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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)

Chief Executive:

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
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

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



British Printing Industries Federation (Unincorporated)

Certification Office Return of Officers

Directors in Post at 31 March 2016

Chief Executive	Charles Jarrold
Finance Director	Peter Allen
Membership Director	Dale Wallis
President	Gerald White
Non-Executive Director	Darren Coxon
Non-Executive Director	Jacqueline Sidebottom-Every
Non-Executive Director	James Buffoni
Non-Executive Director	Ian Wilton



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
2	-	-	-	2

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
Non-Executive Director	Gary Peeling	None	20 January 2016
Non-Executive Director	Nigel Stublely	None	7 September 2015
Non-Executive Director	None	Ian Wilton	25 August 2015
Non-Executive Director	None	Jacqueline Sidebottom- Every	25 August 2015
Non-Executive Director	None	James Buffoni	25 August 2015

GENERAL FUND

(see notes 11 to 16)

Previous Year			£'000	£'000
	INCOME			
2,269	From Members	Management charges receivable		2,252
-	Investment income	Realised gains on investments		-
1		Bank interest (gross)		1
2,270				2,253
6	Other income	Rents received	6	
144		Commission income	148	
970		Consultancy fees	849	
196		Conferences and events	260	
48		Project income	53	
37		Other income	52	
1,401				1,368
3,671				3,621
		TOTAL INCOME		
	EXPENDITURE			
	Administrative expenses			
(1,402)		Indirect staff remuneration and expenses	(1,637)	
(183)		Occupancy costs	(154)	
(53)		Printing, stationery, post, telephone	(63)	
(67)		Legal and Professional fees	(108)	
(201)		Miscellaneous (marketing, IT, publications)	(168)	
(1,365)		Cost of sales (commercial)	(1,390)	
(1)		Profit on sale of assets	-	
(3,272)				(3,520)
(6)	Other charges	Bank charges	(8)	
(37)		Depreciation	(29)	
(16)		Sums written off	(16)	
(76)		Affiliation fees (INTERGRAF, subs, SIGS)	(74)	
(6)		Conference and meeting fees	(10)	
(1)		Interest payable	-	
(95)		Net return of final salary pension scheme	(79)	
(292)		Net actuarial gain/(loss) on pension scheme	(56)	
(529)				(272)
-	Taxation			-
(3,801)		TOTAL EXPENDITURE		(3,792)
(130)		Surplus/Deficit for year		(171)
(2,051)		Amount of fund at beginning of year		(2,181)
(2,181)		Amount of fund at end of year		(2,352)

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 3		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 5		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNT 7		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

BALANCE SHEET AS AT 31 March 2016

(see notes 19 and 20)

Previous Year		£'000	£'000
457	Fixed Assets (as at page 11)		437
	Investments (as per analysis on page 13)		
-	Quoted (Market value £)	-	
-	Unquoted	-	-
	Total Investments		437
457	Other Assets		
112	Trade debtors	103	
76	Other debtors	9	
-	Intercompany debtors	-	
269	Prepayments and accrued income	315	
527	Cash at bank and in hand	552	
	Total of other		979
984	assets		979
1,441		TOTAL ASSETS	1,416
(2,181)	General Fund		(2,352)
	Fund (Account)		
	Fund (Account)		
	Revaluation Reserve		
	Liabilities		
266	Trade creditors	239	
178	Other taxation and social security	198	
108	Other creditors due in less than one year	106	
200	Accruals and deferred income	229	
559	Intercompany creditors	715	
44	Other creditors due in more than one year	41	
2,267	Pension liability	2,240	
	Total of other		3,768
3,622			3,768
1,441		TOTAL LIABILITIES	1,416
1,441		TOTAL ASSETS	1,416

FIXED ASSETS ACCOUNT

(see note 21)

	Freehold Land & Buildings	Furniture, Fittings & Equipment	Computer Equipment	Total
	£'000	£'000	£'000	£'000
COST OR VALUATION				
At start of period	529	246	177	952
Additions during period	-	-	8	8
Less: Disposals during period	-	-	(40)	(40)
Less: DEPRECIATION:	(109)	(238)	(136)	(483)
Total to end of period				
BOOK AMOUNT at end of period	420	8	9	437
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET	420	8	9	437

ANALYSIS OF INVESTMENTS

(see note 22)

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

* 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"/> YES	<input type="checkbox"/> NO
If YES name the relevant companies:			
COMPANY NAME BPIF Training Limited BPIF Pension Trustees Limited BPIF Limited BPIF Legal Limited	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered) 06875770 06679809 04331622 07600485		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		<input type="checkbox"/> YES	<input checked="" type="checkbox"/> 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		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME BPIF Training Limited BPIF Pension Trustees Limited BPIF Limited BPIF Legal Limited	NAMES OF SHAREHOLDERS British Printing Industries Federation Limited British Printing Industries Federation Limited British Printing Industries Federation Limited British Printing Industries Federation Limited		

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	2,252	-	2,252
From Investments	1	-	1
Other Income (including increases by revaluation of assets)	1,368	-	1,368
Total Income	3,621	-	3,621
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	(3,792)	-	(3,792)
Funds at beginning of year (including reserves)	(2,181)	-	(2,181)
Funds at end of year (including reserves)	(2,352)	-	(2,352)
ASSETS			
Fixed Assets			437
Investment Assets			-
Other Assets			979
		Total Assets	1,416
LIABILITIES		Total Liabilities	(3,768)
NET ASSETS (Total Assets less Total Liabilities)			(2,352)

NOTES TO THE ACCOUNTS

(see note 36)

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

1. STATEMENT OF COMPLIANCE

British Printing Industries Federation is an unincorporated employers association listed by the Certification Officer in accordance with Trade Union and Labour Relations (Consolidation) Act 1992, and is domiciled in England and Wales. The registered office is Unit 2 Villiers Court, Meriden Business Park, Copse Drive, Coventry, CV5 9RN. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the Company.

2. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102").

The financial statements have been prepared on the going concern basis as disclosed in the Directors' statement of going concern set out in the directors' report and in note 16.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. A detail of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

Significant judgements and estimation uncertainty

In the application of the group accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for carrying amounts of tangible assets.

ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for carrying amount of debtors.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Federation for the year ended 31 March 2016 and of its subsidiary companies for the same period.

2. ACCOUNTING POLICIES (continued)

The Federation has taken advantage of the exemptions not to prepare an individual statement of income for the parent company. The deficit for the year dealt with in the financial statements of the Federation was £171,000 (2015: a deficit of £131,000), after an actuarial loss on the pension scheme of £79,000 (2015: a loss of £292,000).

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable. Turnover consists of several separate income streams. Income is reported excluding VAT.

Subscription income is recognised when a member renews their annual membership and is spread over the annual term of the membership.

Training income is recognised at invoice value (net of VAT) for the sale of training courses provided during the year. Grants receivable are recognised in the same period for which the claims are submitted.

Consultancy services income is recognised at invoice value (net of VAT) for the sale of consultancy services provided during the year.

Climate Change Levy income is recognised at invoice value (net of VAT) for the sale of services provided during the year.

All other income represents amounts invoiced or accrued during the year, following the provision of services.

Turnover was derived entirely from the United Kingdom.

Operating leases

Rentals payable under operating leases are charged to the Statement of Income on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to their recoverable amount.

The principal annual rates and bases of depreciation used for other assets are:

Freehold buildings	2%	Straight line
Computer equipment	20-33%	Straight line
Office equipment & furniture and fittings	10-20%	Straight line

Impairment of assets

At each reporting date the Federation reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

2. ACCOUNTING POLICIES (continued)

Impairment of assets (continued)

The recoverable amount of an asset is the higher of the fair value less costs to sell, and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to profit or loss in administration expenses.

Investments

The consolidated financial statements incorporate the financial statements of the Federation and entities controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in subsidiaries are held at cost less impairment in the Federation financial statements.

