

DO NOT STAPLE  
PRINT ON ONE SIDE ONLY

# FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Period ended:

List No:

Head or Main Office:

Website address (if available)

Has the address changed during the period to which the return relates?  Yes  No  X (Tick as appropriate)

Managing Director:

Contact name for queries regarding the completion of this return:

Telephone Number:

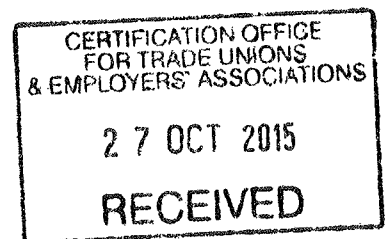
e-mail:

**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



(Revised February 2011)



## BUILDERS MERCHANTS FEDERATION LIMITED

### OFFICERS IN POST AS AT 31 MARCH 2015

P.Hindle	BMF Chairman
N.Mortimer,	Elected Director
P Hetherington	Elected Director
N. Lawrence	Elected Director
S. Pierce	Elected Director
S. Thompstone	Elected Director
J. Newcomb	Managing Director
S. Vickers	Hon. Treasurer
P. Matthews	Secretary

# 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
441	6	0	4	451

## 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

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Period			£	£
	<b>INCOME</b>			
946,338	From Members	Subscriptions, levies, etc		742,104
	Investment income	Interest and dividends (gross) Bank interest (gross) Other (specify) – Training Other (specify) – Property Disposal		
	Other income	Rents received Insurance commission Consultancy fees Publications/Seminars Miscellaneous receipts (Sundry income) Other (BMF Training income) Other (BMF Apprenticeship income)		244,732
138,846				
		<b>TOTAL INCOME</b>		986,836
1,085,184				
	<b>EXPENDITURE</b>			
	Administrative expenses			
488,386		Remuneration and expenses of staff		550,963
128,646		Occupancy costs		130,267
7,915		Printing, Stationery		12,323
(21,574)		Telephones and Post		10,477
20,742		Legal and Professional fees		28,768
		Miscellaneous (Specify) – See below		
7,770		Computer Maintenance		15,437
16,550		Subscriptions and donations		20,531
20,274		Public Relations		25,554
70,478		Marketing and publications		39,707
255,817		BMF conference		0
5,000		Trade credit scheme expense		0
28,516		Regional training courses		21,072
1,303		BMF Modules/MOLs		3,163
52,510		In company courses		56,570
9,723		BMF Diplomas		25,215
-		BMF Campus		
6,000		Master Merchant		6,754
16,885		Administrative and Property expenses		17,117
		Commissions		0
5,200		Auditor's remuneration		5,350
9,303		Board/members' day		5,906
24,322		Member's workshops and seminar costs		120,812
9,250		Recruitment expense		6,250
	Other charges	Bank charges Depreciation		57,129
57,284				

1,220,300		<b>Expenses total</b>		<b>1,159,365</b>
32,926		Investment income		182,475
16,957		Interest receivable		1,327
		Donations		
		Conference and meeting fees		
		Inve		
		Expenses		
		Miscellaneous (specify)		
14,328	Taxation (credit)/charge			
(70,905)		Surplus/Deficit for period		<b>11,273</b>
3,440,452		Amount of fund at beginning of period		3,369,547
3,369,547		Amount of fund at end of period		3,380,820

# BALANCE SHEET AS AT 31 MARCH 2015

(see notes 19 and 20)

Previous Period		£	£
1,902,870	<b>Fixed Assets</b> (as at page 11)		1,878,653
1,031,306	<b>Investments</b> (as per analysis on page 13)		1,143,612
	Quoted (Market value £            )		
	Unquoted		
2,934,176	<b>Total Investments</b>		3,022,265
	<b>Other Assets</b>		
271,882	Sundry debtors		581,517
389,246	Cash at bank and in hand		430,061
	Others (specify)		
661,128	<b>Total of other assets</b>		1,011,578
3,595,304		<b>TOTAL ASSETS</b>	<b>4,033,843</b>
3,369,547		Fund (Account)	3,380,820
		Fund (Account)	
		Fund (Account)	
		Revaluation Reserve	
	<b>Liabilities</b>		
	Loans		
	Bank overdraft		
	Tax payable		
225,757	Sundry creditors		624,023
	Accrued expenses		
	Provisions (deferred tax)		29,000
	Other liabilities		
225,757		<b>TOTAL LIABILITIES</b>	<b>653,023</b>
3,595,304		<b>TOTAL ASSETS</b>	<b>4,033,843</b>

