

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

COMPANY INFORMATION

DIRECTORS	C E Owen (President) R Wills S Chandhok P Thandi D Doyle G Wroe M Hughes (Deputy President) M Sweeney (Vice President) S Parkes M Burgess K Tucker A Hinds (appointed 24 September 2015) RS Burman CBE (appointed 24 September 2015)
REGISTERED NUMBER	69391
REGISTERED OFFICE	Vyse Street Jewellery Quarter Birmingham B18 6LT
INDEPENDENT AUDITOR	Crowe Clark Whitehill LLP Black Country House Rounds Green Road Oldbury West Midlands 869 2DG
BANKERS	Barclays Bank Birmingham B32BH
SOLICITORS	George Green LLP Cradeley Heath Warley West Midlands B645HW

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

INVESTMENT MANAGERS

Rathbones Investment Managers Limited
1 Curzon Street
London
W1J 5FB

Cazenove Capital Management Limited
12 Moorgate
London
EC2V6DA

INSURANCE BROKERS

T H March Insurance
10a Vyse Street
Birmingham
818 6LT

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

CONTENTS

	Page
Directors' report	1 - 4
Independent auditor's report	5-6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9 -10
Notes to the financial statements	11 - 30

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015. These are to be presented to the Members at the Annual General Meeting to be held on Wednesday 22 June 2016.

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,' as applicable to small entities.

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

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

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

MEMBERS OF THE BOARD OF DIRECTORS

The Directors and Officers are shown on page 3. The President and Deputy President have served since the Annual General Meeting held in June 2015. All of the Directors have served throughout the year except for Mr A Hinds and Mr R Burman who were appointed on 24 September 2015.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

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.

DIRECTORS

The directors who served during the year were:

C E Owen (President)

R Wills

S Chandhok

P Thandi

D Doyle

G Wroe

M Hughes (Deputy President)

M Sweeney (Vice President)

S Parkes

M Burgess

K Tucker

A Hinds (appointed 24 September 2015)

R S Burman CBE (appointed 24 September 2015)

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 15 to the accounts indicate the current composition of the portfolio and reflects any changes to the asset allocation that have been made during the year.

THANKS

The year ended 31st December 2015 has 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.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

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	JOA	BTAA	TOTAL
2011	678	686	197	67	104	1,732
2012	671	712	199	68	99	1,749
2013	614	735	198	60	84	1,691
2014	579	754	197	61	97	1,688
2015	516	724	198	56	108	1,602

The Federation's membership including Associate Members at 31st December 2015 was:

GA	BJA	SEA	JDA	BTAA	TOTAL
689	1,124	236	57	117	2,223

CHARITABLE DONATIONS

The Federation made charitable donations of £2,500 (2014: £2,760) during the year.

REVIEW OF TRADING RESULTS AND TAXATION

The Federation has a pre tax profit of £9,969 (excluding fair value movements) and a post tax profit of £45,381 (excluding fair value movements).

	Trade Associations	Central Services	TOTAL
	£	£	£
Trading profit	(12,668)	22,637	9,969
Fair value movements on investments		(122,708)	(122,708)
Tax recoverable		<u>35,412</u>	<u>35,412</u>
Profit after Taxation	<u><12,668</u>	<u>(64,659)</u>	<u>77,327</u>

POST BALANCE SHEET EVENTS

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

AUDITORS

The re-appointment of Crowe Clark Whitehill LLP as auditors for 2016 will be proposed at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

This report was approved by the board on 23 March 2016 and signed on its behalf.



R S Singleton
Secretary

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH ALLIED TRADES FEDERATION

We have audited the financial statements of British Allied Trades Federation for the year ended 31 December 2015, set out on pages 7 to 30. 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', as applicable to small entities.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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 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 2015 and of its loss 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH ALLIED TRADES FEDERATION

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

r # Jii, A n, /oJ
revere ry (auditor)

for and on behalf of
Crowe Clark Whitehill LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: **11 f4('r:\2 o(b**

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Turnover	4	1,768,888	2,107,773
Cost of sales		(502,891)	(731,734)
Gross profit		1,265,997	1,376,039
Administrative expenses		(1,553,952)	(1,556,348)
Exceptional administrative expenses	12	(90,000)	
Other operating income		60,636	65,026
Operating loss		(317,319)	(115,283)
Income from fixed assets investments	10	326,750	336,868
Fair value movements on fixed asset investments		(122,708)	4,291
Interest receivable and similar income		538	1,525
(Loss)/profit on ordinary activities before taxation		(112,739)	227,401
Taxation on loss on ordinary activities	11	35,412	39,754
(Loss)/profit for the financial year		(77,327)	267,155
Total comprehensive income for the year		(77,327)	267,155

There were no recognised gains and losses for 2015 other than those included in the statement of comprehensive income.