Pension costs

Defined benefit schemes

The BPIF operates two defined benefit pension schemes. The Trustees administer the schemes and the assets of the schemes are managed independently of the finances of the BPIF. Neither scheme is open to future accrual.

Pension scheme assets are measured using market value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the income and expenditure account. The expected return of the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in the 'Net return on final salary pension scheme' within the income and expenditure account. Actuarial gains or losses are recognised in the Statement of Total Recognised Gains and Losses.

The schemes' surpluses, to the extent that they are considered recoverable, or deficits, are recognised in full and presented on the face of the balance sheet.

Defined contribution arrangements

The BPIF also operates a defined contribution pension scheme, which is available to all employees. The assets of the scheme are managed independently of the finances of the BPIF. Contributions to defined contribution pension arrangements are charged to the income and expenditure account as they are incurred.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. ACCOUNTING POLICIES (continued)

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided on the liability method to take account of timing differences between the treatment for certain items for accounts purposes and the treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Deferred tax is measured at the tax rates that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3. SURPLUS FOR THE YEAR BEFORE TAXATION

The surplus for the year before taxation is stated after charging/(crediting):

	2016 £'000	2015 £'000
Auditors' remuneration		
- Audit services Federation	19	18
- Audit services subsidiaries	5	6
- Corporation tax compliance	5	5
Depreciation of tangible fixed assets	30	39
Operating lease charges		
- Land and buildings	61	60
- Plant and machinery	13	12
	<u> </u>	<u> </u>

4. TAXATION

	2016 £'000	2015 £'000
Corporation tax		
Current tax on income for the year	-	-
	<u> </u>	<u> </u>
Current tax reconciliation		
Surplus before taxation	14	145
	<u> </u>	<u> </u>
Theoretical tax charge at UK rate 20% (2015: 20%)	3	29
Effects of:		
(Utilisation)/creation of tax losses	(21)	(7)
Movement in unrecognised deferred tax	22	(31)
Fixed asset differences	5	7
Non-deductible expenses	1	2
FRS 102 adjustment	(10)	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

The Federation has tax losses carried forward of approximately £4.6 million (2015: £4.5 million).

During the year the UK corporation tax rate was maintained at 20%. Following Budget 2015 announcements, there will be a further reduction in the main rate of corporation tax to 19% from 1 April 2017.

5. EMPLOYEES

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Staff costs (including directors' emoluments):				
Wages and salaries	2,492	2,341	1,770	1,637
Social security costs	268	257	192	178
Other pension costs (contributions into defined benefit and defined contribution schemes)	170	155	139	130
	<hr/>	<hr/>	<hr/>	<hr/>
Total	2,930	2,753	2,101	1,945
	<hr/>	<hr/>	<hr/>	<hr/>
	No.	No.	No.	No.
Average monthly number of employees	58	57	40	39
	<hr/>	<hr/>	<hr/>	<hr/>

6. DIRECTORS

	2016 £'000	2015 £'000
Aggregate emoluments	252	214
	<hr/>	<hr/>
Federation's contributions to pension schemes	13	11
	<hr/>	<hr/>
Highest paid director – aggregate emoluments	122	89
	<hr/>	<hr/>
Highest paid director – pension contribution to pension scheme	7	4
	<hr/>	<hr/>
Number of directors accruing benefits under defined contribution schemes at the year end	2	3
	<hr/>	<hr/>

Non-executive directors do not receive any emoluments from the BPIF.

7. STAFF RETIREMENT BENEFITS

The British Printing Industries Federation Pension and Life Assurance scheme, which provided benefits based on final pensionable pay was closed to future accrual on 31 March 2004. A new final salary scheme (British Printing Industries Pension and Life Assurance Scheme 2004) was made available to staff who had been in the old scheme, which had reduced benefits and higher employee contributions. Alternatively, these staff were offered the option to join the defined contribution scheme already offered to all staff. The 2004 Scheme closed with effect from 31 March 2006 and has no assets or liabilities. The BPIF now contributes to defined contribution schemes for staff.

7. STAFF RETIREMENT BENEFITS (continued)

The British Printing Industries Federation Pension and Life Assurance Scheme

The date of the last full actuarial valuation was 31 March 2013. The results of this valuation, on the basis used to determine the Scheme's Technical Provision, were liabilities of £7 million (30 June 2010: £5.6 million) and a market value of assets of £3.6 million (30 June 2010: £3.6 million) with a deficit of £3.4 million (30 June 2010: £2 million) and a funding level of 52% (30 June 2010: 64.1%).

A qualified independent actuary has reviewed the actuarial valuations as at 31 March 2013 and updated these as at 31 March 2016. The assumptions used, in accordance with the instructions of the directors were:

To develop the expected long term rate on asset assumption, the Federation considered the current level of returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the long-term rate of return on assets assumptions for the portfolio. This resulted in the selection of the 5.7% assumption used to determine the pension cost to 31 March 2016 (2015: 5.7%).

Weighted average assumptions used to determine the benefit obligation at:

	2016	2015	2014
	%	%	%
Discount rate	3.51	3.25	4.5
Rate of Price Inflation	2.4	2.4	2.4
Pension increases	2.4	2.4	2.4
Increases to pensions in deferment	1.7	1.7	1.7

Weighted average life expectancy for mortality tables used to determine benefit obligations at

31 March 2016

	Male	Female
Member age 65 (current life expectancy)	20 yrs 7 mths	22 yrs 9 mths
Member age 45 (life expectancy at age 65)	20 yrs 7 mths	22 yrs 9 mths

7. STAFF RETIREMENT BENEFITS (continued)

The amounts recognised in the Statement of Financial Position as at 31 March 2016 (with comparative figures as at 31 March 2015) are as follows:

Amount recognised in the Statement of Financial Position	2016 £'000	2015 £'000
Equities managed funds	2,733	2,954
Bonds managed fund	1,021	-
Cash	146	1,146
Creditors & accrued costs	(3)	(8)
	<hr/>	<hr/>
Fair value of assets	3,897	4,092
Present value of scheme liabilities	(6,137)	(6,359)
	<hr/>	<hr/>
Scheme deficit	(2,240)	(2,267)
	<hr/>	<hr/>
Net pension liability	(2,240)	(2,267)
	<hr/>	<hr/>

A deferred tax asset is not recognised in relation to the net pension liability on the balance sheet due to the uncertainty of recoverability.

Components of Pension Cost	2016 £'000	2015 £'000
Amount charged to pension costs		
Expenses	(8)	(7)
Interest in net defined benefit obligation	(71)	(88)
	<hr/>	<hr/>
Total Operating Charge	(79)	(95)
	<hr/>	<hr/>
Amount charged to other comprehensive income	2016 £'000	2015 £'000
Return on scheme assets excluding interest income	(323)	397
Experience gains and losses arising on scheme liabilities	30	26
Change in assumptions underlying the present value of scheme liabilities	237	(715)
	<hr/>	<hr/>
Actuarial loss recognised in Statement of Comprehensive Income	(56)	(292)
	<hr/>	<hr/>

7. STAFF RETIREMENT BENEFITS (continued)

Reconciliation of scheme liabilities	2016 £'000	2015 £'000
Benefit obligation at beginning of year	(6,359)	(5,606)
Interest cost	(204)	(248)
Actuarial losses	267	(689)
Benefits paid	159	184
	<hr/>	<hr/>
Closing value of scheme defined benefit obligation at end of year	(6,137)	(6,359)
	<hr/> <hr/>	<hr/> <hr/>
Reconciliation of fair value of employer assets	2016 £'000	2015 £'000
Fair value of plan assets at beginning of year	4,092	3,572
Interest income on scheme assets	133	160
Return on scheme assets excluding interest income	(323)	397
Employer contribution	162	154
Benefits paid	(159)	(184)
Expenses	(8)	(7)
	<hr/>	<hr/>
Closing fair value of scheme assets	3,897	4,092
	<hr/> <hr/>	<hr/> <hr/>
Movement in deficit during the year	2016 £'000	2015 £'000
Deficit in scheme at beginning of the year	(2,267)	(2,034)
Expenses recognised in Statement of Income	(79)	(95)
Employer contribution	162	154
Actuarial losses	(56)	(292)
	<hr/>	<hr/>
Deficit in scheme at end of the year	(2,240)	(2,267)
	<hr/> <hr/>	<hr/> <hr/>