## FIXED ASSETS ACCOUNT

(see note 21)

	Investment properties	Land & Buildings	Fixtures & Fittings	Equipment	Total
	£	£	£	£	£
<b>COST OR VALUATION</b>					
At start of period		1,641,881	333,619	9,063	1,984,563
Additions during period					
Transfer during the period	862,041	(866,373)	3,831	29,081	32,912
Less: Disposals during period					
Less: DEPRECIATION:					
b/f		(19,830)	(58,944)	(2,919)	(81,693)
Charge for year		(15,499)	(34,754)	(6,876)	(57,129)
Transfer		4,332			4,332
Total to end of period		(30,997)	(93,698)	(9,795)	(134,490)
<b>BOOK AMOUNT</b> at end of period	862,041	744,511	243,752	28,349	1,878,653
Freehold	862,041	744,511			
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 N/A	
	British Municipal and County Securities N/A	
	Other quoted securities (to be specified) N/A	
	<b>TOTAL QUOTED (as Balance Sheet)</b>	
	<b>*Market Value of Quoted Investments</b>	
<b>UNQUOTED</b>	British Government Securities N/A	
	British Municipal and County Securities N/A	
	Mortgages N/A	
	Other unquoted securities (to be specified) N/A	
	<b>TOTAL QUOTED (as Balance Sheet)</b>	
6	<b>*Market Value of Unquoted Investments</b>	
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"/>	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>			
Are the shares which are controlled by the association registered in the association's name		<input type="checkbox"/>	YES
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>			
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 £
<b>INCOME</b>			
From Members	742,104		742,104
From Investments	183,802		183,802
Other Income (including increases by revaluation of assets)	244,732		244,732
<b>Total Income</b>	<b>1,170,638</b>		<b>1,170,638</b>
<b>EXPENDITURE</b> (including decreases by revaluation of assets)	1,159,365		1,159,365
<b>Total Expenditure</b>			
<b>Funds at beginning of period</b> (including reserves)	3,369,547		3,369,547
<b>Funds at end of period</b> (including reserves)	3,380,820		3,380,820
<b>ASSETS</b>			
Fixed Assets			1,016,612
Investment Assets			862,041
Other Assets			2,155,190
		<b>Total Assets</b>	<b>4,033,843</b>
<b>LIABILITIES</b>		<b>Total Liabilities</b>	<b>653,023</b>
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			<b>3,380,820</b>

# 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 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

#### 1. ACCOUNTING POLICIES

##### 1.1 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.

##### 1.2 Income and expenditure

Income and expenditure are accounted for on an accruals basis.

##### 1.3 Tangible fixed assets and depreciation

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

Freehold buildings	-	2% per annum
Fixtures & fittings	-	10%-20% per annum
Computer equipment	-	33% per annum

##### 1.4 Investment properties

Investment properties are included in the balance sheet at carrying value at the point of initial recognition and are not depreciated.

##### 1.5 Leases

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

##### 1.6 Pensions

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

##### 1.7 Deferred tax

Deferred taxation assets and liabilities are provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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

##### 1.8 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual agreement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**BUILDERS MERCHANTS FEDERATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**2. TURNOVER**

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
Contributions and subscriptions	555,916	555,683
Other income from members	186,188	390,655
BMF training income	<u>244,732</u>	<u>138,846</u>
	<u>986,836</u>	<u>1,085,184</u>

All turnover arose within the United Kingdom.

**3. OPERATING DEFICIT**

The operating deficit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the entity	57,129	76,667
Auditor's remuneration	5,350	5,200
Auditor's remuneration - non-audit	18,525	1,750
Operating lease charges	7,448	3,380
Staff costs and expenses	512,425	484,159
Contributions paid to defined contribution pension schemes	<u>38,538</u>	<u>48,608</u>

**4. INVESTMENT INCOME**

	2015 £	2014 £
Investment income	112,306	31,306
Rental income	<u>70,169</u>	<u>1,620</u>
	<u>182,475</u>	<u>32,926</u>

BUILDERS MERCHANTS FEDERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015

5. TAXATION

	2015 £	2014 £
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on surplus for the year	1,000	-
Adjustments in respect of prior periods	(30,000)	(14,328)
<b>Deferred tax (note 10)</b>		
Origination and reversal of timing differences	29,000	-
	<u>                    </u>	<u>                    </u>
<b>Tax on surplus/(deficit) on ordinary activities</b>	<u>                    </u>	<u>                    </u>
	-	(14,328)

6. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2014	1,641,881	333,619	9,063	1,984,563
Additions	-	3,831	29,081	32,912
Transfer to investment properties (note 7)	(866,373)	-	-	(866,373)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
At 31 March 2015	775,508	337,450	38,144	1,151,102
<b>Depreciation</b>				
At 1 April 2014	19,830	58,944	2,919	81,693
Charge for the year	15,499	34,754	6,876	57,129
Transfer to investment properties (note 7)	(4,332)	-	-	(4,332)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
At 31 March 2015	30,997	93,698	9,795	134,490
<b>Net book value</b>				
At 31 March 2015	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	744,511	243,752	28,349	1,016,612
At 31 March 2014	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	1,622,051	274,675	6,144	1,902,870

**BUILDERS MERCHANTS FEDERATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**7. INVESTMENT PROPERTIES**

	<b>Investment properties £</b>
<b>Cost</b>	
At 1 April 2014	-
Transfer from tangible fixed assets (note 6)	<u>862,041</u>
At 31 March 2015	<u>862,041</u>
<b>Net book value</b>	
At 31 March 2015	<u>862,041</u>
At 31 March 2014	<u>-</u>

During the year the Federation offered properties previously classified as freehold land and buildings for lease. The board believe it is appropriate to transfer these assets to be treated as investment properties.

Investment properties have not been revalued in the year, as their carrying value is deemed to be not materially different to their fair value due to being purchased in December 2013.

**8. DEBTORS**

	<b>2015 £</b>	<b>2014 £</b>
Trade debtors	148,348	78,348
Corporation tax	29,000	-
Other debtors and prepayments	404,169	193,534
	<u>581,517</u>	<u>271,882</u>

**9. CREDITORS:  
Amounts falling due within one year**

	<b>2015 £</b>	<b>2014 £</b>
Trade creditors	278,763	83,656
Other taxation and social security	12,469	14,253
Other creditors and deferred income	332,791	127,848
	<u>624,023</u>	<u>225,757</u>

**BUILDERS MERCHANTS FEDERATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**10. DEFERRED TAX**

	2015 £	2014 £
At the beginning of the year	-	-
Charge for the year	29,000	-
	<hr/>	<hr/>
At the end of the year	<u>29,000</u>	<u>-</u>
The provision for deferred tax is made up as follows:		
	2015 £	2014 £
Accelerated capital allowances	32,000	-
Losses carried forward	(3,000)	-
	<hr/>	<hr/>
	<u>29,000</u>	<u>-</u>

**11. RESERVES**

	Accumulated fund £
At 1 April 2014	3,369,547
Surplus for the financial year	11,273
	<hr/>
At 31 March 2015	<u>3,380,820</u>

**12. OPERATING LEASE COMMITMENTS**

At 31 March 2015 the entity had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Between 2 and 5 years	<u>7,448</u>	<u>3,380</u>

**13. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £38,538 (2014 - £48,608). Contributions totalling £Nil (2014 - £10,000) were payable to the fund at the balance sheet date and were included within creditors in 2014.



# 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: <u></u> Name: John Newcomb Date: <u>19/10/15</u>	Company Secretary Signature: <u></u> (or other official whose position should be stated) Name: <u>Richard Ellithorne</u> Date: <u>19/10/15</u>
---	--

## 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 Limited for the year ended 31 March 2015 which comprise the Income and expenditure account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law (United Kingdom Generally Accepted Accounting Practice).

### RESPECTIVE RESPONSIBILITIES OF THE BOARD AND THE AUDITORS

As explained more fully in the Statement of the Board's responsibilities set out on page 2, 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 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. This report is made solely to the entity'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 entity'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 entity and the entity's members as a body for our audit work, for this report, or for the opinions we have formed.

### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the entity's affairs as at 31 March 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Industrial and Provident Societies Acts, 1965 to 2002.

In our opinion the information given in the Report of the Board 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 Industrial and Provident Societies Acts, 1965 to 2002 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.

Paul Johnson (Senior Statutory Auditor)

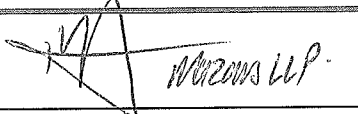
for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

9 June 2015

	Date
--	------

Signature(s) of auditor or auditors:	 WIZCONS LLP	
Name(s):	Paul Johnson	
Profession(s) or Calling(s):	Chartered Accountants and Registered Auditors	
Address(es):	6 Dominus Way Meridian East Leicester LE19 1RP	
Date:	13/10/15	
Contact name and telephone number:	Paul Johnson 0116 2816 500	

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**