The notes on pages 11 to 30 form part of these financial statements.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)
REGISTERED NUMBER:69391

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
Fixed assets			
Intangible assets	13	8,649	12,031
Tangible assets	14	1,398,007	1,436,615
Investments	15	10,305,494	10,457,968
		11,712,150	11,906,614
Current assets			
Debtors: amounts falling due within one year	16	442,215	459,034
Cash at bank and in hand	17	387,173	485,436
		829,388	944,470
Creditors: amounts falling due within one year	18	(552,384)	(779,603)
Net current assets		277,004	164,867
Total assets less current liabilities		11,989,154	12,071,481
Provisions for liabilities			
Deferred tax	20	(65,000)	(70,000)
		(65,000)	(70,000)
Net assets		11,924,154	12,001,481
Capital and reserves			
Revaluation reserve		853,900	857,200
Other reserves		1,653,926	1,666,591
Profit and loss account		<u>9,416,328</u>	<u>9,477,690</u>
		11,924,154	12,001,481


The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 March 2016.

C E Owen (President)
Director

M Hughes (Deputy President)

Director,

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Director

The notes on pages 11 to 30 form part of these financial statements.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015

	Revaluation reserve £	Other reserves £	Retained earnings £	Total equity £
At 1 January 2015	857,200	1,666,591	9,477,690	12,001,481
Loss for the year			(77,327)	(77,327)
Transfers between reserves	(3,300)	(12,665)	15,965	
At 31 December 2015	853,900	1,653,926	9,416,328	11,924,154

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2014

	Revaluation reserve £	Other reserves £	Retained earnings £	Total equity £
At 1 January 2014	860,500	1,646,499	9,227,327	11,734,326
Profit for the year			267,155	267,155
Transfers between reserves	(3,300)	20,092	(16,792)	
At 31 December 2014	857,200	1,666,591	9,477,690	12,001,481

The notes on pages 11 to 30 form part of these financial statements.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. COMPANY INFORMATION

British Allied Trades Federation provides 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.

The Federation is limited by guarantee and the registered number is 69391. It is incorporated and domiciled in the UK. The address of the registered office is Vyse Street, Jewellery Quarter, 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 as modified by the revaluation of listed investments and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006, as applicable to small entities..

Information on the impact of first-time adoption of FRS 102 is given in note 25.

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

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate reserves to continue in operational existence for the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the company's financial statements.

The following principal accounting policies have been applied:

2.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Membership Income represents the total amount receivable for membership subscriptions and services provided to members during the year.

Trade fair and other invoiced income is recognised in line with the date on which the trade fair occurs or the service performed.

Dividend income is recognised on a receivable basis.

Income is recognised when the amount of revenue can be measured reliably and it is probable that the company will receive the consideration due under the transaction;

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES
(continued)

2.3 INTANGIBLE ASSETS

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

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

2.4 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.

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

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Depreciation is provided on the following bases:

Freehold property	2%	Straight line
Fixtures & fittings	10-25%	Straight line
Computer equipment	25%	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 within 'other operating income' in the statement of comprehensive income.

The directors have taken advantage of the transitional arrangements of Financial Reporting Standard 102 and have revalued the freehold land and buildings to fair value at the date of transition. This value will be used as the deemed cost following transition.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES
(continued)

2.5 OPERATING LEASES

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

2.6 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.

2.7 CASH AND CASHEQUIVALENTS

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.

2.8 FINANCIAL INSTRUMENTS

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

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 Profit and loss account.

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, which is an approximation of the amount that the Company 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.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES
(continued)

2.9 CREDITORS

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

2.10 VALUATION OF INVESTMENTS

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

2.11 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 the Profit and loss account 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 Profit and loss account in the same period as the related expenditure.

