

BRITISH ALLIED TRADES FEDERATION
Directors, Officers and Professional Advisers

Directors:

M Olsen (President)	J M Joyce
D R Metcalfe (Deputy President)	R S Burman CBE
M Hughes (Vice President)	S Chandhok
G H Williams	R Green (retired 23/6/11)
R Wills	P Allan (retired 23/6/11)
K Owen (appointed 23/6/11)	D A Doyle (retired 23/6/11)

Chairmen of Trade Associations:

Giftware Association	M Sweeney
British Jewellers' Association	M Hughes
Surface Engineering Association	G H Williams
Jewellery Distributors' Association	J Milligan
British Travelgoods and Accessories Association	P Yates

Solicitors:

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

Investment Managers:

UBS AG
1 Finsbury Avenue
London
EC2M 2AN

Cazenove Capital Management Ltd
12 Moorgate
London
EC2V 6DA

Bankers:

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

Auditors:

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

Insurance Brokers:

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

BRITISH ALLIED TRADES FEDERATION

Report of the Directors

To be presented to the Members at the Annual General Meeting to be held on Thursday 31st May 2012.

Members of the Board of Directors

The Directors and Officers are shown on page 3. The Officers have served since the Annual General Meeting held in June 2011. All the Directors have served throughout the year except for Mrs P Allan, Mr D A Doyle and Mr R Green who retired on 23rd June 2011, and Ms K Owen who was appointed on 23rd June 2011.

In accordance with the Federation's Articles of Association, Mr G Williams, Mr S Parkes, Mr M Burgess and Mr M Sweeney are to stand for election as Directors at the forthcoming AGM.

In accordance with Article 13 of the Federation's Articles of Association, the Board has elected Mr M Hughes and Mr. M Olsen to be President and Deputy President respectively for the ensuing two years.

In accordance with the Articles of Association, Ms K Owen is being re-appointed to the Board by the Giftware Association.

Statement of Directors' Responsibilities in Respect of the Accounts

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

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

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

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

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

Provision of Information to Auditors

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

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

Auditors

The re-appointment of Crowe Clark Whitehill LLP as auditors for 2012/13 will be proposed at the Annual General Meeting.

Activities and Business Review

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

It obtains discounts on stand space fees at several trade fairs in the United Kingdom and provides meeting and conference facilities at Federation House. The Federation also provides central services to its five constituent Trade Associations such as accounting, IT and office accommodation. The Directors are of the opinion that the current market value of the building is higher than that disclosed in the accounts.

Review of Trading Results and Taxation

The Federation has a pre tax loss of £25,559 and a post tax profit of £34,929

	Trade Associations	Central Services	TOTAL
	£	£	£
Trading (profit) /loss	18,856	(44,415)	(25,559)
Tax recoverable	<u>-</u>	<u>60,488</u>	<u>60,488</u>
Profit after Taxation	<u>18,856</u>	<u>16,073</u>	<u>34,929</u>

The trading profit does not include realised or unrealised gains and losses on the portfolio. The net loss on disposals during the year is shown in the Statement of historical cost profits and losses on page 5.

Review of Investment Performance

Our investment portfolio continues to be managed by two leading firms of investment managers and overseen by our own sub-committee. In what turned out to be a poor year for world equity markets, our investments provided a return that was broadly in line with their performance benchmarks and, most importantly, provided the Federation with the budgeted level of income.

Note 8 to the accounts indicates the current composition of our investments and reflects the changes to asset allocation which have been made during the year.

Membership

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

	GA	BJA	SEA	JDA	BTAA	AMMA	TOTAL
2007	801	576	244	79	85	3	1788
2008	729	592	246	77	95	-	1739
2009	711	596	230	71	98	-	1706
2010	702	623	205	69	106	-	1705
2011	678	686	197	67	104	-	1732

The Federation's membership including Associate Members at 31st December 2011 was:

GA	BJA	SEA	JDA	BTAA	AMMA	TOTAL
1053	1024	234	67	122	-	2,500

Charitable Donations

The Federation made charitable donations of £400 (2010: £350) during the year.