7. STAFF RETIREMENT BENEFITS (continued)

Cumulative amount of the Changes in Equity for the year ended 31 March 2016 are as follows:

	2016 £'000	2015 £'000
Cumulative actuarial gain/(loss) at beginning of period	(1,201)	(909)
Recognised during the period	(56)	(292)
	<hr/>	<hr/>
Cumulative actuarial gain/(loss) at end of period	(1,257)	(1,201)
	<hr/> <hr/>	<hr/> <hr/>

Deficit funding - British Printing Industries Pension and Life Assurance Scheme

The scheme has been funded by contributions of £162,000 during the year ended 31 March 2016 (2015: £154,000), the amount estimated to clear the deficit over a 24 year period based on the actuarial valuation as at 31 March 2013 and the basis used in that valuation to determine the technical provisions. The BPIF has agreed to make contributions of £170,000 during the year to 31 March 2016 together with 50% of any net surplus in excess of £300,000.

Defined contribution arrangements

The BPIF also operates defined contribution arrangements for employees. The BPIF makes fixed contributions to schemes invested and managed independently of the BPIF. The total cost of contributions included in operating expenditure is £155,000 (2015: £129,000). At the year end there were outstanding contributions payable of £24,000 (2015: £23,000).

8. TANGIBLE ASSETS (GROUP)

	Freehold land and buildings £'000	Furniture, fittings and equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2015	529	246	183	958
Additions	-	-	8	8
Disposals	-	-	(40)	(40)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	529	246	151	926
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2015	99	223	175	497
Charged in year	10	15	5	30
Disposals	-	-	(40)	(40)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	109	238	140	487
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2016	420	8	11	439
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2015	430	23	8	461
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8. TANGIBLE ASSETS (FEDERATION)

	Freehold land and buildings £'000	Furniture, fittings and equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2015	529	246	177	952
Additions	-	-	8	8
Disposals	-	-	(40)	(40)
At 31 March 2015	529	246	145	920
Depreciation				
At 1 April 2015	99	223	173	495
Charged in year	10	15	3	28
Disposals	-	-	(40)	(40)
At 31 March 2016	109	238	136	483
Net book value				
At 31 March 2016	420	8	9	437
At 31 March 2015	430	23	4	457

9. INVESTMENTS

Investments in subsidiaries

	Federation	
	2016 £'000	2015 £'000
Cost at 31 March 2015 and 31 March 2016	-	-

The consolidated financial statements include the results of the following subsidiary undertakings:

Company name	Country of incorporation	Shareholding
BPIF Training Limited	England and Wales	100%
BPIF Legal Limited	England and Wales	100%
BPIF Limited (Dormant)	England and Wales	100%
BPIF Pension Trustees Limited (Dormant)	England and Wales	100%

10. DEBTORS

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Trade debtors	131	138	103	112
Other debtors	10	76	9	76
Prepayments and accrued income	371	376	315	269
	<u>512</u>	<u>590</u>	<u>427</u>	<u>457</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Trade creditors	278	311	239	266
Other taxation and social security	209	185	198	178
Other creditors	109	111	106	108
Accruals and other deferred income	809	801	229	200
Intercompany creditors	-	-	715	559
	<u>1,405</u>	<u>1,408</u>	<u>1,487</u>	<u>1,311</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Other creditors	41	44	41	44
	<u>41</u>	<u>44</u>	<u>41</u>	<u>44</u>

13. DEFERRED TAXATION

	Group		Federation	
	Unprovided 2016 £'000	Unprovided 2015 £'000	Unprovided 2016 £'000	Unprovided 2015 £'000
Accelerated capital allowances	89	62	89	63
Short term timing differences	13	11	13	11
Losses carried forward	911	919	909	896
FRS 17 pension deficit	448	453	448	453
	<u>1,461</u>	<u>1,445</u>	<u>1,459</u>	<u>1,423</u>

14. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The BPIF has entered into a number of non-cancellable operating leases in respect of property and office equipment.

The group's future minimum operating lease payments are as follows:

	Group		Federation	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Land and buildings operating leases expiring:				
Within one year	42	2	42	2
Between two and five years	64	90	64	90
After more than five years	-	-	-	-
	<u>106</u>	<u>92</u>	<u>106</u>	<u>92</u>
Other operating leases expiring:				
Within one year	6	-	6	-
Between two and five years	2	20	2	20
	<u>8</u>	<u>20</u>	<u>8</u>	<u>20</u>

15. RELATED PARTY TRANSACTIONS

The board of BPIF includes representatives of various companies that pay subscriptions to BPIF. Other member-related purchases between those companies and BPIF were on normal commercial terms and amounted to £18,611 (2015: £17,587).

The subscription income relates to income received from British Printing Industries Federation Ltd, a company limited by guarantee in England and Wales. This company is one of two members of BPIF along with BPIF 2009 Limited and is the vehicle by which the members of BPIF enjoy limited liability status. At the year end a balance of £455,146 (2015: £429,158) was due to British Printing Industries Federation Ltd from BPIF. BPIF has provided a direct debit guarantee to Barclays Bank in respect of transactions with British Printing Industries Federation Ltd.

The board has taken the exemptions available not to disclose transactions between the BPIF and BPIF Training Limited and BPIF Legal Limited on the grounds that consolidated financial statements have been prepared.

16. GOING CONCERN

As disclosed in the Group balance sheet, the net liabilities as at 31 March 2016 amounted to £2,183,000 (31 March 2015: £2,141,000). The directors note that the deficit is principally as a consequence of the inclusion of the pension liability of £2,240,000 (2015: £2,267,000) as at the year end. The Group continues to meet all payments due in respect of the pension scheme and are confident that they will be able to meet all future payments required in order to extinguish the liability in accordance with the recovery plan set out by the scheme actuary.

The directors have prepared forecasts and projections for the Group which, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility and that it will be able to meet all debts as they fall due for a period of at least twelve months.

After making enquiries, the directors have a reasonable expectation that the Federation and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

17. RESERVES

The General Fund includes all current and prior period retained profits and losses.

18. FINANCIAL RISK MANAGEMENT

The group has exposures to two main areas of risk - liquidity risk and customer credit exposure. To a lesser extent the group is exposed to interest rate risk.

Liquidity risk

The objective of the group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the group has credit facilities available. The directors are satisfied that the group is in position to meet its commitments and obligations as they come due.

Customer credit exposure

The group may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The group is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships and by credit insurance.

Interest rate risk

The group has the facility to borrow from its bankers using overdrafts whose tenure depends on the nature of the asset and management's view of the future direction of interest rate.

19. FINANCIAL INSTRUMENTS

The carrying value of the Group and Federation's financial assets and liabilities are summarised by category below:

	Group		Federation	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Financial assets				
Measured at undiscounted amount receivable				
- Trade and other debtors	512	590	427	457
- Cash at bank and in hand	552	527	552	527
	<u>1,064</u>	<u>1,117</u>	<u>979</u>	<u>984</u>
Financial liabilities				
Measured at undiscounted amount payable				
- Trade and other creditors	1,446	1,452	813	796
- Amounts owed to related entities	-	-	715	559
	<u>1,446</u>	<u>1,452</u>	<u>1,528</u>	<u>1,355</u>

20. TRANSITION TO FRS 102

These financial statements for the year ended 31 March 2016 are the first prepared under FRS 102. The date of transition is 1 April 2014, with the financial statements for the year ended 31 March 2015 being last prepared under the old UK GAAP.

Transitional adjustments were required in equity or profit or loss for the year and these are detailed below.

