

DO NOT STAPLE
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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

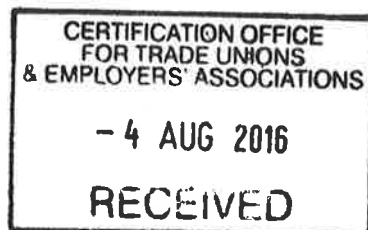
Name of Employers' Association:	<input type="text" value="Road Haulage Association Limited"/>
Year ended:	<input type="text" value="31 December 2015"/>
List No:	<input type="text" value="CO/1417E"/>
Head or Main Office:	<input type="text" value="Roadway House
Bretton Way
Bretton
Peterborough
PE3 8DD"/>
Website address (if available)	<input type="text" value="www.rha.uk.net"/>
Has the address changed during the year to which the return relates?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> (Tick as appropriate)
General Secretary:	<input type="text" value="C R Secretaries Ltd"/>
Contact name for queries regarding the completion of this return:	<input type="text" value="Chris Seaton"/>
Telephone Number:	<input type="text" value="01733 261131"/>
e-mail:	<input type="text" value="c.seaton@rha.uk.net"/>

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



Directors and chairmen

The members of the Board of Directors are appointed or elected in accordance with the Articles of Association and retire biennially. The names of those persons who were Directors during the financial year are as follows:



Jim French



Peter Barber



Andrew Howard



Andy Boyle



Andrew Black



Andy Jenkins



David Bratt



Lesley O'Brien



Andrew Macrae



William Hockin



Ashley McCulla



Iain John Mitchell



James Richard
Dodd. Appointed
28 May 2015



Richard Fry.
Resigned 28
May 2015

Company secretary: CR Secretaries Ltd

Registered office: Roadway House, Bretton Way, Bretton, Peterborough PE3 8DD

Registered number: 00391886

Independent auditor: Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor, 101 Cambridge Science Park,
Milton Road, Cambridge, Cambridgeshire CB4 0FY.

RHA Board of directors

Notice of Annual General Meeting

The Annual General Meeting of the Road Haulage Association Limited is to be held at The National Motorcycle Museum, Coventry Road, Bickenhill, Solihull B40 1NT on Thursday 26 May 2016 at 13:00hrs.

Strategic and directors' report

To receive the Strategic Report and Report of the Directors for the year ended 31 December 2015.

Annual accounts

To receive the Income and Expenditure Account for the year ended 31 December 2015, the Balance Sheet at that date and the Auditor's Report.

Auditor

To appoint the auditor and fix their remuneration.

Rules and Articles of Association

To adopt new rules and articles of Association.

Any other business

To consider any other business admitted by the chairman.

By order of the Board of Directors.

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
6567	182	10	9	6768

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
Director	Richard Fry	n/a	28-10-15 05

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

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

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND
(see notes 17 to 18)

ACCOUNT 2	AS ATTACHED	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	AS ATTACHED	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 AS ATTACHED		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 AS ATTACHED		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	AS ATTACHED	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	AS ATTACHED	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)	

FIXED ASSETS ACCOUNT

(see note 21)

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

ANALYSIS OF INVESTMENTS

(see note 22)

	AS ATTACHED	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	
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?		YES	NO
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		N/A	
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	3,586,618		3,586,618
From Investments	19,902		19,902
Other Income (including increases by revaluation of assets)	5,693,226		5,693,226
Total Income	9,299,746		9,299,746
EXPENDITURE (including decreases by revaluation of assets)	8,651,828		8,651,828
Total Expenditure	8,651,828 8,838,821		8,651,828 8,838,821
Funds at beginning of year (including reserves)	2,624,980		2,624,980
Funds at end of year (including reserves)	3,085,905		3,085,905
ASSETS			
Fixed Assets			2,128,731
Investment Assets			100,001
Other Assets			2,758,620
		Total Assets	4,987,352
LIABILITIES		Total Liabilities	1,901,447
NET ASSETS (Total Assets less Total Liabilities)			3,085,905

NOTES TO THE ACCOUNTS

(see note 36)

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

AS ATTACHED

ACCOUNTING POLICIES

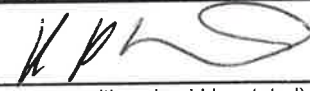
(see notes 37 and 38)

