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Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	GLASS AND GLAZING FEDERATION
Year ended:	31 December 2020
List No:	4063012
Head or Main Office:	40 RUSHWORTH STREET
	LONDON
Postcode	SE1 0RB
Website address (if available)	www.ggf.org.uk
Has the address changed during the year to which the return relates?	Yes [ ] No [X] ('X' in appropriate box)
General Secretary:	ASHA PYNDIAH
Contact name for queries regarding the completion of this return:	ASHA PYNDIAH
Telephone Number:	0207 939 9101
E-mail:	apyndiah@ggf.org.uk

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tcyoung.co.uk

Contents

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
389	15	9	4	417

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Director		R. Sellman	3rd February 2020
Director	D. Thornton		5th March 2020
Director		P. Kellett	5th March 2020

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Mark Austin	Director
Anthony Smith	Director
Gabrielle Paulette Mary-Ann Mendham	Director
Paul Kellett	Director
Richard Sellman	Director
Alex Gray	Director
Gareth Jones	Director
Asha Pyndiah	Company Secretary

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
	From Members	Subscriptions, levies, etc	1,036,646	1,036,646
	Investment income	Interest and dividends (gross)		
		Bank interest (gross)	293	293
		Other (specify)		
		Dividends	684,897	684,897
		Increases in investment value	159,580	159,580
		Total Investment Income	844,770	844,770
	Other Income	Rents received	41,439	41,439
		Insurance commission		
		Consultancy fees	25,670	25,670
		Publications/Seminars		
		Miscellaneous receipts (specify)		
		Discounts, trustmark and other	462,306	462,306
		Government grants	164,839	164,839
		Intercompany charges	1,084,605	1,084,605
		Duplicate certificate	484,591	484,591
		Total of other income		2,263,450
		Total income		4,144,866
		Interfund Transfers IN		
	Expenditure			
	Administrative expenses	Remuneration and expenses of staff	2,377,322	2,377,322
		Occupancy costs	303,532	303,532
		Printing, Stationery, Post	11,638	11,638
		Telephones	26,100	26,100
		Legal and Professional fees	155,244	155,244
		Miscellaneous (specify)		
		Purchases	30,355	30,355
		Entertainment	5,563	5,563
		Travel	28,286	28,286
		Computer costs	121,607	121,607
		Other	361,445	361,445
		Total of Admin expenses		3,421,092
	Other Charges	Bank charges	4,507	4,507
		Depreciation	207,646	207,646
		Sums written off		
		Affiliation fees		
		Donations		
		Conference and meeting fees		
		Expenses		
		Miscellaneous (specify)		
		Total of other charges		212,153
		Taxation	-20,371	-20,371
		Total expenditure		3,612,874
		Interfund Transfers OUT		
		Surplus/Deficit for year		531,992
		Amount of fund at beginning of year		9,612,298
		Amount of fund at end of year		10,144,290

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 2			Fund Account
Name of account:	Other reserve	£	£
Income			
	From members		
	Investment income		
	Other Income (specify)		
		Total Income	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	349,998
		Amount of fund at the end of year (as Balance Sheet)	349,998

Account 3			Fund Account
Name of account:	Revaluation reserve	£	£
Income			
	From members		
	Investment income		
	Other income (specify)		
	Revaluation of property		
		Total Income	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	312,522
		Amount of fund at the end of year (as Balance Sheet)	312,522

Accounts other than 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	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		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	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		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 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	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		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	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		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 December 2020]

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at Page 8)	6,093,110	6,093,110
	Investments (as per analysis on page 9)		
	Quoted (Market value £ 3,238,171) as at Page 9		3,238,171
	Unquoted (Market value £) as at Page 9		350,007
	Total Investments	3,588,178	3,588,178
	Other Assets		
	Sundry debtors	1,497,452	1,497,452
	Cash at bank and in hand	1,133,821	1,133,821
	Stocks of goods		
	Others (specify)		
	Investment Property	1,411,200	
	Total of other assets	4,042,473	4,042,473
	Total Assets		13,723,761
9,612,298	Revenue Account/ General Fund	10,144,290	
349,998	Other reserve	349,998	
312,522	Revaluation reserve	312,522	
	Revaluation Reserve		
	Liabilities		
	Sundry liabilities	2,797,552	
	Deferred taxation	119,399	
	Total Liabilities		2,916,951
	Total Assets		13,723,761

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period	6,594,386	71,674	300,198	6,966,258
Additions during period	3,890		19,892	23,782
Less: Disposals		-3,249	-77,922	-81,171
Less: Depreciation	-622,892	-60,645	-132,222	-815,759
Total to end of period	5,975,384	7,780	109,946	6,093,110
Book Amount at end of period	5,975,384	7,780	109,946	6,093,110
Freehold				
Leasehold (50 or more years unexpired)	5,975,384			5,975,384
Leasehold (less than 50 years unexpired				
Total of Fixed Assets	5,975,384	7,780	109,946	6,093,110

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)	
	Managed investment portfolio	3,238,171
	Quoted investments comprise managed investment portfolios which have been valued at fair value as at 31	
	Total Quoted (as Balance Sheet)	3,238,171
	Market Value of Quoted Investments	3,238,171
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Investments in subsidiaries	350,007
	Investments in subsidiary undertakings are held at historic cost, and have not been valued as at 31 December 2019	
	Total Unquoted (as Balance Sheet)	350,007
	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 note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes	X	No	

If Yes name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
Fensa Limited	03058561
Borough IT Limited	04930462
GGFi Limited	05258106
British Fenestration Rating Council Limited	05649431
GGF Training Ltd	05332181
Rushworth Inspection Services and Auditing Limited	05332186
GGF Property Limited	09900670
GGF Helix Group Ltd (*dissolved 6 April 2021)	10294854

Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes	X	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?

