British Allied Trades Federation
BATF

BRITISH ALLIED TRADES FEDERATION
Directors, Officers and Professional Advisers

Directors:

C E Owen (President)
R Wills
S Chandhok
P Thandi
D Doyle
G Wroe (elected 13/6/14)
M Olsen(resigned 13/6/14)
M Hughes (Deputy President)
R S Burman CBE (retired 13/6/14)
M Sweeney (Vice President)
S Parkes
M Burgess
K Tucker(appointed 13/6/14)

Chairmen of Trade Associations:

Giftware Association	M Pape
British Jewellers' Association	G Wroe
Surface Engineering Association	S Parkes
Jewellery Distributors' Association	J Milligan
British Travelgoods and Accessories Association	J Sandison

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

Investment Managers:
Rathbones Investment Managers Ltd
1 Curzon Street
London
W1J 5FB

Cazenove Capital Management Ltd
12 Moorgate
London
EC2V 6DA

Bankers:
Barclays Bank
15 Colmore Row
Birmingham
B3 2BH

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

Auditors:
Crowe Clark Whitehill LLP
Black Country House
Rounds Green Road
Oldbury
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 Wednesday 24th June 2015.

Members of the Board of Directors
The Directors and Officers are shown on page 1. The President and Deputy President have served since the Annual General Meeting held in June 2014. All the Directors have served throughout the year except for Mr G Wroe, who was elected and Mr K Tucker, who was appointed on 13th June 2014. Roger Burman retired on 13th June2014.

In accordance with Article 13 of the Federation's Articles of Association, in 2014 the Board elected Mr M Sweeney to be Vice President for the following two years.

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 Company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 2015/16 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 profit of £226,410 and a post tax profit of £236,164.

	Trade Associations	Central Services	TOTAL
	£	£	£
Trading profit	20,090	206,321	226,410
Tax recoverable	-	9,754	9754
Profit after Taxation	20,090	216,075	236,164

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 6.

Review of Investment Performance

Our investment portfolio is managed by two leading firms of investment managers. Our own investment sub-committee, appointed by the Board, meets regularly with the managers to review adherence to the agreed investment policy and to monitor performance against suitable benchmarks. Income from the portfolio remains an important contribution to the Federation's operational revenue and the investment managers are tasked with ensuring that the budgeted level of income is achieved.

Note 8 to the accounts indicates the current composition of the portfolio and reflects any changes to the asset allocation that 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	TOTAL
2010	**702**	**623**	**205**	**69**	**106**	**1705**
2011	**678**	**686**	**197**	**67**	**104**	**1732**
2012	**671**	**712**	**199**	**68**	**99**	**1749**
2013	**614**	**735**	**198**	**60**	**84**	**1691**
2014	**579**	**754**	**197**	**61**	**97**	**1688**

The Federation's membership including Associate Members at 31st December 2014 was:

GA	BJA	SEA	JDA	BTAA	TOTAL
811	**1149**	**237**	**61**	**107**	**2,365**

Charitable Donations

The Federation made charitable donations of £2,760 (2013: £2,500) during the year.

Thanks

The year ending 31st December 2014 has been a particularly 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
19th March 2015

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 British Allied Trades Federation for the year ended 31 December 2014 including the Profit and loss account, the statement of total recognised gains and losses, the statement of Historical costs, profits and losses, the balance sheet and the related notes.

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

Respective Responsibilities of Directors and 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 Financial Reporting Councils 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 Company'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.

In addition, we read all the financial and non-financial information in the Directors' Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2014 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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 exemption from the requirement to prepare a strategic report or in preparing the directors report.

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

19th March 2015

BRITISH ALLIED TRADES FEDERATION

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
TURNOVER	2	**2,107,773**	1,774,006
Cost of Sales		**(731,734)**	(543,330)
Gross Profit		**1,376,039**	1,230,676
Administrative expenses	3	**(1,553,048)**	(1,502,035)
Other operating income	2	**65,026**	59,418
OPERATING LOSS	2	**(111,983)**	(211,941)
Income from fixed asset investments	5	**336,868**	329,129
Other interest receivable		**1,525**	1,064
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**226,410**	118,252
Tax recoverable on profit on ordinary activities	6	**9,754**	8,100
PROFIT FOR THE FINANCIAL YEAR		**236,164**	126,352

All amounts relate to continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 DECEMBER 2014

Profit for the financial year		**236,164**	126,352
Increase in valuation of investments	8	**4,291**	683,411
Total recognised gains for the year		**240,455**	809,763

STATEMENT OF HISTORICAL COST PROFITS AND LOSSES
YEAR ENDED 31 DECEMBER 2014

Reported profit on ordinary activities before taxation	**226,410**	118,252
Realisation of investment revaluation profits	**148,719**	395,308
Depreciation adjustment on revaluation of freehold property	**(4,952)**	(4,952)
Historical cost profit on ordinary activities before taxation	**370,177**	508,608
Historical cost profit for the year	**379,931**	516,708