AS ATTACHED

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: _____ Name: _____ Date: _____	Chairman's Signature: <u></u> Director (or other official whose position should be stated) Name: <u>ANDREW HOWARD</u> Date: <u>10 July 2016</u>
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CHECK LIST

(see note 41)

(please tick as appropriate)

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

ACCOUNTING POLICIES


(see notes 37 and 38)

AS ATTACHED

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u>	Chairman's Signature: _____ (or other official whose position should be stated)
Name: <u>For and on behalf of</u> <u>CR SECRETARIES LIMITED</u>	Name: _____
Date: <u>12.07.2016</u>	Date: _____

CHECK LIST

(see note 41)

(please tick as appropriate)

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

AUDITOR'S REPORT

(see notes 42 to 47)

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

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

YES/NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 43)

YES/NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in note 43)

YES/NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 45)

AUDITOR'S REPORT (continued)

PAGE 17
OF ATTACHED

Signature(s) of auditor or auditors:	<input type="text"/>	<input type="text"/>
Name(s):	<input type="text"/>	<input type="text"/>
Profession(s) or Calling(s):	<input type="text"/>	<input type="text"/>
Address(es):	<input type="text"/>	<input type="text"/>
Date:	<input type="text"/>	<input type="text"/>
Contact name and telephone number:	<input type="text"/>	<input type="text"/>

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

Strategic Report

For the year ended 31 December 2015

Introduction

The directors of the Road Haulage Association (RHA) have pleasure in submitting their report and accounts for the year ended 31 December 2015. The members of the Board of Directors are appointed or elected in accordance with the Articles of Association and retire biennially. The company is limited by guarantee and does not have share capital.

Business review

The "RHA's Vision" is to be the trade association of choice for the road haulage industry, being the only UK trade association dedicated solely to the needs of UK road transport operators.

The primary objective of the RHA is to support its members and deliver value for money. However, in the longer term the objective is to grow membership, while reducing the charge rates, thus providing even greater value for money. Within this the RHA already provides a valuable service to its members with advice, information and guidance, up-to-the-minute research and it offers a comprehensive range of products and services to meet the needs of its members in the areas of compliance and improved business performance.

However, to support the ongoing strategy of growth, the RHA needs to recruit more area managers to expand its vital support network. With membership fees accounting for 38% of annual revenue, it is critical that the commercial services are developed to grow the top and bottom line in order to reinvest in this expanding structure for the future.

Complementing the direct support that the RHA provides its members, the RHA also provides intelligence and communication, which aid both the government and public's understanding of the road haulage industry through extensive media and press coverage.

The total membership of the association on 31 December 2015 was 6,768 (2014: 6,588).

The directors are pleased to report a surplus for the year of £577,925 (2014: £568,434 restated under FRS102) which when added to the general reserve gave a balance of £3,624,905 (2014: £3,257,980 restated under FRS102).

The company has made full provision for the deficit on the actuarial valuation of the Defined Benefits Pension Scheme of £539,000 which has decreased the company's reserves to £3,085,905 (2014: £2,624,980 restated under FRS102).

Principal risks and uncertainties

The directors remain vigilant to the risks prevalent in a commercial environment and continue to take steps to minimise or mitigate these risks. They consider the primary business risks affecting the company to be the competitive marketplace, changes in legislation and a possible downturn in the economy.

Member growth and retention is highly dependent on the perceived value for money RHA membership delivers.

Continued investment in optimising the business structure and processes, coupled with the development of services, are deemed essential strategies in protecting the business from these risks.

Development and performance

The directors are confident that, going forward, with the concluding stages of restructuring the business, development of services for members, enhanced internal controls and reporting will all have a positive impact on the financial performance and position of the company.

The directors consider that in light of the above comments, the income for the forthcoming year will improve along with the reported surplus. The strategic focus of the company will be reviewed regularly to ensure it reacts swiftly to changes in trading conditions.

Financial key performance indicators

The directors continue to use both financial and non-financial key performance indicators to monitor and manage the business. Regular and timely reporting sees particular focus on margins and profitability versus that budgeted, debtor days and membership retention rates.

This year, gross income has increased by 5.7% to £9,279,844, with operating profit increasing by 5.8% to £682,401.

This report was approved by the board on 15 April 2016 and signed on its behalf.