Yes		No	

If NO, state the names of the persons in whom the shares controlled by the association are registered.

Company name	Names of shareholders

Summary Sheet

(see notes 24 to 33)

		All Funds	Total Funds
		£	£
Income			
From Members		1,036,646	1,036,646
From Investments		844,770	844,770
Other Income (including increases by revaluation of assets)		2,263,450	2,263,450
	Total Income	4,144,866	4,144,866
Expenditure (including decreases by revaluation of assets)			
	Total Expenditure	3,612,874	3,612,874
Funds at beginning of year (including reserves)		10,274,818	10,274,818
Funds at end of year (including reserves)		10,806,810	10,806,810
ASSETS			
	Fixed Assets		6,093,110
	Investment Assets		3,588,178
	Other Assets		4,042,473
	Total Assets		13,723,761
Liabilities	**Total Liabilities**		2,916,951
Net Assets (Total Assets less Total Liabilities)			10,806,810

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members	1,036,646	1,036,646
From Investments	844,770	1,011,609
Other Income (including increases by revaluation of assets)	1,814,450	1,960,133
Total Income	3,695,866	4,008,388
Expenditure (including decreases by revaluation of assets)	3,163,874	3,163,874
Total Expenditure	3,163,874	3,163,874
Funds at beginning of year (including reserves)	9,962,296	9,962,296
Funds at end of year (including reserves)	10,494,288	10,806,810
ASSETS		
	Fixed Assets	6,093,110
	Investment Assets	3,588,178
	Other Assets	4,042,473
	Total Assets	13,723,761
Liabilities	**Total Liabilities**	2,916,951
Net Assets (Total Assets less Total Liabilities)		10,806,810

Notes to the accounts

(see note 34)

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

See attached accounts

Accounting policies

(see notes 35 & 36)

See attached accounts

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.
Please copy and paste your electronic signature here

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:	Asha Pyndiah	Name:	Anthony Smith
Date:	16.08.2021	Date:	16.08.2021

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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)

Please explain in your report overleaf or attached.

2. 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)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:
In our opinion the financial statements:

• give a true and fair view of the matters to which they relate to.
• have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

See attached accounts for Auditors' Report for confirmation of prepartion of accounts in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006.

In addition:

In our opinion the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31 December 2020 and of its surplus or deficit for the year then ended;
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Signature(s) of auditor or auditors:	Kreston Reeves LLP	
Name(s):	Kreston Reeves LLP	
Profession(s) or Calling(s):	Statutory Auditor and Chartered Accountants	
Address(es)	2nd Floor 168 Shoreditch High Street London E1 6RA	
Date:	26 August 2021	
Contact name for enquiries and telephone number:	Allan Pinner 0330 124 1399	

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

Registered number: 04063012

Glass and Glazing Federation

(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 December 2020

Glass and Glazing Federation
(A company limited by guarantee)

Company Information

Directors	R J Sellman A M Smith A Gray G P M Mendham P T Kellett M C Gajda
Company secretary	A Pyndiah
Registered number	04063012
Registered office	40 Rushworth Street London England SE1 0RB
Independent auditor	Kreston Reeves LLP Statutory Auditor & Chartered Accountants Second Floor 168 Shoreditch High Street London E1 6RA

Glass and Glazing Federation
(A company limited by guarantee)

Contents

Glass and Glazing Federation
(A company limited by guarantee)

Group strategic report
For the year ended 31 December 2020

Business review

2020 was undoubtedly one of the most challenging years ever not just for the glass and glazing industry, the GGF Group and for business, but for society in general. The negative impact of the coronavirus pandemic was unprecedented for the industry and from the end of March through to July / August the sector's output took a significant hit. There were short bouts of recovery in 2020, but the Government imposed three lockdowns that effectively prevented any real momentum for economic recovery. Industry economists have estimated that the loss in revenues for the industry was around £500m.

Throughout the pandemic, there was some comfort in witnessing the resilience of our industry and from the GGF perspective, the way Members collaborated to find solutions not just for themselves but for the GGF and the wider industry.

Despite the adverse trading environment and challenges that emerged, the GGF and its Group of commercial subsidiaries, adapted and operated according to the market conditions. This involved prudent budgetary management, devising and implementing crisis management strategies across the organisation to enable operations to continue functioning to support Members and stakeholders.

During the period, the GGF's three main priorities were; firstly to ensure that the working conditions for all employees were as safe as possible, secondly to support Members and Customers with safe guidance and advice on the Government business support available and finally to constantly engage with Government to ensure the guidance and advice the Federation provided was accurate, relevant and up to date.
The workforce responded well, and are to be commended for their outstanding commitment to the businesses and for fully adhering to the safety procedures.

As infection rates lowered during certain periods of the year, the GGF Group was able to deliver nearly all of its services and support Members and Customers. Many companies continued operating, and used the GGF's comprehensive suite of publications - Safe Guides for; Manufacturers, Installers and Consumers. The GGF Group also provided regular updates as Government guidance and restrictions frequently changed by type, sector, practice and geographically.

With these changes in day to day operations, the GGF Group made healthy cost reductions which offset the wider financial impact stemming from the pandemic. In addition, the productivity of the GGF increased with innovative developments such as the introduction of a new three day video conference to communicate with Members. This incorporated the Annual General Meeting, Technical Forums, Health and Safety webinars as well as economic and political presentations.

The GGF Technical and Health and Safety departments also conducted intensive reviews of all publications and services in preparation for greater support for Members in 2021.