2.12 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES
(continued)

2.13 PENSIONS

Defined contribution pension plan

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

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

2.14 OTHER OPERATING INCOME

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

2.15 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.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES
(continued)

2.16 CURRENT AND DEFERRED TAXATION

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.17 EXCEPTIONAL ITEMS

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The directors do not consider the financial statements to contain significant sources of estimation uncertainty or judgments in applying accounting policies.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

4. ANALYSIS OF TURNOVER

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

	2015 £	2014 £
International services	489,670	646,467
Trade associations and members' services	1,279,218	1,461,306
	1,768,888	2,107,773

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	1,279,218	1,461,306
Rest of the world	489,670	646,467
	1,768,888	2,107,773

5. OTHER OPERATING INCOME

	2015 £	2014 £
Rents receivable	60,636	65,026
	60,636	65,026

6. ADMINISTRATIVE EXPENSES

Administration expenses include:

	2015 £	2014 £
President's fee	10,574	5,000
Donations	2,500	2,760
Operating lease rentals	4,891	5,067
Depreciation of tangible fixed assets	45,296	43,841
Amortisation of intangible assets	3,382	1,497
Defined contribution pension cost	41,068	46,751

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

7. AUDITOR'S REMUNERATION

	2015	2014
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	9,470	9,470
	9,470	9,470

8. EMPLOYEES

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	778,606	776,598
Social security costs	61,517	75,962
Cost of defined contribution scheme	41,068	46,751
	881,191	899,311

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

	2015	2014
	No.	No.
International services	4	4
Trade Associations	16	19
Central Services	8	7
	28	30

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

9. TRANSACTIONS WITH DIRECTORS

During the year the Federation has made sales to a company owned by a Director totalling £nil (2014: £2,850). During the year the Federation also made sales to a company where a Director is the CEO totalling £3,765 (2014: £5,975.) These transactions were undertaken at arms length and £nil remained outstanding at the year end.

The President received an honorarium payment during the year amounting to £10,574 (2014: £5,000). This represents two years honorarium.

KEY MANAGEMENT PERSONNEL

The remunerations procedure, discharged by the Board, reviews the Chief Operating Officer's remuneration and the remuneration of the Chief Executive Officers for each trade association taking into account factors such as performance and salaries paid in comparable organisations. Remuneration amounting to £241,960 was paid to the above key management personnel during the year.

10. INCOME FROM FIXED ASSET INVESTMENTS

	2015	<i>2014</i>
	£	£
Dividendson listed investments	326,750	336,868
	326,750	336,868

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. TAXATION

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	(11,379)	(1,435)
Adjustments in respect of previous periods	(19,033)	
	(30,412)	(1,435)
Total current tax	(30,412)	(1,435)
Deferred tax		
Origination and reversal of timing differences	(5,000)	(38,319)
Total deferred tax	(5,000)	(38,319)
	(35,412)	(39,754)
Taxation on loss on ordinary activities		

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

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

	2015 £	2014 £
Profit on ordinary activities before tax	(112,739)	227,401
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	(22,548)	45,480
Effects of:		
Depreciation of non-qualifying assets	3,600	3,600
Expenses not deductible for tax purposes	3,351	4,168
Movement on accelerated capital allowances	4,300	(6,480)
Utilisation of tax losses	17,466	
Adjustments to tax charge in respect of prior periods	(19,033)	
Dividends from UK companies	(42,090)	(48,005)
Fair value movements on listed investments	24,542	(858)
Deferred Tax	(5,000)	(37,659)
Total tax charge for the year	(35,412)	(39,754)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There are capital losses carried forward of £300,000.

There are also trading losses carried forward of £350,000. A deferred tax asset in relation to trading losses has not been recognised.

12. EXCEPTIONAL ITEMS

	2015 £	2014 £
Dilapidations settlement	90,000	
	<u>90,000</u>	

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

13. INTANGIBLE ASSETS

	Computer Software £
Cost	
At 1 January 2015	13,528
At 31 December 2015	13,528
Amortisation	
At 1 January 2015	1,497
Charge for the year	3,382
At 31 December 2015	4,879
Net book value	
At 31 December 2015	8,649
At 31 December 2014	12,031

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2015	1,375,000	610,926	121,045	2,106,971
Additions		4,798	1,890	6,688
At 31 December 2015	1,375,000	615,724	122,935	2,113,659
Depreciation				
At 1 January 2015	18,000	565,128	87,228	670,356
Charge for the year	18,000	9,630	17,666	45,296
At 31 December 2015	36,000	574,758	104,894	715,652
At 31 December 2015	1,339,000	40,966	18,041	1,398,007
At 31 December 2014	1,357,000	45,798	33,817	1,436,615

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

14. TANGIBLE FIXED ASSETS (continued)

The freehold property was revalued to £1,375,000 by Chamberlains Chartered Surveyors, RICS registered chartered surveyor, at the date of transition. Freehold land amounting to £475,000 has not been depreciated.

