

BATF PROPERTIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

BATF PROPERTIES LIMITED

COMPANY INFORMATION

DIRECTORS	A F Hinds M Sweeney
COMPANY SECRETARY	R Singleton
REGISTERED NUMBER	10074643
REGISTERED OFFICE	Federation House Vyse Street Hockley Birmingham B18 6LT
INDEPENDENT AUDITOR'S	Crowe Clark Whitehill LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG

BATF PROPERTIES LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 13

BATF PROPERTIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS

The directors who served during the year were:

A F Hinds
M Sweeney

DISCLOSURE 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 the director is aware, there is no relevant audit information of which the Company's auditors are 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's auditors are aware of that information.

AUDITORS

The auditors, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

BATF PROPERTIES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

and signed on its behalf.

R Singleton
Secretary

BATF PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BATF PROPERTIES LIMITED

OPINION

We have audited the financial statements of BATF Properties Limited (the 'Company') for the year ended 31 December 2017, which comprise the Profit and loss account, the Balance sheet 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 Company's affairs as at 31 December 2017 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

BATF PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BATF PROPERTIES LIMITED (CONTINUED)

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

BATF PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BATF PROPERTIES LIMITED (CONTINUED)

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement on page 1, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

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 Auditors' 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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 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 Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Drew (Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date:

BATF PROPERTIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover		91,438	6,000
Gross profit		<u>91,438</u>	<u>6,000</u>
Administrative expenses		(75,728)	(10,000)
Operating profit/(loss)		<u>15,710</u>	<u>(4,000)</u>
Fair value gains on investments		110,000	-
Profit/(loss) before tax		<u>125,710</u>	<u>(4,000)</u>
Tax on profit/(loss)		(9,017)	-
Profit/(loss) for the financial year		<u><u>116,693</u></u>	<u><u>(4,000)</u></u>

The notes on pages 8 to 13 form part of these financial statements.

BATF PROPERTIES LIMITED
REGISTERED NUMBER: 10074643

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	1,680,031	-
Investment property	5	1,500,000	3,082,741
		3,180,031	3,082,741
Current assets			
Cash at bank and in hand		17,500	-
		17,500	-
Creditors: amounts falling due within one year	6	(3,075,721)	(3,086,641)
Net current liabilities		(3,058,221)	(3,086,641)
Total assets less current liabilities		121,810	(3,900)
Provisions for liabilities			
Deferred tax		(9,017)	-
		(9,017)	-
Net assets/(liabilities)		112,793	(3,900)
Capital and reserves			
Called up share capital		100	100
Profit and loss account		112,693	(4,000)
		112,793	(3,900)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

A F Hinds
Director

M Sweeney
Director

The notes on pages 8 to 13 form part of these financial statements.

BATF PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. GENERAL INFORMATION

BATF Properties Limited is a company limited by guarantee and the registered number is 10074643. It is incorporated in England and Wales. The address of the registered office is Federation House, Vyse Street, Hockley, Birmingham, B18 6LT.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, except for investment properties that are held at valuation, and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover comprises of revenue recognised by the company in respect of rent received from investment properties. Rent is recognised in the year to which it relates, on a straight line basis over the term of the lease.

2.3 Tangible fixed assets

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

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:

Freehold property	-	2% Straight line
Fixtures and fittings	-	10% Straight line

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 the Profit and loss account.

2.4 Investment property

Investment property is carried at fair value determined annually by management and external valuers as necessary and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in the Statement of comprehensive income.

BATF PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.6 Creditors

Short term creditors and other loans are measured at the transaction price.

2.7 Operating leases: as lessor

Rentals income from operating leases is credited to the Profit and loss account on a straight line basis over the term of the relevant lease.

2.8 Provisions for liabilities

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

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

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

BATF PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a 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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

3. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration through this company.

BATF PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Total £
COST OR VALUATION			
Additions	-	24,875	24,875
Reclassification from investment properties	1,692,741	-	1,692,741
At 31 December 2017	<u>1,692,741</u>	<u>24,875</u>	<u>1,717,616</u>
DEPRECIATION			
Charge for the year	33,854	3,731	37,585
At 31 December 2017	<u>33,854</u>	<u>3,731</u>	<u>37,585</u>
NET BOOK VALUE			
At 31 December 2017	<u>1,658,887</u>	<u>21,144</u>	<u>1,680,031</u>
At 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>

BATF PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 January 2017	3,082,741
Reclassifications to tangible fixed assets	(1,692,741)
Surplus on revaluation	110,000
AT 31 DECEMBER 2017	1,500,000

The investment property was purchased on 23 November 2016 for a total cost, including legal and other associated acquisition costs for £3,082,741. The property has been revalued in the 2017 year by Mr M Sweeney (Director) who has experience of the surrounding London property market. The property is deemed to be of mixed use and as such a reclassification has been made to transfer the element of this property that is used by British Allied Trades Federation (its parent company) to tangible fixed assets.

The investment proportion of the property has been revalued to its estimated open market value as at 31 December 2017 based on an estimated value of £1,000 per square foot. This is deemed to be representative of the increase in the market values of similar local property sales.

6. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	3,058,671	3,086,641
Accruals and deferred income	17,050	-
	3,075,721	3,086,641

7. 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 £10 towards the assets of the company in the event of liquidation.

BATF PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. DEFERRED TAXATION

	2017 £
Charged to profit or loss	(9,017)
AT END OF YEAR	(9,017)

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(976)	-
Tax losses carried forward	(8,041)	-
	(9,017)	-

9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred in FRS 102, section 33A not to disclose related party transactions between wholly owned members of the same group.

10. OPERATING LEASES - AS LESSOR

During 2016, the company granted a 3 year operating lease on a building owned by the company. The rental income that will be earned on the lease is £70,000 per annum for 3 years.

11. ULTIMATE PARENT UNDERTAKING

The Company's immediate and ultimate parent undertaking is British Allied Trades Federation, a Company incorporated in England & Wales. Their registered office is Vyse Street, Jewellery Quarter, Birmingham, B18 6LT. The consolidated financial statements of this group are available to the public from Companies House.