The transition to FRS 102 has not resulted in any significant changes to accounting policies but has resulted in changes to the comparative figures from the prior year financial statements.

In carrying out the transition to FRS 102, the Company has not applied any of the optional exemptions as permitted by Section 35 "Transition to this FRS".

Prior year adjustment following adoption of FRS 102

Holiday pay accrual

Prior to the adoption of FRS 102, no provision was made for holiday pay earned but not taken before the year end. FRS 102 requires the cost of short term compensated absences to be recognised when employees render the service that increases their entitlement. Consequently a holiday pay provision of £47k was made in the year ended 31 March 2014.

Reconciliations

The adjustment noted above resulted in the following restatement for the Group:

Restated statement of financial position	31 March 2015	1 April 2014
	£'000	£'000
Original deficit	(2,094)	(1,947)
Recognition of holiday pay accrual	(47)	(47)
Restated deficit	<u>(2,141)</u>	<u>(1,994)</u>

Restated statement of comprehensive income	31 March 2015
	£'000
Original deficit at 31 March 2015	(147)
Movement in holiday pay accruals	-
Restated deficit at 31 March 2015	<u>(147)</u>

The adjustments noted above resulted in the following restatements for the Federation:

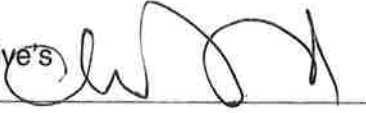

Restated statement of financial position	31 March 2015	1 April 2014
	£'000	£'000
Original deficit	(2,137)	(2,006)
Recognition of holiday pay accrual	(44)	(44)
Restated deficit	<u>(2,181)</u>	<u>(2,050)</u>

Restated statement of comprehensive income	31 March 2015
	£'000
Original surplus at 31 March 2015	(131)
Movement in holiday pay accrual	-
Restated profit at 31 March 2015	<u>(131)</u>

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Chief Executive's Signature: 	Finance Director's Signature: 
Name: Charles Jarrold	Name: Peter Allen
Date: <u>17/8/16</u>	Date: <u>17/8/16</u>

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.

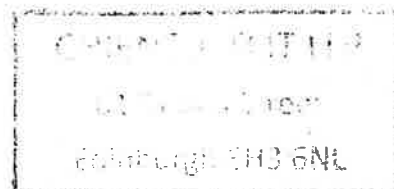
3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting 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)

Chae & Tait LLP



CERTIFICATION OFFICE
FOR TRADE UNIONS
& EMPLOYERS' ASSOCIATIONS

- 8 SEP 2016

RECEIVED

AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

Independent Auditor's Report to the Members of British Printing Industries Federation

We have audited the financial statements of British Printing Industries Federation and its subsidiary undertakings for the year ended 31 March 2016, consisting of the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Group and Federation Balance Sheets, Consolidated and Federation Statement of Changes in Equity, Consolidated Cash Flow Statement and the Notes to the Financial Statements. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Federation's members, as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended by the Employment Relations Act 1999). Our audit work has been undertaken so that we might state to the Federation'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 Federation and the Federation's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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.

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.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group and the Federation as at 31 March 2016 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended by the Employment Relations Act 1999).

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 16 to the financial statements which indicates that the British Printing Industries Federation had net liabilities of £2,183,000 as at 31 March 2016, principally in relation to the inclusion of the defined benefit pension liability of £2,240,000. As disclosed in note 16, the directors have prepared forecasts and projections that indicate that the Group will be able to operate within their existing bank facilities and meet all debts as they fall due for a period of at least twelve months from the approval of the financial statements. The financial statements do not include the adjustments that would result if the British Printing Industries Federation was unable to continue as a going concern.

AUDITOR'S REPORT (continued)

Independent Auditor's Report to the Members of British Printing Industries Federation

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended by the Employment Relations Act 1999) requires us to carry out such investigations as will enable us to form an opinion as to whether:

- proper accounting records have been kept in accordance with the requirements of section 28 of the legislation; or
- a satisfactory system of control over transactions has been maintained in accordance with the requirements of that section; or
- the accounts to which the report relates are in agreement with the accounting records; and
- to state in our report if, in our opinion, the Federation has failed to comply with section 28 or if the financial statements do not agree with the accounting records.

.....
 CHIENE + TAIT LLP
 Chartered Accountants and Statutory Auditor
 61 Dublin Street
 Edinburgh
 EH3 6NL

Signature(s) of auditor or auditors:	<i>Malcolm Beveridge</i>	
Name(s):	Malcolm Beveridge Chiene + Tait LLP	
Profession(s) or Calling(s):	Chartered Accountant	
Address(es):	Chiene + Tait LLP 61 Dublin Street Edinburgh EH3 6NL	
Date:		
Contact name and telephone number:	Malcolm Beveridge 0131 558 5800	

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 Printing Industries Federation

Annual Report and Financial Statements

Year ended 31 March 2016

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Federation Information

Directors	<p>Board of Directors</p> <p>Non Executive Directors</p> <p>Gerald White (President) – Berforts Southwest Limited Darren Coxon – Pensord Jacky Sidebottom - Every – Glossop Cartons James Buffoni – Ryedale Group Ian Wilton – Oxford University Press</p> <p>Executive Directors</p> <p>Charles Jarrold – Chief Executive Dale Wallis – Membership Director Peter Allen – Finance Director</p>
Auditor	<p>Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL</p>
Bankers	<p>Barclays Corporate Bank Dominus Way Meridian Business Park Leicester LE19 1RP</p>
Solicitors	<p>Knights Professional Services Limited Midland House West Way Oxford OX2 0PH</p>

Report of the Directors

The Board presents its report for the year ended 31 March 2016, together with the financial statements and auditor's report thereon.

Activities

The British Printing Industries Federation ("the BPIF") is the principal trade association representing businesses in the printing and graphic communications industry in England, Wales and Northern Ireland. The principal purpose is to make representations to the government on matters which affect the industry and its members. In addition to its representational functions, it also provides a wide range of business services through regional business centres. It is also the major training provider in the industry.

Legal Status

BPIF (unincorporated) is an unincorporated employers association, listed by the Certification Officer in accordance with Trade Union and Labour Relations (Consolidation) Act 1992, this gives it quasi-corporate status.

Governance

The Chief Executive and a team of executive directors carry out the day-to-day management of the BPIF. This team reports to the Board of Directors, which comprises up to six executive directors, together with up to seven non-executive directors (including the President, and either the immediate Past-President (until he leaves office) or the Vice-President) provided that the number of non-executive directors shall always exceed the number of executive directors. The non-executive directors are appointed by the National Council. The Board meets monthly and is responsible for the strategic management of the BPIF. Certain matters are reserved to the non-executive directors, who have established an Audit Committee (*) and an Appointments and Remuneration Committee (**) to deal with such matters.

The National Council, comprising mainly representatives of the Regions and Sections within the organisation, together with other members holding particular offices, determines the policy of the BPIF. The members of the Board during the year are listed below.

President	Gerald White * **
Vice President	Darren Coxon **
Non-Executive Director	Nigel Stubley (resigned 7 September 2015)
Non-Executive Director	Gary Peeling (resigned 20 January 2016)
Non-Executive Director	Jacky Sidebottom Every (appointed 25 August 2015)
Non-Executive Director	James Buffoni (appointed 25 August 2015)
Non-Executive Director	Ian Wilton (appointed 25 August 2015)
Chief Executive	Charles Jarrold * **
Finance Director	Peter Allen *
Executive Director	Dale Wallis

Report of the Directors (continued)

Responsibilities of the Board of Directors

The Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 1999 requires the directors and officers of the Federation to:

- keep proper records which give a true and fair view of the state of affairs of BPIF and explain its transactions;
- establish and maintain a satisfactory system of control of the accounting records, cash holdings and all the receipts and remittances;
- prepare an annual return for the Certification Officer giving a true and fair view of the Income and Expenditure Account and Balance Sheet; and
- provide members of BPIF with a statement of income and expenditure for the year.

