

**15. OTHER FINANCIAL COMMITMENTS**

There is an outstanding claim against the BATF for dilapidations to a building which was the BATF office. The Directors have been advised that the amount payable cannot be reliably estimated as required by Financial Reporting Standard No. 12 (Provisions, Contingent Liabilities and Contingent Assets) and consequently no provision has been made in these accounts. However, the Directors can confirm that the maximum amount that could be payable can be met from the Federations funds and would not affect the ongoing operations of the Federation. Negotiations to resolve this matter are ongoing.

**16. OPERATING LEASES**

At 31 December 2014 the Federation had annual commitments under non-cancellable operating leases of office equipment amounting to £5,067 (2013: £5,067) expiring between two and five years.