Thanks

The year ending 31st December 2011 has once again been a busy year and the Board records its gratitude for the support and hard work which has been given by the Chairmen and Committees of the Federated Associations and by the staff at all levels.

Registered Office:

Federation House
10 Vyse Street
Birmingham, B18 6LT

By Order of the Board
R S Singleton
Company Secretary
29th March 2012

BRITISH ALLIED TRADES FEDERATION

Report of the Auditors

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

We have audited the financial statements of the BRITISH ALLIED TRADES FEDERATION for the year ended 31 December 2011 set out on pages 5 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Federation'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 Federation's Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Federation's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Federation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements. The Annual Report comprises only the Directors' report.

Matters on which we are required to report by exception

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

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

29TH March 2012

Helen Drew
Senior Statutory Auditor
For and on behalf of:

CROWE CLARK WHITEHILL LLP
Statutory Auditors
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

BRITISH ALLIED TRADES FEDERATION
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
TURNOVER	2	1,537,844	1,513,855
Cost of Sales		<u>(433,038)</u>	<u>(461,776)</u>
Gross Profit		1,104,806	1,052,079
Administrative expenses	3	(1,515,912)	(1,438,548)
Other operating income	2	<u>75,237</u>	<u>79,755</u>
OPERATING LOSS	2	(335,869)	(306,714)
Income from fixed asset investments	5	309,426	297,745
Other interest receivable		<u>884</u>	<u>705</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(25,559)	(8,264)
Tax recoverable on profit on ordinary activities	6	<u>60,488</u>	<u>42,567</u>
PROFIT FOR THE FINANCIAL YEAR		<u>34,929</u>	<u>34,303</u>

All amounts relate to continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 DECEMBER 2011

Profit for the financial year		34,929	34,303
(Decrease)/Increase in valuation of investments	8	<u>(347,053)</u>	<u>459,091</u>
Total recognised (losses)/gains for the year		<u>(312,124)</u>	<u>493,394</u>

STATEMENT OF HISTORICAL COST PROFITS AND LOSSES
YEAR ENDED 31 DECEMBER 2011

Reported loss on ordinary activities before taxation		(25,559)	(8,264)
Realisation of investment revaluation profits		39,412	68,571
Depreciation adjustment on revaluation of freehold property		<u>(4,952)</u>	<u>(4,952)</u>
Historical cost profit on ordinary activities before taxation		<u>8,901</u>	<u>55,355</u>
Historical cost profit for the year		<u>69,389</u>	<u>97,922</u>

The notes on pages 7 to 13 form part of these accounts

BRITISH ALLIED TRADES FEDERATION
Company Registration number 69391

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2011

	Notes	2011		2010	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		616,463		613,018
Investments	8		<u>8,507,757</u>		<u>8,699,116</u>
			<u>9,124,220</u>		<u>9,312,134</u>
CURRENT ASSETS					
Debtors	9	503,715		490,055	
Cash at bank and in hand		<u>463,741</u>		<u>513,163</u>	
		967,456		1,003,218	
CREDITORS: Amounts falling due within one year	10	<u>(693,224)</u>		<u>(610,206)</u>	
NET CURRENT ASSETS			<u>274,232</u>		<u>393,012</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			9,398,452		9,705,146
PROVISIONS FOR LIABILITIES					
Deferred Taxation	11		<u>(11,827)</u>		<u>(6,397)</u>
			<u>9,386,625</u>		<u>9,698,749</u>
GENERAL RESERVE	12		7,408,610		7,353,125
REVALUATION RESERVE	13		<u>351,328</u>		<u>737,793</u>
			7,759,938		8,090,918
RESERVES ALLOCATED TO TRADE ASSOCIATIONS	14		<u>1,626,687</u>		<u>1,607,831</u>
MEMBERS' INTERESTS			<u>9,386,625</u>		<u>9,698,749</u>

The accounts were approved and authorised for issue by the board and were signed on its behalf on 29th March 2012.