On the marketing side the GGF can reflect on an outstanding consumer campaign in 2020. The Stay Safe with MyGlazing.com which offered consumers guidance on using glazing companies during COVID-19, has attracted over 135,000 consumers to MyGlazing.com and has also featured in over 120 consumer/lifestyle press publications with over 100 million opportunities to see the GGF and MyGlazing.com brands online and in the printed press. The campaign which ran from August to the end of November exceeded expectations and continued to run in the first half of 2021.

By the end of 2020, the GGF issued its subscription renewals and by the end of Q1, the membership retention rate was over 95%. During the course of the year, GGF commercial subsidiary FENSA saw an increase of 15% in new companies joining the Competent Persons Scheme. These are encouraging signs and anecdotally, companies in the industry are reporting a mini-boom as consumers have more disposable income (due to lockdown and being less inclined to spend) for home improvements.

Principal risks, uncertainties and mitigations

In January, the UK officially left the EU and began a 12 month transition period to complete the exit. The main impact on the UK with regards to BREXIT was around the supply chain which was disrupted by an increase in haulage and container prices, a change in administration processes and physically transporting goods through the customs backlog.

Throughout the year, there was still uncertainty around industry regulations and standards being aligned with EU standards. This is naturally a concern for companies who are required to operate within UK legislation and require products to be tested and certified. The UK Government towards the end of 2020, introduced a new system to prove product conformity, titled, “UKCA Marking” to replace the existing CE marking. This issue continues to cause problems for companies who import and export to the EU. The GGF is working with Government to try and resolve the issue.

In March as the industry closed due to the first COVID-19 Lockdown, the insurance industry lost confidence in the construction sector and deemed it too high a risk to underwrite. This resulted in the GGF taking the decision to close its Deposit Indemnity Fund Scheme for new business after 31st March 2020. The GGF is preparing for the fair and legal re-distribution of the funds from this scheme to all Members who were part of the scheme at the time of closure.

As a result of COVID, the industry saw the administration of some companies in the sector. The impact of the pandemic, restrictions and subsequent business closures affected not only the insurance sector and the GGF Deposit Indemnity Fund but also consumer confidence.

In July 2020, the Government announced the Green Homes Grant Scheme to create employment and boost the home improvement market. The announcement had a negative impact on the glass, glazing and fenestration sectors as many consumers delayed commitment to their home improvements by several months until they saw the full details of the scheme. The criteria of the scheme when revealed proved unfavourable for the industry and in March 2021, the uptake was so low (around 5%) the Government decided to cancel the scheme.

The GGF welcomes any initiative that helps consumers upgrade their properties to make them more energy efficient and though the Green Homes Grant Scheme was cancelled, the GGF believes this initiative is just a start and that more schemes or policy changes will follow as the Government aims to achieve its Zero-Carbon 2030 and 2050 targets. In view of this, the GGF will continue dialogue with the Government departments to ensure the glass, glazing and fenestration industries get fair consideration and inclusion when Government is detailing future initiatives or policies to make Zero-Carbon a reality.

The case for the window and door industry lies firmly in the figures. Currently there are over 100 million windows and over 30 million doors that are inefficient. With UK building stock responsible for up to 30% of carbon emissions, it is clear the Government needs to tackle this issue to achieve the Zero-Carbon targets set for 2030 and 2050 respectively. The GGF will continue to engage with Government to try and help towards achieving these environmental goals.

Group strategic report (continued)
For the year ended 31 December 2020

Financial key performance indicators

The UK economy shrank by 9.9% in 2020, a contraction that using the Bank of England models, could be the worst since 1709. The Office of National Statistics reported that the Construction sector was the hardest hit with 12.5% downturn. Due to the track and trace system and the easing of some restrictions, the last quarter of the year did show some bounce-back with growth of 1% October to December and thus avoiding the first double-dip recession since the 1970s.

The outlook at the end of the year was tempered by a further Government lockdown imposed for at least the first three months of 2021. The uncertainty of when the economy will be able to resume as close normal as possible is dependent on the medical science and statistics around infection rates, confirmed cases, hospitalizations and fatalities as well as the rate of vaccinations and how they resist new variants of the virus.

In 2020, the GGF financial performance held up due to responsible management and the Government business support, primarily through the Job Retention Scheme. The GGF Group revenues were down 8% versus the budget but the overall profit was approximately three times more than budgeted as a result of the reduction in operating costs and overheads due to the lockdowns.

Overall, the GGF Group has emerged from an extremely difficult year in excellent shape with a strong, committed and talented workforce combined with loyal and resilient Members and Customers and continued financial strength. During the pandemic the GGF Group has remained fully supportive and relevant to all companies connected to the organisation. 2020 has been the most testing year in living memory for all in the industry, but the GGF with its commercial subsidiaries, once again proved that it is the leading and main trade organisation for the glass, glazing and fenestration sectors.

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

A.M. Smith

A M Smith
Director

Date: 23/07/21

Directors' report
For the year ended 31 December 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the year, after taxation, amounted to £1,030,538 (2019 - £901,310).

The directors do not recommend a dividend.

Directors

The directors who served during the year were:

R J Sellman (appointed 3 February 2020)
A M Smith
G Jones (resigned 4 March 2021)
A Gray
D Thornton (resigned 5 March 2020)
M J Austin (resigned 5 August 2021)
G P M Mendham
P T Kellett (appointed 5 March 2020)

Future developments

The Federation will continue to develop its membership base within the confines of the strict entry criteria to ensure it represents the best in the industry. Continued development of the subsidiary companies will ensure that the federation remains a leading trade organisation fully able to meet the requirements of its membership by delivering high levels of service and multiple exclusive benefits.

Financial instruments

The group has exposure to three main areas of risk – liquidity risk, customer credit exposure risk and price risk. The company has established a risk and financial management framework whose primary objective is to mitigate the group's exposure to risk in order to protect the company from events that may hinder its performance.

Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting its financial obligations as they fall due. The group's objective in managing liquidity risk is to ensure that this does not arise. Having assessed future cash flow requirements the group expects to be able to meet its financial obligations through the cash flows that are generated from its operating activities. The group is in a position to meet its commitments and obligations as they fall due.

Customer credit exposure risk

The group offers credit terms to its customers which allow for 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 within those terms. This risk is mitigated by the strong on-going customer relationships and by only granting credit to customers who are able to demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the group's trade debtors are shown in note 17.

Price risk

Price risk arises on financial instruments due to fluctuations in commodity prices or equity prices. Listed investments with a fair value of £5,264,794 (2019 - £5,971,586) at the year end are exposed to price risk, which is mitigated by the active management of the group's investment portfolio with the assistance of external financial advisers.

Directors' report (continued)
For the year ended 31 December 2020

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 the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the 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 and the group's auditor is aware of that information.

Post balance sheet events

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

Auditor

Under section 487(2) of the Companies Act 2006, Kreston Reeves LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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

A.M. Smith

A M Smith
Director

Date: 23/07/21

Directors' responsibilities statement
For the year ended 31 December 2020

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated 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 they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in directors' reports may differ from legislation in other jurisdictions.

Independent auditor's report to the shareholders of Glass and Glazing Federation

Opinion

We have audited the financial statements of Glass and Glazing Federation (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the group statement of comprehensive income, the group and company balance sheets, the group statement of cash flows, the group and company statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the shareholders of Glass and Glazing Federation (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the group strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the group strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the group strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the shareholders of Glass and Glazing Federation (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the company, group and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to FCA rules, health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to: posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investment properties and revenue and margin recognition on long-term contracts. Audit procedures performed by the group engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Review of active long-term contacts, and managements' assessment of revenue recognition, at the year end; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

Independent auditor's report to the shareholders of Glass and Glazing Federation (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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.

Kreston Reeves LLP

Allan Pinner FCCA (senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

London

26 July 2021

Glass and Glazing Federation
(A company limited by guarantee)

Consolidated statement of comprehensive income
For the year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	4	**7,559,735**	8,491,941
Cost of sales		**(1,762,081)**	(1,995,731)
Gross profit		**5,797,654**	6,496,210
Administrative expenses		**(5,149,688)**	(6,087,844)
Other operating income	5	**441,737**	68,109
Fair value movements		**138,012**	472,817
Operating profit	6	**1,227,715**	949,292
Income from fixed assets investments		**42,064**	96,091
Interest receivable and similar income	10	**2,960**	18,917
Other finance costs	11	**2,000**	-
Profit before taxation		**1,274,739**	1,064,300
Tax on profit	12	**(244,201)**	(162,990)
Profit for the financial year		**1,030,538**	901,310
Actuarial gains on defined benefit pension scheme	25	**316,000**	20,000
Pension surplus/(deficit) not recognised	25	**133,000**	(27,000)
Unrealised surplus on revaluation of tangible fixed assets	14	**-**	343,555
Deferred taxation charge	20	**-**	(31,033)
Other comprehensive income for the year		**449,000**	305,522
Total comprehensive income for the year		**1,479,538**	1,206,832
Profit for the year attributable to:			
Non-controlling interests		**-**	-
Owners of the parent company		**1,030,538**	901,310
		1,030,538	901,310

There were no recognised gains and losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.

The notes on pages 17 to 41 form part of these financial statements.

Glass and Glazing Federation

(A company limited by guarantee)
Registered number: 04063012

Consolidated balance sheet
As at 31 December 2020

	Note		2020 £		2019 £
Fixed assets					
Intangible assets	13		**-**		1,340
Tangible assets	14		**6,483,914**		6,785,381
Investments	15		**5,264,794**		5,971,586
Investment property	16		**1,411,200**		1,411,200
			13,159,908		14,169,507
Current assets					
Debtors: amounts falling due within one year	17	**3,426,495**		3,199,427	
Cash at bank and in hand	18	**8,438,161**		5,554,746	
		11,864,656		8,754,173	
Creditors: amounts falling due within one year	19	**(5,101,507)**		(4,515,982)	
Net current assets			**6,763,149**		4,238,191
Total assets less current liabilities			**19,923,057**		18,407,698
Provisions for liabilities					
Deferred taxation	20		**(232,898)**		(197,077)
Net assets excluding pension asset			**19,690,159**		18,210,621
Pension asset	25		**-**		-
Net assets			**19,690,159**		18,210,621
Capital and reserves					
Revaluation reserve	22		**312,522**		312,522
Other reserves	22		**349,998**		349,998
Profit and loss account	22		**19,027,639**		17,548,101
Equity attributable to owners of the parent company			**19,690,159**		18,210,621

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A.M. Smith

A M Smith
Director

Date: 23/07/21

The notes on pages 17 to 41 form part of these financial statements.

Glass and Glazing Federation

(A company limited by guarantee)
Registered number: 04063012

Company balance sheet
As at 31 December 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	14		**6,093,110**		6,276,974
Investments	15		**3,588,178**		3,932,299
Investment property	16		**1,411,200**		1,411,200
			11,092,488		11,620,473
Current assets					
Debtors: amounts falling due within one year	17	**1,497,452**		1,630,041	
Cash at bank and in hand	18	**1,133,821**		213,588	
		2,631,273		1,843,629	
Creditors: amounts falling due within one year	19	**(2,797,552)**		(3,117,416)	
Net current liabilities			**(166,279)**		(1,273,787)
Total assets less current liabilities			**10,926,209**		10,346,686
Provisions for liabilities					
Deferred taxation	20		**(119,399)**		(71,868)
Net assets excluding pension asset			**10,806,810**		10,274,818
Pension asset	25		**-**		-
Net assets			**10,806,810**		10,274,818
Capital and reserves					
Revaluation reserve	22		**312,522**		312,522
Other reserves	22		**349,998**		349,998
Profit and loss account	22		**10,144,290**		9,612,298
			10,806,810		10,274,818

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A.M. Smith

A M Smith
Director

Date: 23/07/21

The notes on pages 17 to 41 form part of these financial statements.