Mr Jim French, Director

Directors' Report

For the year ended 31 December 2015

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Results and dividends

The profit for the year, after taxation, amounted to £577,925 (2014: £568,434).

Directors

The directors who served during the year were: Mr Peter Barber; Mr Richard Fry (resigned 28 May 2015); Mr Jim French; Mr Andrew Howard; Mr Andy Boyle; Mr Andrew Black; Mr Andy Jenkins; Mr James Richard Dodd (appointed 28 May 2015); Mr David Bratt; Mrs Lesley O'Brien; Mr Andrew MacRae; Mr William Hockin; Mr Ashley McCulla, and Mr Iain John Mitchell.

Disclosure of information to auditor

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

- So far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware.
- That director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15 April 2016 and signed on its behalf.

Mr Jim French
Director

Auditor's Report

For the year ended 31 December 2015

We have audited the financial statements of Road Haulage Association Limited for the year ended 31st December 2015, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard 102 (FRS 102) (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, 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 on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31st December 2015 and of its profit for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- Certain disclosures of directors' remuneration specified by law are not made.
- We have not received all the information and explanations we require for our audit.

*Mr David Newstead (Senior statutory auditor) for and on behalf of:
Grant Thornton UK LLP Statutory Auditor Chartered Accountants Cambridge*

22 April 2016

*Road Haulage Association Limited Registered number:00391886
(A company limited by guarantee)*

Statement of Comprehensive Income

For the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	2	9,279,844	8,779,122
Direct cost of membership services		(2,363,314)	(2,369,012)
Gross profit		6,916,530	6,410,110
Administrative expenses		(6,254,031)	(5,787,665)
Other operating income	3	19,902 ✓	22,279
Operating profit	4	682,401	644,724
Interest payable and expenses	6	(15,483)	(3,927)
Other finance income	7	(19,000)	(10,000)
Profit on ordinary activities before taxation		647,918	630,797
Taxation on ordinary activities before taxation	8	(69,993)	(62,363)
Profit for the financial year		577,925	568,434
Other comprehensive income for the year			
Actuarial losses on defined benefit pension scheme		(146,000)	(480,000)
Movement of deferred tax relating to pension liability		29,000	96,000
Other comprehensive income for the year		(117,000)	(384,000)
Total comprehensive income for the year		460,925	184,434

Balance Sheet

For the year ended 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Intangible assets	9	326,933	—
Tangible fixed assets	10	1,611,798	1,679,523
Investments	12	100,001	100,001
Freehold investment property	11	190,000	190,000
		<u>2,228,732</u>	<u>1,969,524</u>
Current assets			
Stocks	13	423,283	201,820
Debtors: amounts falling due within one year	14	907,033	1,561,689
Cash at bank and in hand		1,428,304	1,106,554
		<u>2,758,620</u>	<u>2,870,063</u>
Creditors: amounts falling due within one year	15	<u>(1,137,831)</u>	<u>(1,334,493)</u>
Net current assets		<u>1,620,789</u>	<u>1,535,570</u>
Total assets less current liabilities		<u>3,849,521</u>	<u>3,505,094</u>
Creditors: amounts falling due after more than one year	16	(224,616)	(247,114)
Pension liability	24	(539,000)	(633,000)
		<u>3,085,905</u>	<u>2,624,980</u>
Net assets		<u>3,085,905</u>	<u>2,624,980</u>
Capital and reserves			
Revaluation reserve	20	55,656	55,656
Profit and loss account		3,030,249	2,569,324
		<u>3,085,905</u>	<u>2,624,980</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 April 2016.

Mr Jim French
Director

The notes on pages 22 to 35 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2015

	Revaluation reserve £	Retained earnings £	Total equity £
At 1st January 2015 (as previously stated)	—	2,561,482	2,561,482
Prior year adjustment (see note 30)	55,656	7,842	63,498
At 1st January 2015 (as restated)	55,656	2,569,324	2,624,980
Comprehensive income for the year			
Profit for the year	—	577,925	577,925
Actuarial losses on pension scheme	—	(117,000)	(117,000)
Total comprehensive income for the year	—	460,925	460,925
At 31st December 2015	55,656	3,030,249	3,085,905
At 1st January 2014 (as previously stated)	—	2,384,890	2,384,890
Prior year adjustment (see note 30)	55,656	—	55,656
At 1st January 2014 (as restated)	55,656	2,384,890	2,440,546
Comprehensive income for the year			
Profit for the year	—	568,434	568,434
Actuarial losses on pension scheme	—	(384,000)	(384,000)
Total comprehensive income for the year	—	184,434	184,434
At 31st December 2014 (as restated)	55,656	2,569,324	2,624,980