.....
M Olsen
(President)

.....
M Hughes
(Vice President)

.....
D R Metcalfe
(Deputy President)

The notes on pages 7 to 13 form part of these accounts

BRITISH ALLIED TRADES FEDERATION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

1.1 Basis of Accounting

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

1.2 Cash Flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Fixed Assets

The Federation owns a silver collection, badges, maces and regalia, the cost of which is written off in the year of acquisition. Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is calculated to write off the cost or valuation of tangible fixed assets, less their estimated residual values over their expected useful lives on the following bases:

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

No depreciation has been provided on freehold land.

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

1.4 Investments

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

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

1.5 Turnover

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

1.6 Deferred Tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets and investments in the financial statements. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

1.7 Pensions

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

1.8 Government Grants

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

1.9 Foreign Currency Transactions

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

1.10 Operating Leases

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

1.11 Other Operating Income

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

BRITISH ALLIED TRADES FEDERATION
NOTES TO THE ACCOUNTS – continued
YEAR ENDED 31 DECEMBER 2011

2. TURNOVER AND OPERATING LOSS

Description of class of business:	Turnover		Operating Loss	
	2011	2010	2011	2010
	£	£	£	£
International services	401,000	381,890	(31,821)	(59,749)
Trade associations and members' services	1,136,844	1,131,965	(379,285)	(326,720)
Other operating income (see below)	<u>-</u>	<u>-</u>	<u>75,237</u>	<u>79,755</u>
	<u>1,537,844</u>	<u>1,513,855</u>	<u>(335,869)</u>	<u>(306,714)</u>
Other operating income:				
Rents receivable			<u>75,237</u>	<u>79,755</u>
The majority of turnover arose in the United Kingdom.				

3. ADMINISTRATIVE EXPENSES

Administrative expenses include:	2011	2010
	£	£
Staff costs:		
Salaries	735,781	685,253
Social security costs	76,464	70,452
Pension costs	<u>35,967</u>	<u>37,456</u>
	<u>848,212</u>	<u>793,161</u>

Mr D Metcalfe received remuneration from the Federation during the year of £55,000 (2010: £60,000), of this £55,000 (2010: £60,000) was recharged to Emap.

President's fee	5,000	3,750
Depreciation of fixed assets	36,842	35,979
Operating lease rentals of equipment	5,841	6,857
Audit fee	8,850	8,490
Charitable Donations	<u>400</u>	<u>350</u>

The average number of employees during the year was:	No.	No.
International services	4	4
Trade Associations	16	13
Central Services	<u>8</u>	<u>8</u>
	<u>28</u>	<u>25</u>

4. TRANSACTIONS WITH DIRECTORS

During the year the Federation has undertaken transactions with a company owned by a Director totalling £1,235. These transactions were undertaken at arms length and £nil remained outstanding at the year end.

BRITISH ALLIED TRADES FEDERATION
NOTES TO THE ACCOUNTS – continued
YEAR ENDED 31 DECEMBER 2011

5. INCOME FROM FIXED ASSET INVESTMENTS	2011	2010
	£	£
Dividends on listed investments	<u>309,426</u>	<u>297,745</u>
	<u>309,426</u>	<u>297,745</u>

6. TAX PAYABLE ON PROFIT ON ORDINARY ACTIVITIES	2011	2010
	£	£
Corporation tax reclaimable	(67,322)	(47,000)
Prior year adjustment	<u>1,404</u>	<u>-</u>
Total Current Tax	<u>(65,918)</u>	<u>(47,000)</u>
Deferred Tax		
Origination and reversal of timing differences	<u>5,430</u>	<u>4,433</u>
Total Deferred Tax (see note 11)	<u>5,430</u>	<u>4,433</u>
Tax on profit on ordinary activities	<u>(60,488)</u>	<u>(42,567)</u>

Factors affecting tax charge for the year

The tax assessed is lower than the relevant standard rate of corporation tax in the UK (28%). The differences are explained below:

	2011	2010
	£	£
Loss on ordinary activities before tax	<u>(25,559)</u>	<u>(8,264)</u>
Profit on ordinary activities multiplied by relevant standard Rate of corporation tax in the UK of 26.49% (2010: 28%)	(6,771)	(2,314)
Effects of:		
UK dividends received	(51,456)	(52,578)
Movement on accelerated capital allowances	(6,480)	1,368
Expenses not deductible for tax purposes	1,321	490
Depreciation on non-qualifying assets	3,894	4,116
Net loss on disposal of bonds	(9,549)	-
Prior year adjustment	1,404	-
Other	<u>1,719</u>	<u>1,918</u>
Current tax charge for the year (see note above)	<u>(65,918)</u>	<u>(47,000)</u>

There are capital losses carried forward of £310,787.

BRITISH ALLIED TRADES FEDERATION
NOTES TO THE ACCOUNTS – continued
YEAR ENDED 31 DECEMBER 2011

7. TANGIBLE FIXED ASSETS	Freehold Land and Buildings £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost or Valuation:				
1 January 2011	735,000	604,608	243,582	1,583,190
Additions	-	-	40,287	40,287
Written off	-	<u>(39,135)</u>	<u>(59,356)</u>	<u>(98,491)</u>
31 December 2011	<u>735,000</u>	<u>565,473</u>	<u>224,513</u>	<u>1,524,986</u>
Depreciation:				
1 January 2011	176,400	580,986	212,786	970,172
Charge for the year	14,700	6,681	15,461	36,842
	-	<u>(39,135)</u>	<u>(59,356)</u>	<u>(98,491)</u>
31 December 2011	<u>191,100</u>	<u>548,532</u>	<u>168,891</u>	<u>908,523</u>
Net Book Values				
31 December 2011	<u>543,900</u>	<u>16,941</u>	<u>55,622</u>	<u>616,463</u>
31 December 2010	<u>558,600</u>	<u>23,622</u>	<u>30,796</u>	<u>613,018</u>

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

The depreciated historical cost of the freehold property, which exceeds the valuation of £543,900 by £178,112 is as follows:-

	£
Historical cost	1,057,610
Accumulated depreciation	<u>(335,598)</u>
Net Book Value	<u><u>722,012</u></u>

Heritage Assets

The Federation owns a silver collection, badges, maces and regalia, the cost of which is written off in the year of acquisition. The Directors policy on acquisition is to commission pieces to commemorate specific events and to support the industry. They have no plans to dispose of any items. The collection is recorded by written description and photograph, and is insured at estimated replacement value of £460,050. There is no public access to the collection.

BRITISH ALLIED TRADES FEDERATION
NOTES TO THE ACCOUNTS – continued
YEAR ENDED 31 DECEMBER 2011

8. INVESTMENTS	2011	2010
	£	£
Listed investments at market value:		
Ordinary Shares	4,014,502	4,053,725
Preference Shares	616,000	676,375
Unit Trusts	554,496	662,207
Bonds	2,212,141	2,513,529
Alternative investments	<u>814,839</u>	<u>520,459</u>
	<u>8,211,978</u>	<u>8,426,295</u>
 Unlisted investments:		
Deposit with Investment Managers	<u>295,779</u>	<u>272,821</u>
	<u>8,507,757</u>	<u>8,699,116</u>
 Movements during year:	Listed	Unlisted
	Investments	Investments
	£	£
1 January 2011	8,426,295	272,821
Additions	4,702,771	22,958
Disposals	(4,570,035)	-
Decrease in value	<u>(347,053)</u>	<u>-</u>
31 December 2011	<u>8,211,978</u>	<u>295,779</u>

The historical cost of Investments as at 31 December 2011 was £ 8,156,429 (2010: £7,961,323).