Consolidated statement of changes in equity
For the year ended 31 December 2020

	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	-	349,998	16,653,791	17,003,789
Profit for the year	-	-	901,310	901,310
Actuarial losses on pension scheme	-	-	(7,000)	(7,000)
Surplus on revaluation of leasehold property	343,555	-	-	343,555
Deferred tax on revaluation of leasehold property	(31,033)	-	-	(31,033)
At 1 January 2020	312,522	349,998	17,548,101	18,210,621
Profit for the year	-	-	1,030,538	1,030,538
Actuarial gains on pension scheme	-	-	449,000	449,000
At 31 December 2020	312,522	349,998	19,027,639	19,690,159

The notes on pages 17 to 41 form part of these financial statements.

Glass and Glazing Federation
(A company limited by guarantee)

Company statement of changes in equity
For the year ended 31 December 2020

	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	-	349,998	9,455,843	9,805,841
Profit for the year	-	-	163,455	163,455
Actuarial losses on pension scheme	-	-	(7,000)	(7,000)
Surplus on revaluation of leasehold property	343,555	-	-	343,555
Deferred tax on revaluation of leasehold property	(31,033)	-	-	(31,033)
At 1 January 2020	312,522	349,998	9,612,298	10,274,818
Profit for the year	-	-	82,992	82,992
Actuarial gains on pension scheme	-	-	449,000	449,000
At 31 December 2020	312,522	349,998	10,144,290	10,806,810

The notes on pages 17 to 41 form part of these financial statements.

Consolidated statement of cash flows
For the year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	**1,030,538**	901,310
Adjustments for:		
Amortisation of intangible assets	**1,341**	1,341
Depreciation of tangible assets	**396,682**	360,669
Interest received	**(183,036)**	(587,825)
Taxation charge	**244,201**	162,990
(Increase)/decrease in debtors	**(226,157)**	143,260
Increase/(decrease) in creditors	**369,772**	(760,426)
Increase/(decrease) in net pension assets/liabilities	**449,000**	(7,000)
Corporation tax received/(paid)	**6,459**	(142,985)
Net cash generated from operating activities	**2,088,800**	71,334
Cash flows from investing activities		
Purchase of tangible fixed assets	**(95,213)**	(340,105)
Sale of tangible fixed assets	**-**	6,941
Purchase of listed investments	**(1,903,133)**	(2,000,000)
Sale of listed investments	**2,747,937**	359,084
Interest received	**2,960**	18,917
Income from investments	**42,064**	96,091
Net cash from investing activities	**794,615**	(1,859,072)
Net increase/(decrease) in cash and cash equivalents	**2,883,415**	(1,787,738)
Cash and cash equivalents at beginning of year	**5,554,746**	7,342,484
Cash and cash equivalents at the end of year	**8,438,161**	5,554,746
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**8,438,161**	5,554,746

The notes on pages 17 to 41 form part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2020

1. General information

Glass and Glazing Federation is a private company limited by guarantee and is incorporated in England with the registration number 04063012. The address of the registered office is 40 Rushworth Street, London, England, SE1 0RB.

The principal activity of the group is that of operating as an employers' trade federation for the glass and glazing industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in pound sterling and are rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2. Accounting policies (continued)

2.3 Going concern

While the impact of the COVID-19 pandemic has been assessed by the directors so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate the potential long term outcomes on the company and group's future operational activities with certainty. However, the directors have taken every possible step to mitigate related losses, to secure future income streams, and have taken into consideration the latest UK Government restrictions and available support.

The transition period for the United Kingdom's exit from the European Union ended on 31 December 2020. The directors have considered the possible effects on the company and group's operations and have concluded that they expect there to be no material impact on the company or the group.

Notwithstanding these factors, after making enquiries and considering the uncertainties, the directors have formed a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group 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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Turnover within the group companies comprise:

- revenue from subscriptions to the employers' trade federation for the glass and glazing industry;
- revenue from the Fenestration Self-Assessment Scheme service;
- revenue due from the rating of Energy Efficient Windows;
- revenue from the provision of training services, recognised on the completion of these services;
- revenue from insurance premiums on the installation of windows and conservatories, recognised upon either acceptance of an offer of insurance by the customer or recording of an installation by a registered installer; and
- revenue from software development, systems implementation and operations services.

2. Accounting policies (continued)

2.5 Dividends received

Dividends receivable are recognised when they become legally payable by the subsidiary undertaking. Interim equity dividends are recognised when received. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.6 Operating leases: the group as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

Temporary rent concessions occurring as a direct consequence of the COVID-19 pandemic have been recognised on a systematic basis over the periods that the change in lease income is intended to compensate. This is conditional on:

- the change in lease income resulting in revised consideration for the lease that is less than the consideration for the lease immediately preceding the change;
- any reduction in lease income affecting only income originally due on or before 30 June 2021;
- there being no significant change to other terms and conditions of the lease.

2.7 Operating leases: the group as lessee

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

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss 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 group in independently administered funds.

Defined benefit pension plan

The group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the period; and

b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge 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 and the group operate and generate income.

Deferred tax 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.12 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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 ten years.

Amortisation is provided on the following basis:

Licences	-	25 % straight line

2. Accounting policies (continued)

2.13 Tangible fixed assets

Tangible fixed assets under the cost model 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.

Investment property rented to other group entities and accounted for under the cost model is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The group 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 group. 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.