The maintenance and integrity of the BPIF website is the responsibility of the directors and officers of the federation. The work carried out by the auditor does not involve the consideration of these matters, and accordingly, the auditor accepts no responsibility for any changes that may have occurred in the financial statements since they were initially presented on the website.

Disclosure of information to auditor

At the date of making this report the BPIF directors, as set out in this report confirm that:

- So far as they are aware, there is no relevant information needed by the BPIF's auditor in connection with preparing their report of which the BPIF's auditor is unaware, and
- Each director has taken all the steps they ought to have taken in order to make themselves aware of any relevant information needed by the BPIF's auditor in connection with preparing their report and to establish that the BPIF's auditor is aware of that information.

Statement of Going Concern

The Directors are satisfied that, based upon the budgets and forecasts prepared, the Federation has adequate financial resources. As a consequence, the Directors believe that the Federation is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Federation has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and financial statements.

Notice of meeting

The notice of the Annual General Meeting to be held on 6 July 2016 is to be sent out on or before 15 June 2016.

The report of the Board of Directors was approved by the Board on 13th June 2016 and signed on its behalf by:



.....
Gerald White
President

Independent Auditor's Report to the Members of British Printing Industries Federation

We have audited the financial statements of British Printing Industries Federation and its subsidiary undertakings for the year ended 31 March 2016, consisting of the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Group and Federation Balance Sheets, Consolidated and Federation Statement of Changes in Equity, Consolidated Cash Flow Statement and the Notes to the Financial Statements. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Federation's members, as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended by the Employment Relations Act 1999). Our audit work has been undertaken so that we might state to the Federation'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 Federation and the Federation's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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.

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.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group and the Federation as at 31 March 2016 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended by the Employment Relations Act 1999).

Independent Auditor's Report to the Members of British Printing Industries Federation (continued)

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 16 to the financial statements which indicates that the British Printing Industries Federation had net liabilities of £2,183,000 as at 31 March 2016, principally in relation to the inclusion of the defined benefit pension liability of £2,240,000. As disclosed in note 16, the directors have prepared forecasts and projections that indicate that the Group will be able to operate within their existing bank facilities and meet all debts as they fall due for a period of at least twelve months from the approval of the financial statements. The financial statements do not include the adjustments that would result if the British Printing Industries Federation was unable to continue as a going concern.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended by the Employment Relations Act 1999) requires us to carry out such investigations as will enable us to form an opinion as to whether:

- proper accounting records have been kept in accordance with the requirements of section 28 of the legislation; or
- a satisfactory system of control over transactions has been maintained in accordance with the requirements of that section; or
- the accounts to which the report relates are in agreement with the accounting records; and
- to state in our report if, in our opinion, the Federation has failed to comply with section 28 or if the financial statements do not agree with the accounting records.

Chiene + Tait LLP

.....
CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

13 June 2016

Consolidated Statement of Income

for the year ended 31 March 2016

	2016			2015		
Note	Before operating exceptional items and discontinued operations £'000	Operating exceptional items and discontinued operations £'000	Total operations £'000	Before operating exceptional items and discontinued operations £'000	Operating exceptional items and discontinued operations £'000	Total operations £'000
Income from operations						
Subscription income	2,252	-	2,252	2,269	-	2,269
Training income	1,100	-	1,100	1,149	-	1,149
Consultancy services	1,038	-	1,038	1,014	-	1,014
Commission income	148	-	148	144	-	144
Project management income	53	-	53	48	-	48
Conferences and events	260	-	260	220	-	220
Other income	46	-	46	37	-	37
Total income	4,897	-	4,897	4,881	-	4,881
Cost of operations						
Membership	(920)	-	(920)	(836)	-	(836)
Training	(747)	-	(747)	(865)	-	(865)
Consultancy	(333)	-	(333)	(335)	-	(335)
Conferences, events and other costs	(282)	-	(282)	(277)	-	(277)
Total cost of operations	(2,282)	-	(2,282)	(2,313)	-	(2,313)
Gross profit	2,615	-	2,615	2,568	-	2,568
Other operating expenditure	(2,396)	-	(2,396)	(2,231)	-	(2,231)
Write off of irrecoverable debtors	(15)	-	(15)	(23)	-	(23)
Legal and professional fees	(66)	-	(66)	(34)	(10)	(44)
Total operating expenditure	(2,477)	-	(2,477)	(2,288)	(10)	(2,298)

Consolidated Statement of Income (continued)

for the year ended 31 March 2016

2016

2015

	Note	Before operating exceptional items and discontinued operations £'000	Operating exceptional items and discontinued operations £'000	Total operations £'000	Before operating exceptional items and discontinued operations £'000	Operating exceptional items and discontinued operations £'000	Total operations £'000
Operating surplus/(deficit)	3	138	-	138	280	(10)	270
Other income and expenditure							
Investment income		1	-	1	1	-	1
Interest payable		-	-	-	(1)	-	(1)
Total other income and expenditure		1	-	1	-	-	-
Surplus/(deficit) arising from operations before defined benefit pension costs and taxation		139	-	139	280	(10)	270
Defined benefit pension costs							
Net return on final salary pension scheme		(79)	-	(79)	(95)	-	(95)
Scheme Servicing Costs		(23)	-	(23)	(25)	-	(25)
Pension Scheme Levy		(23)	-	(23)	(5)	-	(5)
Total defined benefit pension costs	7	(125)	-	(125)	(125)	-	(125)
Surplus/(deficit) for the year before taxation	3	14	-	14	155	(10)	145
Taxation	4	-	-	-	-	-	-
Surplus/(deficit) for the year after taxation		14	-	14	155	(10)	145

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2016

	2016 £'000	2015 £'000
Surplus for the year – general fund	14	145
Actuarial loss on pension scheme	(56)	(292)
Total recognised losses since the last annual report	<u>(42)</u>	<u>(147)</u>

Group Statement of Financial Position

at 31 March 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Tangible assets	8	439	461
		<u>439</u>	<u>461</u>
Current assets			
Debtors	10	512	590
Cash at bank and in hand		552	527
		<u>1,064</u>	<u>1,117</u>
Creditors: Amounts falling due within one year	11	(1,405)	(1,408)
		<u>(341)</u>	<u>(291)</u>
Net current liabilities			
Total assets less current liabilities		98	170
Creditors: Amounts falling due after more than one year	12	(41)	(44)
Pension liability	7	(2,240)	(2,267)
		<u>(2,183)</u>	<u>(2,141)</u>
Net liabilities including pension liability			
Represented by:			
General Fund	17	(2,183)	(2,141)
		<u>(2,183)</u>	<u>(2,141)</u>
Deficit to members' funds			
		<u>(2,183)</u>	<u>(2,141)</u>

The financial statements were approved by the Board on 13th June 2016 and signed on its behalf by:



.....
Gerald White
President

Federation Statement of Financial Position

at 31 March 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Tangible assets	8	437	457
Investments - subsidiaries	9	-	-
		<hr/>	<hr/>
		437	457
Current assets			
Debtors	10	427	457
Cash at bank and in hand		552	527
		<hr/>	<hr/>
		979	984
Creditors: Amounts falling due within one year	11	(1,487)	(1,311)
		<hr/>	<hr/>
Net current liabilities		(508)	(327)
		<hr/>	<hr/>
Total assets less current liabilities		(71)	130
Creditors: Amounts falling due after more than one year	12	(41)	(44)
Pension liability	7	(2,240)	(2,267)
		<hr/>	<hr/>
Net liabilities including pension liability		(2,352)	(2,181)
		<hr/> <hr/>	<hr/> <hr/>
Represented by:			
General Fund	17	(2,352)	(2,181)
		<hr/>	<hr/>
Deficit to members' funds		(2,352)	(2,181)
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved by the Board on 13th June 2016 and signed on its behalf by:



.....
Gerald White
President

Consolidated Statement of Changes in Equity

at 31 March 2016

	General fund £'000	Total £'000
At 31 March 2014 as previously stated	(1,947)	(1,947)
Changes on transition to FRS 102	(47)	(47)
As at 1 April 2014 as restated	<u>(1,994)</u>	<u>(1,994)</u>
Profit for the period	145	145
Remeasurement of net defined benefit liability	(292)	(292)
Total comprehensive income for the period	<u>(147)</u>	<u>(147)</u>
At 31 March 2015	(2,141)	(2,141)
Profit for the period	14	14
Remeasurement of net defined benefit liability	(56)	(56)
Total comprehensive income for the period	<u>(42)</u>	<u>(42)</u>
At 31 March 2016	<u><u>(2,183)</u></u>	<u><u>(2,183)</u></u>

Federation Statement of Changes in Equity

at 31 March 2016

	General fund £'000	Total £'000
At 31 March 2014 as previously stated	(2,006)	(2,006)
Changes on transition to FRS 102	(44)	(44)
As at 1 April 2014 as restated	<u>(2,050)</u>	<u>(2,050)</u>
Profit for the period	161	161
Remeasurement of net defined benefit liability	(292)	(292)
Total comprehensive income for the period	<u>(131)</u>	<u>(131)</u>
At 31 March 2015	(2,181)	(2,181)
Loss for the period	(115)	(115)
Remeasurement of net defined benefit liability	(56)	(56)
Total comprehensive income for the period	<u>(171)</u>	<u>(171)</u>
At 31 March 2016	<u><u>(2,352)</u></u>	<u><u>(2,352)</u></u>

Consolidated Statement of Cash Flows

for the year ended 31 March 2016

	2016 £'000	2015 £'000
Cash flows from operating activities		
Profit for the financial year	14	145
Adjustments for:		
Depreciation of tangible assets	30	39
Interest payable	-	1
Income from investments	(1)	(1)
Pension costs	(83)	(59)
Decrease in debtors	78	30
Increase/(decrease) in creditors	(6)	(15)
Loss on disposal of fixed assets	-	1
	<hr/>	<hr/>
Net cash generated from operating activities	32	141
	<hr/>	<hr/>
Cash flows from investing activities		
Income from investments	1	1
Purchase of tangible assets	(8)	(7)
	<hr/>	<hr/>
Net cash used in investing activities	(7)	(6)
	<hr/>	<hr/>
Cash flows from financing activities		
Interest paid	-	(1)
	<hr/>	<hr/>
Net cash used in financing activities	-	(1)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	25	134
Cash and cash equivalents at start of year	527	393
	<hr/>	<hr/>
Cash and cash equivalents at end of year	552	527
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 31 March 2016

1. STATEMENT OF COMPLIANCE

British Printing Industries Federation is an unincorporated employers association listed by the Certification Officer in accordance with Trade Union and Labour Relations (Consolidation) Act 1992, and is domiciled in England and Wales. The registered office is Unit 2 Villiers Court, Meriden Business Park, Copse Drive, Coventry, CV5 9RN. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the Company.

2. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102").

The financial statements have been prepared on the going concern basis as disclosed in the Directors' statement of going concern set out in the directors' report and in note 16.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. A detail of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

Significant judgements and estimation uncertainty

In the application of the group accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for carrying amounts of tangible assets.

ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for carrying amount of debtors.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Federation for the year ended 31 March 2016 and of its subsidiary companies for the same period.

Notes to the Financial Statements

for the year ended 31 March 2016

2. ACCOUNTING POLICIES (continued)

The Federation has taken advantage of the exemptions not to prepare an individual statement of income for the parent company. The deficit for the year dealt with in the financial statements of the Federation was £171,000 (2015: a deficit of £131,000), after an actuarial loss on the pension scheme of £79,000 (2015: a loss of £292,000).

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable. Turnover consists of several separate income streams. Income is reported excluding VAT.

Subscription income is recognised when a member renews their annual membership and is spread over the annual term of the membership.

Training income is recognised at invoice value (net of VAT) for the sale of training courses provided during the year. Grants receivable are recognised in the same period for which the claims are submitted.

Consultancy services income is recognised at invoice value (net of VAT) for the sale of consultancy services provided during the year.

Climate Change Levy income is recognised at invoice value (net of VAT) for the sale of services provided during the year.

All other income represents amounts invoiced or accrued during the year, following the provision of services.

Turnover was derived entirely from the United Kingdom.

Operating leases

Rentals payable under operating leases are charged to the Statement of Income on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to their recoverable amount.

The principal annual rates and bases of depreciation used for other assets are:

Freehold buildings	2%	Straight line
Computer equipment	20-33%	Straight line
Office equipment & furniture and fittings	10-20%	Straight line

Impairment of assets

At each reporting date the Federation reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Notes to the Financial Statements

for the year ended 31 March 2016

2. ACCOUNTING POLICIES (continued)

Impairment of assets (continued)

The recoverable amount of an asset is the higher of the fair value less costs to sell, and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to profit or loss in administration expenses.

Investments

The consolidated financial statements incorporate the financial statements of the Federation and entities controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in subsidiaries are held at cost less impairment in the Federation financial statements.

Pension costs

Defined benefit schemes

The BPIF operates two defined benefit pension schemes. The Trustees administer the schemes and the assets of the schemes are managed independently of the finances of the BPIF. Neither scheme is open to future accrual.

Pension scheme assets are measured using market value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the income and expenditure account. The expected return of the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in the 'Net return on final salary pension scheme' within the income and expenditure account. Actuarial gains or losses are recognised in the Statement of Total Recognised Gains and Losses.

The schemes' surpluses, to the extent that they are considered recoverable, or deficits, are recognised in full and presented on the face of the balance sheet.

Defined contribution arrangements

The BPIF also operates a defined contribution pension scheme, which is available to all employees. The assets of the scheme are managed independently of the finances of the BPIF. Contributions to defined contribution pension arrangements are charged to the income and expenditure account as they are incurred.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements

for the year ended 31 March 2016

2. ACCOUNTING POLICIES (continued)

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided on the liability method to take account of timing differences between the treatment for certain items for accounts purposes and the treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Deferred tax is measured at the tax rates that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Notes to the Financial Statements

for the year ended 31 March 2016

3. SURPLUS FOR THE YEAR BEFORE TAXATION

The surplus for the year before taxation is stated after charging/(crediting):

	2016 £'000	2015 £'000
Auditors' remuneration		
- Audit services Federation	19	18
- Audit services subsidiaries	5	6
- Corporation tax compliance	5	5
Depreciation of tangible fixed assets	30	39
Operating lease charges		
- Land and buildings	61	60
- Plant and machinery	13	12
	<u> </u>	<u> </u>

4. TAXATION

	2016 £'000	2015 £'000
Corporation tax		
Current tax on income for the year	-	-
	<u> </u>	<u> </u>
Current tax reconciliation		
Surplus before taxation	14	145
	<u> </u>	<u> </u>
Theoretical tax charge at UK rate 20% (2015: 20%)	3	29
Effects of:		
(Utilisation)/creation of tax losses	(21)	(7)
Movement in unrecognised deferred tax	22	(31)
Fixed asset differences	5	7
Non-deductible expenses	1	2
FRS 102 adjustment	(10)	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

The Federation has tax losses carried forward of approximately £4.6 million (2015: £4.5 million).

During the year the UK corporation tax rate was maintained at 20%. Following Budget 2015 announcements, there will be a further reduction in the main rate of corporation tax to 19% from 1 April 2017.