9. DEBTORS	2011	2010
	£	£
Amounts falling due within one year:		
Trade debtors	273,761	168,522
Other debtors	7,842	12,177
Corporation Tax recoverable	67,322	142,047
Prepayments and accrued income	<u>154,790</u>	<u>167,309</u>
	<u>503,715</u>	<u>490,055</u>

BRITISH ALLIED TRADES FEDERATION
NOTES TO THE ACCOUNTS – continued
YEAR ENDED 31 DECEMBER 2011

10. CREDITORS	2011	2010
	£	£
Amounts falling due within one year:		
Trade creditors	95,619	79,292
Other taxes and social security	60,889	29,464
Pensions	5,196	5,003
Other creditors	76,576	69,297
Accruals and deferred income	<u>454,944</u>	<u>427,150</u>
	<u>693,224</u>	<u>610,206</u>

11. DEFERRED TAXATION LIABILITY	2011	2010
	£	£
1 January 2011	6,397	1,964
Charge to profit and loss account	<u>5,430</u>	<u>4,433</u>
31 December 2011	<u>11,827</u>	<u>6,397</u>

The deferred tax liability is made up as follows:

Accelerated capital allowances	<u>11,827</u>	<u>6,397</u>
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The deferred tax liability of £35,242 (2010: £131,883) relating to the unrealised revaluation gains on investments has not been provided for in accordance with FRS19.

12. GENERAL RESERVE	2011		2010
	£	£	£
1 January 2011		7,353,125	7,333,886
Profit attributable to Trade Associations, per note 14	18,856		
Profit/(Loss) attributable to Central Services	<u>16,073</u>	16,073	(49,332)
Profit for the financial year	<u>34,929</u>		
Transfer from Revaluation Reserve		<u>39,412</u>	<u>68,571</u>
31 December 2011		<u>7,408,610</u>	<u>7,353,125</u>

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

BRITISH ALLIED TRADES FEDERATION

NOTES TO THE ACCOUNTS – continued

YEAR ENDED 31 DECEMBER 2011

13. REVALUATION RESERVE	2011	2010
	£	£
1 January 2011	737,793	347,273
(Decrease)/Increase in value of investments	(347,053)	459,091
Transfer to General Reserve	<u>(39,412)</u>	<u>(68,571)</u>
31 December 2011	<u><u>351,328</u></u>	<u><u>737,793</u></u>

14. RESERVES DESIGNATED TO TRADE ASSOCIATIONS

	BJA	BTAA	GA	JDA	SEA	Total
	£	£	£	£	£	£
INCOME						
Subscriptions	248,229	41,026	289,546	17,968	90,915	687,684
Share of investment income	1,872	42	1,979	63	4,151	8,107
Other income generated	<u>42,358</u>	<u>11,046</u>	<u>36,538</u>	<u>2,466</u>	<u>265,717</u>	<u>358,125</u>
	<u>292,459</u>	<u>52,114</u>	<u>328,063</u>	<u>20,497</u>	<u>360,783</u>	<u>1,053,916</u>
EXPENDITURE						
Staff Costs	149,491	34,190	148,689	-	163,204	495,574
Other direct expenses	<u>153,683</u>	<u>17,449</u>	<u>172,401</u>	<u>23,152</u>	<u>172,801</u>	<u>539,486</u>
	<u>303,174</u>	<u>51,639</u>	<u>321,090</u>	<u>23,152</u>	<u>336,005</u>	<u>1,035,060</u>
Net (loss)/profit	(10,715)	475	6,973	(2,655)	24,778	18,856
Balance 1 January 2011	<u>382,771</u>	<u>4,923</u>	<u>390,459</u>	<u>13,934</u>	<u>815,744</u>	<u>1,607,831</u>
Balance 31 December 2011	<u><u>372,056</u></u>	<u><u>5,398</u></u>	<u><u>397,432</u></u>	<u><u>11,279</u></u>	<u><u>840,522</u></u>	<u><u>1,626,687</u></u>

15. OTHER FINANCIAL COMMITMENTS

There was capital expenditure contracted for at 31 December 2011 amounting to £13,663 (2010: £12,500).

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

16. OPERATING LEASES

At 31 December 2011 the Federation had annual commitments under non-cancellable operating leases of office equipment amounting to £5,841 (2010: £3,758) expiring between two and five years.