Depreciation is provided on the following basis:

Long Term Leasehold Property	-	2%
Office Equipment	-	25%
Computer equipment	-	25%

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Investment property

Investment property is carried at fair value determined annually by the directors 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. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2. Accounting policies (continued)

2.17 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 consolidated 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 group's cash management.

2.18 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.

2. Accounting policies (continued)

2.19 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in 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 debtors and creditors, 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, such as the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the balance sheet date.

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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgements have had the most significant impact on amounts recognised in the financial statements:

Tangible fixed assets

The group has recognised tangible fixed assets with a carrying value of £6,483,914 (2019 - £6,785,381) at the reporting date (see note 14). These assets are stated at their cost less provision for depreciation and impairment. The group's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the company determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the group undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less the incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the group's forecasts for the foreseeable future which do not include any restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as expected future cash flows and the growth rate used for extrapolation purposes.

Investment properties

The company holds investment property with fair value of £1,411,200 (2019 - £1,411,200) at the year end (see note 16). In order to determine the fair value of investment property the directors have used a valuation technique based on comparable market data. The determined fair value of the investment property is most sensitive to fluctuations in the property market.

Taxation

Provision has been made in the financial statements for deferred tax amounting to £232,898 (2019 - £197,077) at the reporting date (see note 20). This provision is based upon estimates of the availability of future taxable profits, the timing of the reversal of timing differences upon which the provision is based and the tax rates that will be in force at that time together with an assessment of the impact of future tax planning strategies.

Pensions and other post-employment benefits

As detailed in note 25 the company operates a defined benefit pension scheme for the benefit of certain employees. The cost of operating the scheme is determined using actuarial valuations undertaken by the scheme actuary. Their valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of the scheme, such estimates are subject to significant uncertainty.

Notes to the financial statements
For the year ended 31 December 2020

4. Turnover

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

	2020 £	2019 £
Employers' trade federation for the glass and glazing industry	**1,623,645**	2,003,495
Insurance premiums on the installation of windows and conservatories	**1,392,661**	1,559,294
Fenestration Self-Assessment Scheme	**3,101,718**	3,295,093
Software development, systems implementation and operations services	**495,736**	614,674
Thermal efficiency of windows, doors and other products	**558,051**	606,867
Provision of training	**387,924**	412,518
	7,559,735	8,491,941

All turnover arose within the United Kingdom.

5. Other operating income

	2020 £	2019 £
Net rents receivable	**23,520**	35,733
Service charge receivable	**17,919**	1,473
Government grants receivable	**378,658**	-
Sundry income	**21,640**	30,903
	441,737	68,109

Government grants relate to support received as part of the Government's response to the COVID-19 pandemic.

6. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Operating lease rentals	**48,998**	26,554

7. Auditor's remuneration

	2020 **£**	2019 £
Fees payable to the group's auditor for the audit of the group's annual financial statements	**63,000**	59,950

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £	**Company 2020 £**	Company 2019 £
Wages and salaries	**3,050,414**	3,437,894	**1,494,963**	1,856,830
Social security costs	**304,206**	402,406	**149,918**	215,044
Cost of defined benefit scheme	**608,000**	-	**608,000**	-
Cost of defined contribution scheme	**194,366**	246,576	**88,541**	128,460
	4,156,986	4,086,876	**2,341,422**	2,200,334

During the year it has been determined that a previous equalisation did not occur as set out in the plan's 2005 rules. The plan's liabilities have been adjusted accordingly and the cost is shown in 'cost of defined benefit scheme' above.

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

	Group 2020 No.	Group 2019 No.	**Company 2020 No.**	Company 2019 No.
Management and administration	**80**	89	33	37

No remuneration was paid to the directors of the company during the year (2019 - £NIL).

9. Income from fixed asset investments

	2020 **£**	2019 £
Income from fixed asset investments	**42,064**	96,091

10. Interest receivable

	2020 £	2019 £
Other interest receivable	**2,960**	18,917

11. Other finance costs

	2020 £	2019 £
Interest income on pension scheme assets	**47,000**	57,000
Net interest on net defined benefit liability	**(45,000)**	(57,000)
	2,000	-

12. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	**324,115**	130,882
Adjustments in respect of previous periods	**(115,735)**	(43,287)
Total current tax	**208,380**	87,595
Deferred tax		
Origination and reversal of timing differences	**24,131**	75,395
Changes to tax rates	**11,690**	-
Total deferred tax	**35,821**	75,395
Taxation on profit on ordinary activities	**244,201**	162,990

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	**1,274,739**	1,064,299
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	**242,200**	202,217
Effects of:		
Expenses not deductible for tax purposes	**91,504**	29,600
Capital allowances for year less than/(in excess of) depreciation	**30,431**	801
Adjustments to tax charge in respect of prior periods	**(115,735)**	(43,287)
Fair value movements	**14,435**	(54,614)
Capital gains	**-**	46,824
Other differences leading to a decrease in the tax charge	**(18,634)**	(18,551)
Total tax charge for the year	**244,201**	162,990

12. Taxation (continued)

Factors that may affect future tax charges

As part of the Finance Bill 2020, which was substantively enacted on 17 March 2020, the corporation tax main rate is to remain at 19% until 31 March 2023.

Following the end of the accounting period, the UK government have announced that the main rate will increase on 1 April 2023 to 25%, for companies with taxable profits above £250,000. Companies with taxable profits below £50,000 will continue to pay at 19%, and marginal relief will apply between these thresholds. This change forms part of the Finance Bill 2021, which was substantively enacted on 24 May 2021.

Deferred taxes have been measured using rates substantively enacted at the reporting date and reflected in these financial statements.

The group has unused capital losses of approximately £115,000 available for offset again future capital gains.