The notes on pages 22 to 35 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	577,925	568,434
Adjustments for:		
Depreciation of tangible assets	106,917	96,896
(Increase) in stocks	(221,463)	(6,300)
Interest paid	15,483	3,927
Taxation	36,018	(5,524)
Decrease/(Increase) in debtors	654,656	(545,898)
(Decrease)/Increase in creditors	(444,998)	30,089
Interest received	(20,952)	(4,279)
Net cash generated from operating activities	<u>703,586</u>	<u>137,345</u>
Cash flows from investing activities		
Purchase of intangible assets	(326,933)	—
Purchase of tangible fixed assets	(39,192)	(548,902)
Purchase of share capital in subsidiary	—	(1)
Net cash from investing activities	<u>(366,125)</u>	<u>(548,903)</u>
Cash flows from financing activities		
New secured loans	—	268,294
Repayment of loans	(21,180)	—
Interest paid	(15,483)	(3,927)
Interest received	20,952	4,279
Net cash used in financing activities	<u>(15,711)</u>	<u>268,646</u>
Net increase / (decrease) in cash and cash equivalents	321,750	(142,912)
Cash and cash equivalents at beginning of year	1,106,554	1,249,466
Cash and cash equivalents at the end of year	<u>1,428,304</u>	<u>1,106,554</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>1,428,304</u>	<u>1,106,554</u>

Notes to the Financial Statements

For the year ended 31 December 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold and investment properties and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 30.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Joint ventures

Joint Ventures are held at cost less impairment.

1.3 Going concern

After reviewing the Company's forecasts and projections, the directors have an expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Revenue

Revenue is recognised by the Company in respect of services and goods supplied during the year, exclusive of value added tax. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

1.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

Amortisation is provided on the following bases:

Development expenditure	–	33 %
Goodwill	–	20 %

1.6 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

Freehold property	–	50 years
Office equipment	–	4 years
Computer equipment	–	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Notes to the Financial Statements

For the year ended 31 December 2015

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

1.7 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

1.8 Investment property

The investment property is carried at fair value determined by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in the Profit and loss account. In accordance with accounting standards, the directors value investment properties annually.

1.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise and settle the liability simultaneously.

1.11 Debtors

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

1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

1.13 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.14 Creditors

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

1.15 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Notes to the Financial Statements

For the year ended 31 December 2015

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

1.16 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.17 Pensions

Defined benefits scheme

The Company operates a defined benefit pension scheme in the United Kingdom. The scheme was closed to new members from 31 January 2006 and where appropriate the accrued benefit transferred to the Group Personal Pension Plan. The assets of the scheme are held separately from those of the company, being invested in Treasury Stock and with insurance companies. Pension costs charged in the financial statements represent the contributions payable by the Company during the year. The pension scheme surplus or deficit is recognised in full on the Balance sheet.

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.18 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

1.19 Borrowing costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

1.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

1.21 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Notes to the Financial Statements

For the year ended 31 December 2015

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

* The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

* Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.22 Research and development

Research expenditure is written off to profit and loss as incurred.

Software development expenditure is capitalised as an intangible asset where the company can demonstrate:

- The technical feasibility of completing the asset so that it will be available for use.
- Its intention to complete the asset and use or sell it.
- Its ability to use or sell the asset.
- That the developed asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the asset.
- Its ability to measure reliably the expenditure attributable to the asset.

Such capitalised costs are amortised over the period the company expects to benefit from the asset. This is generally 3 years. Where these criteria are not met, development costs are expensed as incurred.

2. Analysis of turnover

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

	2015 £	2014 £
Membership subscriptions	3,586,618	3,328,109
Sales to members	1,482,949	1,335,339
Exhibitions, conferences and seminars etc	318,403	251,529
Other membership services and publications	3,891,874	3,864,145
Total	<u>9,279,844</u>	<u>8,779,122</u>

All turnover arose within the United Kingdom.