Notes to the Financial Statements

for the year ended 31 March 2016

5. EMPLOYEES

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Staff costs (including directors' emoluments):				
Wages and salaries	2,492	2,341	1,770	1,637
Social security costs	268	257	192	178
Other pension costs (contributions into defined benefit and defined contribution schemes)	170	155	139	130
	<hr/>	<hr/>	<hr/>	<hr/>
Total	2,930	2,753	2,101	1,945
	<hr/>	<hr/>	<hr/>	<hr/>
	No.	No.	No.	No.
Average monthly number of employees	58	57	40	39
	<hr/>	<hr/>	<hr/>	<hr/>

6. DIRECTORS

	2016 £'000	2015 £'000
Aggregate emoluments	252	214
	<hr/>	<hr/>
Federation's contributions to pension schemes	13	11
	<hr/>	<hr/>
Highest paid director – aggregate emoluments	122	89
	<hr/>	<hr/>
Highest paid director – pension contribution to pension scheme	7	4
	<hr/>	<hr/>
Number of directors accruing benefits under defined contribution schemes at the year end	2	3
	<hr/>	<hr/>

Non-executive directors do not receive any emoluments from the BPIF.

7. STAFF RETIREMENT BENEFITS

The British Printing Industries Federation Pension and Life Assurance scheme, which provided benefits based on final pensionable pay was closed to future accrual on 31 March 2004. A new final salary scheme (British Printing Industries Pension and Life Assurance Scheme 2004) was made available to staff who had been in the old scheme, which had reduced benefits and higher employee contributions. Alternatively, these staff were offered the option to join the defined contribution scheme already offered to all staff. The 2004 Scheme closed with effect from 31 March 2006 and has no assets or liabilities. The BPIF now contributes to defined contribution schemes for staff.

Notes to the Financial Statements

for the year ended 31 March 2016

7. STAFF RETIREMENT BENEFITS (continued)

The British Printing Industries Federation Pension and Life Assurance Scheme

The date of the last full actuarial valuation was 31 March 2013. The results of this valuation, on the basis used to determine the Scheme's Technical Provision, were liabilities of £7 million (30 June 2010: £5.6 million) and a market value of assets of £3.6 million (30 June 2010: £3.6 million) with a deficit of £3.4 million (30 June 2010: £2 million) and a funding level of 52% (30 June 2010: 64.1%).

A qualified independent actuary has reviewed the actuarial valuations as at 31 March 2013 and updated these as at 31 March 2016. The assumptions used, in accordance with the instructions of the directors were:

To develop the expected long term rate on asset assumption, the Federation considered the current level of returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the long-term rate of return on assets assumptions for the portfolio. This resulted in the selection of the 5.7% assumption used to determine the pension cost to 31 March 2016 (2015: 5.7%).

Weighted average assumptions used to determine the benefit obligation at:

	2016 %	2015 %	2014 %
Discount rate	3.51	3.25	4.5
Rate of Price Inflation	2.4	2.4	2.4
Pension increases	2.4	2.4	2.4
Increases to pensions in deferment	1.7	1.7	1.7

Weighted average life expectancy for mortality tables used to determine benefit obligations at

	31 March 2016	
	Male	Female
Member age 65 (current life expectancy)	20 yrs 7 mths	22 yrs 9 mths
Member age 45 (life expectancy at age 65)	20 yrs 7 mths	22 yrs 9 mths

Notes to the Financial Statements

for the year ended 31 March 2016

7. STAFF RETIREMENT BENEFITS (continued)

The amounts recognised in the Statement of Financial Position as at 31 March 2016 (with comparative figures as at 31 March 2015) are as follows:

Amount recognised in the Statement of Financial Position	2016 £'000	2015 £'000
Equities managed funds	2,733	2,954
Bonds managed fund	1,021	-
Cash	146	1,146
Creditors & accrued costs	(3)	(8)
	<hr/>	<hr/>
Fair value of assets	3,897	4,092
Present value of scheme liabilities	(6,137)	(6,359)
	<hr/>	<hr/>
Scheme deficit	(2,240)	(2,267)
	<hr/>	<hr/>
Net pension liability	(2,240)	(2,267)
	<hr/>	<hr/>

A deferred tax asset is not recognised in relation to the net pension liability on the balance sheet due to the uncertainty of recoverability.

Components of Pension Cost	2016 £'000	2015 £'000
Amount charged to pension costs		
Expenses	(8)	(7)
Interest in net defined benefit obligation	(71)	(88)
	<hr/>	<hr/>
Total Operating Charge	(79)	(95)
	<hr/>	<hr/>

Amount charged to other comprehensive income	2016 £'000	2015 £'000
Return on scheme assets excluding interest income	(323)	397
Experience gains and losses arising on scheme liabilities	30	26
Change in assumptions underlying the present value of scheme liabilities	237	(715)
	<hr/>	<hr/>
Actuarial loss recognised in Statement of Comprehensive Income	(56)	(292)
	<hr/>	<hr/>

Notes to the Financial Statements

for the year ended 31 March 2016

7. STAFF RETIREMENT BENEFITS (continued)

Reconciliation of scheme liabilities	2016 £'000	2015 £'000
Benefit obligation at beginning of year	(6,359)	(5,606)
Interest cost	(204)	(248)
Actuarial losses	267	(689)
Benefits paid	159	184
	<hr/>	<hr/>
Closing value of scheme defined benefit obligation at end of year	(6,137)	(6,359)
	<hr/> <hr/>	<hr/> <hr/>
Reconciliation of fair value of employer assets	2016 £'000	2015 £'000
Fair value of plan assets at beginning of year	4,092	3,572
Interest income on scheme assets	133	160
Return on scheme assets excluding interest income	(323)	397
Employer contribution	162	154
Benefits paid	(159)	(184)
Expenses	(8)	(7)
	<hr/>	<hr/>
Closing fair value of scheme assets	3,897	4,092
	<hr/> <hr/>	<hr/> <hr/>
Movement in deficit during the year	2016 £'000	2015 £'000
Deficit in scheme at beginning of the year	(2,267)	(2,034)
Expenses recognised in Statement of Income	(79)	(95)
Employer contribution	162	154
Actuarial losses	(56)	(292)
	<hr/>	<hr/>
Deficit in scheme at end of the year	(2,240)	(2,267)
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 31 March 2016

7. STAFF RETIREMENT BENEFITS (continued)

Cumulative amount of the Changes in Equity for the year ended 31 March 2016 are as follows:

	2016 £'000	2015 £'000
Cumulative actuarial gain/(loss) at beginning of period	(1,201)	(909)
Recognised during the period	(56)	(292)
Cumulative actuarial gain/(loss) at end of period	<u>(1,257)</u>	<u>(1,201)</u>

Deficit funding - British Printing Industries Pension and Life Assurance Scheme

The scheme has been funded by contributions of £162,000 during the year ended 31 March 2016 (2015: £154,000), the amount estimated to clear the deficit over a 24 year period based on the actuarial valuation as at 31 March 2013 and the basis used in that valuation to determine the technical provisions. The BPIF has agreed to make contributions of £170,000 during the year to 31 March 2016 together with 50% of any net surplus in excess of £300,000.

Defined contribution arrangements

The BPIF also operates defined contribution arrangements for employees. The BPIF makes fixed contributions to schemes invested and managed independently of the BPIF. The total cost of contributions included in operating expenditure is £155,000 (2015: £129,000). At the year end there were outstanding contributions payable of £24,000 (2015: £23,000).