13. Intangible assets

Group

	Licences £
Cost	
At 1 January 2020	**5,363**
At 31 December 2020	**5,363**
Amortisation	
At 1 January 2020	**4,023**
Charge for the year on owned assets	**1,340**
At 31 December 2020	**5,363**
Net book value	
At 31 December 2020	**-**
At 31 December 2019	1,340

None of the group's intangible fixed assets are held by the company.

14. Tangible fixed assets

Group

	Long Term Leasehold Property £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 January 2020	**6,594,384**	**110,739**	**1,072,123**	**7,777,246**
Additions	**3,890**	**-**	**91,323**	**95,213**
Disposals	**-**	**(8,374)**	**(471,138)**	**(479,512)**
At 31 December 2020	**6,598,274**	**102,365**	**692,308**	**7,392,947**
Depreciation				
At 1 January 2020	**491,174**	**76,085**	**424,606**	**991,865**
Charge for the year on owned assets	**131,717**	**23,408**	**241,555**	**396,680**
Disposals	**-**	**(8,374)**	**(471,138)**	**(479,512)**
At 31 December 2020	**622,891**	**91,119**	**195,023**	**909,033**
Net book value				
At 31 December 2020	**5,975,383**	**11,246**	**497,285**	**6,483,914**
At 31 December 2019	6,103,210	34,654	647,517	6,785,381

14. Tangible fixed assets (continued)

Company

	Long Term Leasehold Property £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 January 2020	**6,594,386**	**71,674**	**300,198**	**6,966,258**
Additions	**3,890**	**-**	**19,892**	**23,782**
Disposals	**-**	**(3,249)**	**(77,922)**	**(81,171)**
At 31 December 2020	**6,598,276**	**68,425**	**242,168**	**6,908,869**
Depreciation				
At 1 January 2020	**491,175**	**46,896**	**151,213**	**689,284**
Charge for the year on owned assets	**131,717**	**16,998**	**58,931**	**207,646**
Disposals	**-**	**(3,249)**	**(77,922)**	**(81,171)**
At 31 December 2020	**622,892**	**60,645**	**132,222**	**815,759**
Net book value				
At 31 December 2020	**5,975,384**	**7,780**	**109,946**	**6,093,110**
At 31 December 2019	6,103,210	24,778	148,986	6,276,974

The company has chosen to account for long term leasehold property occupied by other group entities using the cost model. The carrying amount of such property at the reporting date is £2,667,394 (2019 - £2,726,309).

15. Fixed asset investments

Group

	Listed Investments £
Cost or valuation	
At 1 January 2020	**5,971,586**
Additions	**1,903,133**
Disposals	**(2,747,937)**
Revaluations	**138,012**
At 31 December 2020	**5,264,794**
Net book value	
At 31 December 2020	**5,264,794**
At 31 December 2019	5,971,586

15. Fixed asset investments (continued)

Company

	Investments in Subsidiary Companies £	Listed Investments £	Total £
Cost or valuation			
At 1 January 2020	**701,012**	**3,582,292**	**4,283,304**
Additions	**-**	**855,593**	**855,593**
Disposals	**-**	**(1,326,678)**	**(1,326,678)**
Revaluations	**-**	**126,964**	**126,964**
At 31 December 2020	**701,012**	**3,238,171**	**3,939,183**
Impairment			
At 1 January 2020	**351,005**	**-**	**351,005**
At 31 December 2020	**351,005**	**-**	**351,005**
Net book value			
At 31 December 2020	**350,007**	**3,238,171**	**3,588,178**
At 31 December 2019	350,007	3,582,292	3,932,299

Subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	**Class of shares**	**Holding**
GGF Helix Group Ltd *	Ordinary	100%
GGF Property Limited	Ordinary	100%
Borough IT Limited	Ordinary	100%
British Fenestration Rating Council Limited	Ordinary	100%
FENSA Limited	Ordinary	100%
GGF Training Ltd	Ordinary	100%
GGFi Limited	Ordinary	100%
Rushworth Inspection Services and Auditing Limited	Ordinary	100%

The registered office of each subsidiary undertaking is 40 Rushworth Street, London, England, SE1 0RB.

* Dissolved following the reporting period end.

16. Investment property

Group and Company

	Long term leasehold investment property £
Valuation	
At 1 January 2020	**1,411,200**
At 31 December 2020	**1,411,200**

All long term leasehold investment property is held by the company.

The long term leasehold investment property has been valued at the year end by the directors at fair value.

If the long term leasehold investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2020 **£**	2019 £
Historic cost	**1,153,567**	1,153,567
Accumulated depreciation and impairments	**(107,274)**	(85,921)
	1,046,293	1,067,646

At the balance sheet date the group and company had contracted with tenants for the following future minimum lease payments:

	2020 **£**	2019 £
Not later than 1 year	**94,080**	94,080
Later than 1 year and not later than 5 years	**250,880**	344,960
	344,960	439,040

17. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	**2,948,251**	2,864,681	**1,138,423**	1,123,890
Amounts owed by group undertakings	**-**	-	**200,900**	352,461
Other debtors	**70,851**	21,038	**5,904**	6,165
Prepayments and accrued income	**407,393**	313,708	**152,225**	147,525
	3,426,495	3,199,427	**1,497,452**	1,630,041

18. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	**8,438,161**	5,554,746	**1,133,822**	213,588

19. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	**936,122**	590,472	**135,317**	95,136
Amounts owed to group undertakings	**-**	-	**377**	1,536,946
Corporation tax	**325,024**	109,276	**-**	-
Other taxation and social security	**673,996**	535,856	**207,922**	144,536
Other creditors	**34,791**	57,667	**1,747**	2,769
Accruals and deferred income	**3,131,574**	3,222,711	**2,452,189**	1,338,029
	5,101,507	4,515,982	**2,797,552**	3,117,416