3. Other operating income

	2015 £	2014 £
Deposit interest	1,902	4,279
Net rents receivable	18,000	18,000
Total	<u>19,902</u>	<u>22,279</u>

Notes to the Financial Statements

For the year ended 31 December 2015

4. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	106,917	96,896
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	27,431	27,101
Exchange differences	1,347	3,361
Defined benefit pension cost	92,624	75,772

During the year, no director received any emoluments (2014: £NIL).

5. Employees

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,344,994	3,119,389
Social security costs	356,812	333,032
Cost of defined contribution scheme	191,614	237,260

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Employees	105	102

6. Interest payable and similar charges

	2015 £	2014 £
Bank interest payable	15,483	3,927
Total	15,483	3,927

Notes to the Financial Statements

For the year ended 31 December 2015

7. Other finance costs

	2015 £	2014 £
Net interest on net defined benefit liability	(19,000)	(10,000)
	<u>(19,000)</u>	<u>(10,000)</u>

8. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	18,180	17,815
Adjustments in respect of previous periods	3,813	(1,452)
	<u>21,993</u>	<u>16,363</u>
Total current tax	<u>21,993</u>	<u>16,363</u>
Deferred tax		
Origination and reversal of timing differences	48,000	46,000
	<u>48,000</u>	<u>46,000</u>
Total deferred tax	<u>48,000</u>	<u>46,000</u>
Taxation on profit on ordinary activities	<u>69,993</u>	<u>62,363</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2014 lower than) the standard rate of corporation tax in the UK of 20% (2014: 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	647,918	630,797
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	129,584	126,159
Effects of:		
Expenses not deductible for tax purposes	—	6,907
Capital allowances for year in excess of depreciation	5,016	(4,372)
Adjustments to tax charge in respect of prior periods	3,813	(1,452)
Short-term timing difference leading to a decrease in taxation	—	(1,000)
Changes in provisions leading to an increase in the tax charge	48,000	46,000
Unrelieved tax losses carried forward	—	(18,064)
Mutual Trading	(116,420)	(91,815)
Total tax charge for the year	<u>69,993</u>	<u>62,363</u>

Factors that may affect future tax charges

Deferred tax has not been provided, except in connection with the defined benefit pension scheme deficit, as it is otherwise considered to be immaterial.

Notes to the Financial Statements

For the year ended 31 December 2015

9. Intangible assets

In development

	£
Cost	
At 1 January 2015	—
Additions	326,933
At 31 December 2015	326,933
Amortisation	
At 1 January 2015	—
Charge for the year	—
At 31 December 2015	—
Net book value	
At 31 December 2015	326,933
At 31 December 2014	—

The intangible assets recognised on the Company's balance sheet represent development costs in progress for a CRM system and new website to enable the Company to provide a more efficient, tailored and valued added service to its members.

10. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 January 2015	1,573,196	149,825	265,904	1,988,925
Additions	—	11,477	27,715	39,192
At 31 December 2015	1,573,196	161,302	293,619	2,028,117
	Freehold property £	Office equipment £	Computer equipment £	Total £
Depreciation				
At 1 January 2015	19,711	117,434	172,257	309,402
Charge for the year	27,864	15,901	63,152	106,917
At 31 December 2015	47,575	133,335	235,409	416,319
At 31 December 2015	1,525,621	27,967	58,210	1,611,798
At 31st December 2014	1,553,485	32,391	93,647	1,679,523

Notes to the Financial Statements

For the year ended 31 December 2015

The directors have elected to measure properties on the date of transition to FRS 102 at their fair value and use that fair value as deemed cost at that date. Budworth Hardcastle Property Consultants conducted a valuation of the property at Roadway House, Peterborough on 22 February 2016. Walker Singleton Chartered Surveyors conducted a valuation of the property at Cleckheaton, West Yorkshire, on 16 February 2016. The effect of these revaluations was to reduce the carrying value of the properties in question by £51,859. In the opinion of the directors, these valuations are considered to represent the fair value of the properties at the date of transition to FRS 102. At the warehouse in Peterborough was acquired in 2014, the directors consider that cost reflects fair value of this property consequently no independent valuation has been conducted.