The notes on pages 8 to 14 form part of these accounts

BRITISH ALLIED TRADES FEDERATION
Company Registration number 69391

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2014 £	2013 £	2013 £
FIXED ASSETS					
Tangible assets	7		**591,446**		572,973
Investments	8		**10,457,968**		10,315,502
			11,049,414		10,888,475
CURRENT ASSETS					
Debtors	9	**459,034**		407,218	
Cash at bank and in hand		**485,436**		206,924	
		944,470		614,142	
CREDITORS: Amounts falling due within one year	10	**(779,603)**		(520,475)	
NET CURRENT ASSETS			**164,867**		93,667
TOTAL ASSETS LESS CURRENT LIABILITIES			**11,214,281**		10,982,142
PROVISIONS FOR LIABILITIES					
Deferred Taxation	11		**0**		(8,319)
			11,214,281		10,973,823
GENERAL RESERVE	12		**8,320,523**		7,955,729
REVALUATION RESERVE	13		**1,227,167**		1,371,595
			9,547,690		9,327,324
RESERVES ALLOCATED TO TRADE ASSOCIATIONS	14		**1,666,591**		1,646,499
MEMBERS' INTERESTS			**11,214,281**		10,973,823

The accounts were approved and authorised for issue by the board and were signed on its behalf on 19th March 2015.

....	....	....
C E Owen	**M Hughes**	**M Sweeney**
(President)	**(Deputy President)**	**(Vice President)**

The notes on pages 8 to 14 form part of these accounts

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

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.

2. TURNOVER AND OPERATING LOSS

	Turnover		Operating Loss	
	2014	2013	**2014**	2013
Description of class of business:	**£**	£	**£**	£
International services	**646,467**	485,580	**99,902**	55,671
Trade associations and members' services	**1,461,306**	1,288,426	**(276,911)**	(327,030)
Other operating income (see below)	**-**	-	**65,026**	59,418
	2,107,773	1,774,006	**(111,983)**	(211,941)

Other operating income:		
Rents receivable	**65,026**	59,418

The majority of turnover arose in the United Kingdom.

3. ADMINISTRATIVE EXPENSES

	2014	2013
Administrative expenses include:	**£**	£
Staff costs:		
Salaries	**776,598**	710,295
Social security costs	**75,962**	70,378
Pension costs	**46,751**	37,141
	899,311	817,814
President's fee	**5,000**	5,000
Depreciation of fixed assets	**42,038**	38,187
Operating lease rentals of equipment	**5,067**	8,877
Audit fee	**9,470**	9,470
Charitable Donations	**2,760**	2,500
The average number of employees during the year was:	**No.**	No.
International services	**4**	4
Trade Associations	**19**	16
Central Services	**7**	7
	30	27

4. TRANSACTIONS WITH DIRECTORS

During the year the Federation has undertaken transactions with a company owned by a Director totalling £2,850 (2013 : £3,062). During the year the Federation has undertaken transactions with a company where a Director is the CEO totalling £5,975 (2013:nil). 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 2014

5. INCOME FROM FIXED ASSET INVESTMENTS

	2014	2013
	£	£
Dividends on listed investments	**336,868**	329,129
	336,868	329,129

6. TAX PAYABLE ON PROFIT ON ORDINARY ACTIVITIES

	2014	2013
	£	£
Tax recoverable	**(1,435)**	(8,944)
Prior year adjustment	**Nil**	237
Total Current Tax	**(1,435)**	(8,707)
Deferred Tax		
Origination and reversal of timing differences	**(8,319)**	607
Total Deferred Tax (see note 11)	**(8,319)**	607
Tax on profit on ordinary activities	**(9,754)**	(8,100)

Factors affecting tax charge for the year

The tax assessed is lower than the relevant standard rate of corporation tax in the UK 20%. The differences are explained below:

	2014	2013
	£	£
Profit on ordinary activities before tax	**226,410**	118,252
Profit on ordinary activities multiplied by relevant standard Rate of corporation tax in the UK of 20% (2013: 20%)	**45,282**	23,650
Effects of:		
UK dividends received	**(48,005)**	(44,509)
Movement on accelerated capital allowances	**(6,480)**	(1,613)
Expenses not deductible for tax purposes	**618**	850
Depreciation on non-qualifying assets	**2,940**	2,940
Net gain on disposal of bonds	**3,893**	24,153
Prior year adjustment	**Nil**	237
Other	317	(14,415)
Current tax charge for the year (see note above)	**(1,435)**	(8,707)

There are capital losses carried forward of £351,079, see note 11.

7. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost or Valuation:				
1 January 2014	735,000	573,468	253,559	1,562,027
Additions	-	37,458	23,053	60,511
Disposals	-	-	(142,039)	(142,039)
31 December 2014	735,000	610,926	134,573	1,480,499
Depreciation:				
1 January 2014	220,500	558,483	210,071	989,054
Charge for the year	14,700	6,645	20,693	42,038
Disposals	-	-	(142,039)	(142,039)
31 December 2014	235,200	565,128	88,725	889,053
Net Book Values				
31 December 2014	**499,800**	**45,798**	**45,848**	**591,446**
31 December 2013	514,500	14,985	43,488	572,973

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 £514,500 by £148,556 is as follows:-

	£
Historical cost	1,057,610
Accumulated depreciation	(394,554)
Net Book Value	663,056

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 £657,258. There is no public access to the collection.

8. INVESTMENTS

	2014	2013
	£	£
Listed investments at market value:		
Ordinary Shares	**6,841,497**	6,592,695
Preference Shares	**181,051**	274,325
Unit Trusts	**620,100**	783,376
Bonds	**1,712,054**	1,640,797
Alternative investments	**487,393**	446,982
	9,842,095	9,738,175
Unlisted investments:		
Deposit with Investment Managers	**615,873**	577,327
	10,457,968	10,315,502

Movements during year:	**Listed Investments £**	**Unlisted Investments £**
1 January 2014	**9,738,175**	**577,327**
Additions	**891,945**	**38,546**
Disposals	**(792,316)**	**-**
Increase in value	**4,291**	**-**
31 December 2014	**9,842,095**	**615,873**

The historical cost of Investments as at 31 December 2014 was £ 9,230,801 (2013: £8,943,907).

9. DEBTORS

	2014	2013
	£	£
Amounts falling due within one year:		
Trade debtors	**334,680**	210,702
Other debtors	**215**	212
Corporation Tax recoverable	**1,435**	8,944
Prepayments and accrued income	**122,704**	187,360
	459,034	407,218

10. CREDITORS

	2014	2013
	£	£
Amounts falling due within one year:		
Trade creditors	**192,454**	88,977
Other taxes and social security	**53,972**	53,354
Pensions	**5,794**	5,113
Other creditors	**88,682**	68,570
Accruals and deferred income	**438,701**	304,461
	779,603	520,475

11. DEFERRED TAXATION LIABILITY

	2014	2013
	£	£
1 January 2014	**8,319**	7,712
Charge to profit and loss account	**(8,319)**	607
31 December 2014	**Nil**	8,319

The deferred tax liability is made up as follows:

	2014	2013
Accelerated capital allowances	**14,789**	8,319
Short-term timing difference	**(1,159)**	-
Losses	(13,640)	-
	Nil	8,319

The deferred tax liability at 2014: £70,000 relating to the unrealised revaluation gains on investments, after deducting unused capital losses carried forward amounting to £351,079 has not been provided for in accordance with FRS19.

12. GENERAL RESERVE

	2014		2013
	£	£	£
1 January 2014		**7,955,729**	7,464,888
Profit attributable to Trade Associations, per note 14	**20,090**		
Profit attributable to Central Services	**216,075**	**216,075**	95,533
Profit for the financial year	**236,164**		
Transfer from Revaluation Reserve		**148,719**	395,308
31 December 2014		**8,320,523**	7,955,729

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 2014

13. REVALUATION RESERVE

	2014	2013
	£	£
1 January 2014	**1,371,595**	1,083,492
Increase in value of investments	**4,291**	683,411
Transfer to General Reserve	**(148,719)**	(395,308)
31 December 2014	**1,227,167**	1,371,595

14. RESERVES DESIGNATED TO TRADE ASSOCIATIONS

	BJA	**BTAA**	**GA**	**JDA**	**SEA**	**Total**
	£	**£**	**£**	**£**	**£**	**£**
INCOME						
Subscriptions	302,302	37,693	310,516	18,238	97,067	765,816
Share of investment income	1,794	15	1,921	51	5,024	8,805
Other income generated	76,641	10,573	52,700	1,793	467,404	609,111
	380,737	48,281	365,137	20,082	569,495	1,383,732
EXPENDITURE						
Staff Costs	202,625	35,200	169,542	-	176,245	583,612
Other direct expenses	187,325	15,194	183,519	19,057	374,935	780,030
	389,950	50,394	353,061	19,057	551,180	1,363,642
Net (loss)/profit	(9,213)	(2,113)	12,076	1,025	18,315	20,090
Balance 1 January 2014	364,853	3,348	375,403	10,141	892,754	1,646,499
Balance 31 December 2014	**355,640**	**1,235**	**387,479**	**11,166**	**911,071**	**1,666,591**

15. OTHER FINANCIAL COMMITMENTS

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 2014 the Federation had annual commitments under non-cancellable operating leases of office equipment amounting to £5,067 (2013: £5.067) expiring between two and five years.