Notes to the Financial Statements

for the year ended 31 March 2016

8. TANGIBLE ASSETS (GROUP)

	Freehold land and buildings £'000	Furniture, fittings and equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2015	529	246	183	958
Additions	-	-	8	8
Disposals	-	-	(40)	(40)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	529	246	151	926
Depreciation				
At 1 April 2015	99	223	175	497
Charged in year	10	15	5	30
Disposals	-	-	(40)	(40)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	109	238	140	487
Net book value				
At 31 March 2016	420	8	11	439
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2015	430	23	8	461
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements

for the year ended 31 March 2016

8. TANGIBLE ASSETS (FEDERATION)

	Freehold land and buildings £'000	Furniture, fittings and equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2015	529	246	177	952
Additions	-	-	8	8
Disposals	-	-	(40)	(40)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2015	529	246	145	920
Depreciation				
At 1 April 2015	99	223	173	495
Charged in year	10	15	3	28
Disposals	-	-	(40)	(40)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	109	238	136	483
Net book value				
At 31 March 2016	420	8	9	437
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2015	430	23	4	457
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

9. INVESTMENTS

Investments in subsidiaries

	Federation	
	2016 £'000	2015 £'000
Cost at 31 March 2015 and 31 March 2016	-	-
	<hr/> <hr/>	<hr/> <hr/>

The consolidated financial statements include the results of the following subsidiary undertakings:

Company name	Country of incorporation	Shareholding
BPIF Training Limited	England and Wales	100%
BPIF Legal Limited	England and Wales	100%
BPIF Limited (Dormant)	England and Wales	100%
BPIF Pension Trustees Limited (Dormant)	England and Wales	100%

Notes to the Financial Statements

for the year ended 31 March 2016

10. DEBTORS

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Trade debtors	131	138	103	112
Other debtors	10	76	9	76
Prepayments and accrued income	371	376	315	269
	<u>512</u>	<u>590</u>	<u>427</u>	<u>457</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Trade creditors	278	311	239	266
Other taxation and social security	209	185	198	178
Other creditors	109	111	106	108
Accruals and other deferred income	809	801	229	200
Intercompany creditors	-	-	715	559
	<u>1,405</u>	<u>1,408</u>	<u>1,487</u>	<u>1,311</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Other creditors	41	44	41	44
	<u>41</u>	<u>44</u>	<u>41</u>	<u>44</u>

Notes to the Financial Statements

for the year ended 31 March 2016

13. DEFERRED TAXATION

	Group		Federation	
	Unprovided 2016 £'000	Unprovided 2015 £'000	Unprovided 2016 £'000	Unprovided 2015 £'000
Accelerated capital allowances	89	62	89	63
Short term timing differences	13	11	13	11
Losses carried forward	911	919	909	896
FRS102 pension deficit	448	453	448	453
	<u>1,461</u>	<u>1,445</u>	<u>1,459</u>	<u>1,423</u>

14. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The BPIF has entered into a number of non-cancellable operating leases in respect of property and office equipment.

The group's future minimum operating lease payments are as follows:

	Group		Federation	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Land and buildings operating leases expiring:				
Within one year	42	2	42	2
Between two and five years	64	90	64	90
After more than five years	-	-	-	-
	<u>106</u>	<u>92</u>	<u>106</u>	<u>92</u>
Other operating leases expiring:				
Within one year	6	-	6	-
Between two and five years	2	20	2	20
	<u>8</u>	<u>20</u>	<u>8</u>	<u>20</u>

Notes to the Financial Statements

for the year ended 31 March 2016

15. RELATED PARTY TRANSACTIONS

The board of BPIF includes representatives of various companies that pay subscriptions to BPIF. Other member-related purchases between those companies and BPIF were on normal commercial terms and amounted to £18,611 (2015: £17,587).

The subscription income relates to income received from British Printing Industries Federation Ltd, a company limited by guarantee in England and Wales. This company is one of two members of BPIF along with BPIF 2009 Limited and is the vehicle by which the members of BPIF enjoy limited liability status. At the year end a balance of £455,146 (2015: £429,158) was due to British Printing Industries Federation Ltd from BPIF. BPIF has provided a direct debit guarantee to Barclays Bank in respect of transactions with British Printing Industries Federation Ltd.

The board has taken the exemptions available not to disclose transactions between the BPIF and BPIF Training Limited and BPIF Legal Limited on the grounds that consolidated financial statements have been prepared.

16. GOING CONCERN

As disclosed in the Group balance sheet, the net liabilities as at 31 March 2016 amounted to £2,183,000 (31 March 2015: £2,141,000). The directors note that the deficit is principally as a consequence of the inclusion of the pension liability of £2,240,000 (2015: £2,267,000) as at the year end. The Group continues to meet all payments due in respect of the pension scheme and are confident that they will be able to meet all future payments required in order to extinguish the liability in accordance with the recovery plan set out by the scheme actuary.

The directors have prepared forecasts and projections for the Group which, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility and that it will be able to meet all debts as they fall due for a period of at least twelve months.

After making enquiries, the directors have a reasonable expectation that the Federation and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

17. RESERVES

The General Fund includes all current and prior period retained profits and losses.

Notes to the Financial Statements

for the year ended 31 March 2016

18. FINANCIAL RISK MANAGEMENT

The group has exposures to two main areas of risk - liquidity risk and customer credit exposure. To a lesser extent the group is exposed to interest rate risk.

Liquidity risk

The objective of the group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the group has credit facilities available. The directors are satisfied that the group is in position to meet its commitments and obligations as they come due.

Customer credit exposure

The group may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The group is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships and by credit insurance.

Interest rate risk

The group has the facility to borrow from its bankers using overdrafts whose tenure depends on the nature of the asset and management's view of the future direction of interest rate.

19. FINANCIAL INSTRUMENTS

The carrying value of the Group and Federation's financial assets and liabilities are summarised by category below:

	Group		Federation	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Financial assets				
Measured at undiscounted amount receivable				
- Trade and other debtors	512	590	427	457
- Cash at bank and in hand	552	527	552	527
	<u>1,064</u>	<u>1,117</u>	<u>979</u>	<u>984</u>
	<u><u>1,064</u></u>	<u><u>1,117</u></u>	<u><u>979</u></u>	<u><u>984</u></u>
Financial liabilities				
Measured at undiscounted amount payable				
- Trade and other creditors	1,446	1,452	813	796
- Amounts owed to related entities	-	-	715	559
	<u>1,446</u>	<u>1,452</u>	<u>1,528</u>	<u>1,355</u>
	<u><u>1,446</u></u>	<u><u>1,452</u></u>	<u><u>1,528</u></u>	<u><u>1,355</u></u>

Notes to the Financial Statements

for the year ended 31 March 2016

20. TRANSITION TO FRS 102

These financial statements for the year ended 31 March 2016 are the first prepared under FRS 102. The date of transition is 1 April 2014, with the financial statements for the year ended 31 March 2015 being last prepared under the old UK GAAP.

Transitional adjustments were required in equity or profit or loss for the year and these are detailed below.

The transition to FRS 102 has not resulted in any significant changes to accounting policies but has resulted in changes to the comparative figures from the prior year financial statements.

In carrying out the transition to FRS 102, the Company has not applied any of the optional exemptions as permitted by Section 35 "Transition to this FRS".

Prior year adjustment following adoption of FRS 102

Holiday pay accrual

Prior to the adoption of FRS 102, no provision was made for holiday pay earned but not taken before the year end. FRS 102 requires the cost of short term compensated absences to be recognised when employees render the service that increases their entitlement. Consequently a holiday pay provision of £47k was made in the year ended 31 March 2014.

Reconciliations

The adjustment noted above resulted in the following restatement for the Group:

Restated statement of financial position	31 March 2015	1 April 2014
	£'000	£'000
Original deficit	(2,094)	(1,947)
Recognition of holiday pay accrual	(47)	(47)
Restated deficit	<u>(2,141)</u>	<u>(1,994)</u>
Restated statement of comprehensive income		31 March 2015
		£'000
Original deficit at 31 March 2015		(147)
Movement in holiday pay accruals		-
Restated deficit at 31 March 2015		<u>(147)</u>

The adjustments noted above resulted in the following restatements for the Federation:

Restated statement of financial position	31 March 2015	1 April 2014
	£'000	£'000
Original deficit	(2,137)	(2,006)
Recognition of holiday pay accrual	(44)	(44)
Restated deficit	<u>(2,181)</u>	<u>(2,050)</u>
Restated statement of comprehensive income		31 March 2015
		£'000
Original surplus at 31 March 2015		(131)
Movement in holiday pay accrual		-
Restated profit at 31 March 2015		<u>(131)</u>