11. Investment property

	Freehold investment property
	£
Valuation	
At 1 January 2015	190,000
At 31 December 2015	190,000

In accordance with accounting standards, the directors value investment properties annually (see note 21, Prior Year Adjustment). The effect of this revaluation was to increase the carrying value of the property by £107,515. In the opinion of the directors, the valuation prepared by CBRE, a commercial property service provider, on 29 February 2016 is considered to represent the fair value of the investment property at the date of transition to FRS 102.

12. Fixed asset investments

	Total
	£
Cost or valuation	
At 1 January 2015	100,001
At 31st December 2015	100,001
At 31st December 2014	100,001

The Road Haulage Association Limited, the Society of Motor Manufacturers and Traders Limited and SOE Services Limited, jointly and equally controlled The Commercial Vehicle Show LLP. The LLP undertakes arrangements for, and the staging of, the Commercial Vehicle Shows.

The profit/loss of The Commercial Vehicle Show LLP is shared equally between the three partners. In the year ended 31 December 2015, the the Road Haulage Association Limited's share of profit was £343,202 (2014: £223,081) being one third of the LLP's profit of £1,029,607 (2014: £669,242) for the year ended 30 June 2015. The audited accounts of The Commercial Vehicle Show LLP for the year ended 30 June 2015 do not disclose any contingent liabilities or capital commitments.

The Road Haulage Association Limited's investment of £100,000 (2014: £100,000) represents one third of £300,000 share of The Commercial Vehicle Show LLP.

The company acquired 100% of the issued share capital of European Tow Show Limited, a company incorporated in England and Wales, in 2008. The company ceased to trade from November 2008 and, in the opinion of the directors, the investment is correctly included in the financial statements at £Nil (2014: £Nil).

RHA Retirement Benefits Plan Trustees Limited was incorporated in July 2014 when 1 Ordinary Share of £1 was allotted and issued to Road Haulage Association Limited. This company is a wholly owned subsidiary of Road Haulage Association Limited and has been dormant since incorporation. RHA Retirement Benefits Plan Trustees Limited acts as Corporate Trustee for the RHA Retirement Benefits Plan Pension Scheme.

Notes to the Financial Statements

For the year ended 31 December 2015

13. Stocks

	2015 £	2014 £
Goods for resale	423,283	201,820
Total	423,283	201,820

14. Debtors

	2015 £	2014 £
Trade debtors	568,585	573,984
Other debtors	63,538	366,368
Prepayments and accrued income	166,910	494,337
Deferred taxation	108,000	127,000
Total	907,033	1,561,689

15. Creditors: Amounts falling due within one year

	2015 £	2014 £
Bank loans	22,498	21,180
Trade creditors	220,187	447,992
Corporation tax	36,018	—
Taxation and social security	235,127	209,738
Other creditors	328,371	392,646
Accruals and deferred income	295,630	262,937
Total	1,137,831	1,334,493

Secured loans

The bank loan is secured against one of the Company's freehold properties.

16. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	224,616	247,114
Total	224,616	247,114

Secured loans

The bank loan is secured against one of the Company's freehold properties.

Notes to the Financial Statements

For the year ended 31 December 2015

17. Loans

Analysis of the maturity of loans is given below:

	2015 £	2014 £
Amounts falling due within one year		
Bank loans	22,498	21,180
	<u>22,498</u>	<u>21,180</u>
Amounts falling due after more than five years		
Bank loans	224,616	247,114
	<u>224,616</u>	<u>247,114</u>

18. Financial instruments

Financial assets

	2015 £	2014 £
Financial assets that are debt instruments measured at amortised cost	632,123	940,353
	<u>632,123</u>	<u>940,353</u>

Financial liabilities

Financial liabilities measured at amortised cost	(1,033,955)	(1,189,810)
	<u>(1,033,955)</u>	<u>(1,189,810)</u>

Financial assets measured at fair value through profit or loss comprise account receivables and Company fuel card receivables.

Financial Liabilities measured at amortised cost comprise account payables, bank loan, accruals and payables to Company's special interest groups.

19. Deferred taxation

	Deferred tax £
At 1 January 2015	127,000
Charged to the profit or loss	(19,000)
	<u>108,000</u>
At 31 December 2015	108,000

The deferred tax asset is made up as follows:

	2015 £	2014 £
Pension deficit	108,000	127,000
	<u>108,000</u>	<u>127,000</u>

Notes to the Financial Statements

For the year ended 31 December 2015

20. Reserves

Revaluation reserve

The directors have elected to value freehold properties at fair value on the date of transition to FRS 102 and to use that fair value as the deemed cost at that date. As a result, a revaluation reserve was created.