20. Deferred taxation

Group

	2020 £	2019 £
At beginning of year	**(197,077)**	(90,649)
Charged to profit or loss	**(44,242)**	(75,395)
Charged to other comprehensive income	**-**	(31,033)
Utilised in year	**8,421**	-
At end of year	**(232,898)**	(197,077)

Company

	2020 £	2019 £
At beginning of year	**(71,868)**	-
Charged to profit or loss	**(47,531)**	(40,835)
Charged to other comprehensive income	**-**	(31,033)
At end of year	**(119,399)**	(71,868)

The provision for deferred taxation is made up as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Accelerated capital allowances	**(96,882)**	(102,289)	**(19,969)**	(7,365)
Capital gains	**(136,016)**	(94,788)	**(99,430)**	(64,503)
	(232,898)	(197,077)	**(119,399)**	(71,868)

21. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Financial assets measured at fair value through profit or loss	**5,264,794**	5,971,586	**3,238,171**	3,582,292

Financial assets measured at fair value through profit or loss comprise listed investments.

22. Reserves

Revaluation reserve

This reserve records the revaluation surplus recognised upon transfer of property between tangible fixed assets and investment property, less the related provision for deferred tax.

Other reserves

This is a capital reserve.

Profit and loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions.

23. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

24. Contingent liabilities

The company forms a VAT group with Borough IT Limited, FENSA Limited, G.G.F. Fund Limited, GGFi Limited, British Fenestration Rating Council Limited, GGF Training Ltd and Rushworth Inspection Services and Auditing Limited and as such is jointly and severally liable for any liabilities as they fall due. No provision has been made because the directors consider that all parties have the financial resources to meet the liability as it falls due and it is therefore unlikely that this company will incur any additional liability. The total VAT not recognised in the accounts is £414,370 (2019 - £381,387).

25. Pension commitments

Defined contribution scheme

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £194,366 (2019 - £246,576). Contributions totalling £1,747 (2019 - £2,769) were payable to the fund at the balance sheet date and are included in creditors.

Defined benefit scheme

The group also operates a defined benefit pension scheme.

The assets of the plan are held separately from those of the company in an independently administered fund. The most recent comprehensive actuarial valuation of the plan was carried out as at 1 January 2019 and the next valuation of the plan is due as at 1 January 2022. The valuation calculations have been updated as at 31 December 2020.

On an ongoing basis the actuarial valuation of the pension plan reported that the value of the plan assets at 31 December 2020 were £2,798,000 (2019 - £2,447,000). The value of the scheme liabilities were £2,759,000 (2019 - £2,278,000), a funding level of 101% (2019 - 107%).

The plan closed to new members on 31 March 2004, all employees are now offered membership to a defined contribution group personal plan.

The expected return on defined benefit pension plan assets is based on the discount rate used to value the liabilities, i.e. the returns available on a high quality corporate bond. No allowance is made for any out-performance expected from the plan's actual asset holding.

The total of the asset values is based on the bid value of the funds invested with Legal & General along with the plan's bank account balance at the review date.

Composition of plan assets:

	2020	2019
	£	£
Equities	**2,619,000**	2,431,000
Cash	**179,000**	16,000
Total plan assets	**2,798,000**	2,447,000

The amounts recognised in profit or loss are as follows:

	2020	2019
	£	£
Interest on obligation	**(45,000)**	(57,000)
Interest income on plan assets	**47,000**	57,000
Past service cost - equalisation	**(608,000)**	-
Total	**(606,000)**	-

25. Pension commitments (continued)

Reconciliation of fair value of plan liabilities were as follows:

	2020 **£**	2019 £
Opening defined benefit obligation	**2,278,000**	2,161,000
Interest cost	**45,000**	57,000
Actuarial (gains) and losses	**(83,000)**	165,000
Past service costs - equalisation	**608,000**	-
Benefits paid	**(89,000)**	(105,000)
Closing defined benefit obligation	**2,759,000**	2,278,000

Reconciliation of fair value of plan assets were as follows:

	2020 **£**	2019 £
Opening fair value of scheme assets	**2,447,000**	2,299,000
Interest income on plan assets	**47,000**	57,000
Actuarial gains and (losses)	**233,000**	185,000
Interest on effect of asset ceiling	**3,000**	4,000
Contributions by employer	**157,000**	7,000
Benefits paid	**(89,000)**	(105,000)
	2,798,000	2,447,000

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

	2020 **%**	2019 %
Discount rate	**1.2**	2.00
Rate of increase in pension payments	**2.6**	2.50
Inflation - RPI	**3.2**	3.40
Inflation - CPI	**2.7**	2.60

Post-retirement mortality has been calculated using S2NA tables with CMI 2018 projections using a long-term improvement rate of 1.50% (2019 - 1.50%).

75% (2019 - 75%) of members are assumed to take the maximum tax free cash possible.

25. Pension commitments (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2020	2019
	£	£
Defined benefit obligation	**(2,759,000)**	(2,278,000)
Scheme assets	**2,798,000**	2,447,000
Surplus	**39,000**	169,000

26. Commitments under operating leases

At 31 December 2020 the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	Group
	2020	2019
	£	£
Not later than 1 year	**55,015**	48,998
Later than 1 year and not later than 5 years	**28,553**	74,542

27. Related party transactions

The group is exempt from disclosing related party transactions between companies that are wholly owned within the group.

During the year, the group issued management charges of £65,432 (2019 - £38,580) to G.G.F. Fund Limited ('the Fund'), a related party by virtue of many of the contributing members of the Fund also having membership of the Federation. As at 31 December 2020, there was a balance of £5,752 (2019 - £4,638) due from the Fund.

28. Controlling party

The company is controlled by its directors.