The investment property is carried at fair value in accordance with accounting standards with the directors valuing the property annually.

21. Prior year adjustment

The investment property held by the company had previously been disclosed as an operational property within tangible fixed assets with depreciation charged thereon. In line with UK Accounting Standards, this property has been reclassified to investment properties as at 31 December 2014 (see note 12).

22. Contingent liabilities

There is a contingent liability attaching to any IRU carnet issued within the previous 27 months but not yet returned and subsequently proved to be used fraudulently. The directors are not aware of any such claims.

23. Capital commitments

At 31 December 2015 the Company had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	181,000	39,000
Total	181,000	39,000

24. Pension commitments

The Company operates a Defined benefit pension scheme.

The Association operates a defined benefits scheme, the Road Haulage Retirement Benefits Plan, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Association, being invested in Treasury Stock and with insurance companies. The contributions made to the scheme over the financial year have been equivalent to 9.3% of the pensionable salaries by the Company and 5% by the employees. Special contributions of £250,000 were made during the year.

A full valuation was undertaken as at 31 December 2012 and updated to 31 December 2015 by a qualified independent Actuary. The major assumptions used by the Actuary are summarised below in this note.

The insurance assets have not been disclosed in the financial statements as, in the opinion of the directors, these are not material.

Reconciliation of present value of net pension deficit:

	2015 £	2014 £
At the beginning of the year	(633,000)	(335,000)
Current service cost	(22,000)	(35,000)
Interest income	(19,000)	(10,000)
Actuarial (losses)	(146,000)	(480,000)
Contributions	281,000	227,000
At the end of the year	(539,000)	(633,000)

Notes to the Financial Statements

For the year ended 31 December 2015

Composition of plan liabilities:

	2015 £	2014 £
Present value of Scheme liabilities at beginning of period	16,160,000	15,057,000
Service cost	22,000	35,000
Employee contributions	10,000	15,000
Interest cost	586,000	657,000
Actuarial (gains)/losses	(379,000)	1,339,000
Benefits paid	(678,000)	(943,000)
Total plan liabilities	15,721,000	16,160,000

Composition of plan assets:

	2015 £	2014 £
Present value of Scheme assets at beginning of period	15,527,000	14,722,000
Interest on Scheme assets	567,000	647,000
Actuarial (losses)/gains	(525,000)	859,000
Benefits paid	(678,000)	(943,000)
Contributions paid by the Association	281,000	227,000
Employee contributions	10,000	15,000
Total plan assets	15,182,000	15,527,000

Present value of plan deficit	(539,000)	(633,000)
Net pension scheme liability	(539,000)	(633,000)

The amounts recognised in profit or loss are as follows:

Current service cost	(22,000)	(35,000)
Net interest on scheme assets and liabilities	(19,000)	(10,000)
Total	41,000	45,000
Interest on pension scheme liabilities	19,000	10,000
	19,000	10,000

The cumulative amount of actuarial gains and losses recognised in the Statement of comprehensive income was £146,000 (2014: £480,000).

The Company expects to contribute £300,000 to its Defined benefit pension scheme in 2016.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2015	2014
Discount rate	3.80 %	3.70 %
RPI assumption	2.90 %	2.90 %
CPI assumption	2.00 %	2.00 %
Increase in salaries	—	—
Pension increases	2.80 %	2.80 %

Notes to the Financial Statements

For the year ended 31 December 2015

The underlying mortality assumption is based upon the standard table known as S2PA on a year of birth usage with CMI 2015 2015 future improvement factors and a long-term rate of future improvement of 1.0% p.a. (2014: S2PA with CMI 2014 future improvement factors and a long-term improvement rate of 1.0% p.a.). This results in the following life expectancies:

Male age 65 now has a life expectancy of 21.9 years (previously 22.0 years). Female age 65 now has a life expectancy of 23.8 years (previously 24.0 years).

Defined Contributions Scheme

As from 1 October 1999, the Company introduced a new 'Defined Contributions Pension Scheme' in respect of new entrants. The pension charge for the year was £Nil (2014: £Nil). The pension scheme closed as from 31 January 2006 and where appropriate, the accrued benefit transferred to the GPP Pension scheme.

Group Personal Pension Plan

As from 1 February 2006 the Company introduced a new 'Group Personal Pension Plan' in respect of new entrants and those already in the 'Defined Contributions Pension Scheme'. The contribution rates in respect of the 'Group Personal Pension Plan' are set out as follows:

- Employer's contributions – matched contributions from 1% to 5%
- Employee's contributions – 0.8% minimum up to HM Revenue and Customs limit

All contributions are invested with Friends Provident Life & Pensions Limited. The pension charge for the year was £98,990 (2014: £76,120).

25. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Later than one year and not later than five years	24,000	—
Later than 5 years	13,730	55,175
Total	37,730	55,175

26. Special Interest Groups

The results of the related activities undertaken by the Special Interest Groups are not considered part of the Company's activities and accordingly are not included in the Company's Statement of Comprehensive Income. The Company holds funds on behalf of these Groups which at 31 December 2015 amounted to £283,547 (2014: £271,164).

27. Related party transactions

The Company's related parties comprise its Board of Directors and its key management. There were no related party transactions with Directors of key management to disclose.

28. Company status

The Company is incorporated as a company limited by guarantee and without a share capital. In the event of a winding-up or dissolution of the Company, every member has a liability to contribute to its debts as required to an amount not exceeding 25 pence.

29. Controlling party

The Directors consider that the board structure means there is no directly identifiable controlling party.

Notes to the Financial Statements

For the year ended 31 December 2015

30. First time adoption of FRS 102

	Note	As previously stated 1 Jan 2014 £	Effect of transition 1 Jan 2014 £	FRS 102 (as restated) 1 Jan 2014 £	As previously stated 31 Dec 2014 £	Effect of transition 31 Dec 2014 £	FRS 102 (as restated) 31 Dec 2014 £
Fixed assets	1	1,461,861	55,656	1,517,517	1,906,026	63,498	1,969,524
Current assets	1	2,333,782	127,005	2,460,787	2,743,062	127,001	2,870,063
Creditors: amounts falling due within one year		(1,152,748)	—	(1,152,748)	(1,334,487)	(6)	(1,334,493)
Net current assets		1,181,034	127,005	1,308,039	1,408,575	126,995	1,535,570
Total assets less current liabilities		2,642,895	182,661	2,825,556	3,314,601	190,493	3,505,094
Creditors: amounts falling due after more than one year		—	—	—	(247,114)	—	(247,114)
Provisions for liabilities	1	(258,000)	(127,000)	(385,000)	(506,000)	(127,000)	(633,000)
Net assets		2,384,895	55,661	2,440,556	2,561,487	63,493	2,624,980
Capital and reserves		2,384,895	55,661	2,440,556	2,561,487	63,493	2,624,980
	Note	As previously stated 31 Dec 2014 £	Effect of transition 31 Dec 2014 £	FRS 102 (as restated) 31 Dec 2014 £			
Turnover		8,779,122	—	8,779,122			
Cost of sales		(2,369,012)	—	(2,369,012)			
Administrative expenses	1	6,410,110	—	6,410,110			
Other operating income		(5,795,507)	7,842	(5,787,665)			
Operating profit		636,882	7,842	644,724			
Interest payable and similar charges	1	43,073	(47,000)	(3,927)			
Other finance income	1	—	(10,000)	(10,000)			
Taxation	1	(73,363)	11,000	(62,363)			
Profit on ordinary activities after taxation and for the financial year		606,592	(38,158)	568,434			

Explanation of changes to previously reported profit and equity:

1 Properties have been measured on the date of transition to FRS 102 at their fair value and the fair value has been adopted as deemed cost at that date. As a result, a revaluation reserve of £55,656 was accounted for at 1 January 2014 to reflect these adjustments.

As a result of the the revaluation of freehold properties the depreciation charge thereon for the year ended 31 December 2014 was reduced by £7,842.

As a result of revisions to the measurement requirements of the defined benefit pension scheme under FRS 102, this has resulted in an increase in interest payable and finance income costs of £57,000. As a result, a compensating adjustment has been made to the deferred tax relating to the pension liability. In addition, the deferred tax asset on the defined benefit pension scheme has been reallocated to debtors in line with FRS 102.