Cost or valuation at 31 December 2015 is as follows:

	Freehold Property £
At cost	648,356
At valuation:	
31 December 2015	<u>690,644</u>
	1,339,000

If the land and buildings had not been included at valuation under deemed cost, they would have been included under the historical cost convention as follows:

	2015 £	2014 £
Cost	1,057,610	1,057,610
Accumulated depreciation	(409,254)	(394,554)
Net book value	<u>648,356</u>	<u>663,056</u>

HERITAGE ASSETS

The Federation owns a silver collection of bages, 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.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE **FINANCIAL** STATEMENTS
FOR THE **YEAR** ENDED 31 DECEMBER 2015

15. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2015	9,842,095	615,873	10,457,968
Additions	1,667,980		1,667,980
Disposals	(1,394,412)	(303,334)	(1,697,746)
Revaluations	(122,708)		(122,708)
At 31 December 2015	9,992,955	312,539	10,305,494
<i>At 31 December 2014</i>	<i>9,842,095</i>	<i>615,873</i>	<i>10,457,968</i>
		2015 £	2014 £
Listed investments at market value:			
Ordinary Shares		7,021,484	6,841,497
Preference Shares		179,181	181,051
Unit Trusts		308,300	620,100
Bonds		1,546,875	1,712,054
Alternative Investments		937,115	487,393
		9,992,955	9,842,095
Unlisted investments:			
Deposit with Investment Managers		312,539	615,873
		10,305,494	10,457,968

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

16. DEBTORS

	2015 £	2014 £
Due within one year		
Trade debtors	306,310	334,680
Other debtors	10,604	215
Prepayments and accrued income	103,570	122,704
Corporation tax repayable	21,731	1,435
	<u>442,215</u>	<u>459,034</u>

17. CASH AND CASHEQUIVALENTS

	2015 £	2014 £
Cash at bank and in hand	387,173	485,436
	<u>387,173</u>	<u>485,436</u>

18. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	93,316	192,454
Pensions	4,898	5,794
Taxation and social security	52,636	53,972
Other creditors	62,011	88,682
Accruals and deferred income	339,523	438,701
	<u>552,384</u>	<u>779,603</u>
	 2015 £	 2014 £
Other taxation and social security		
PAYE/NI control	32,862	19,028
VAT control	19,774	34,944
	<u>52,636</u>	<u>53,972</u>

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

19. FINANCIAL INSTRUMENTS

	2015 £	2014 £
Financial assets		
Financial assets measured at fair value through profit and loss	10,305,494	10,457,968
Financial assets that are debt instruments measured at amortised cost	<u>704,087</u>	<u>820,333</u>
	<u>11,009,581</u>	<u>11,278,301</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(552,384)</u>	<u>(779,603)</u>
	<u>(552,384)</u>	<u>(779,603)</u>

Financial assets measured at fair value through comprehensive income comprise investments held at valuation.

Financial assets measured at amortised cost comprise debtors and cash but excludes taxation debtors and prepayments.

Financial Liabilities measured at amortised cost comprise all liabilities excluding taxation creditors.

20. DEFERRED TAXATION

	Deferred tax £
At 1 January 2015	(70,000)
Charged to profit and loss	5,000
At 31 December 2015	<u>(65,000)</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Investments held at valuation	<u>(65,000)</u>	<u>(70,000)</u>
	<u>(65,000)</u>	<u>(70,000)</u>

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

21. 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.

22. PENSION COMMITMENTS

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

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

During the year the pension cost charges to the profit and loss accounts amounted to £41,068 (2014: £46,751) and contributions amounting to £4,898 (2014: £5,794) were payable to the scheme at the balance sheet date.

23. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2015 the Company had annual commitments under non-cancellable operating leases as follows:

	2015	<i>2014</i>
	£	£
Not later than 1 year	5,067	<i>5,067</i>
Later than 1 year and not later than 5 years	2,534	<i>7,601</i>
Total	7,601	<i>12,668</i>

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

24. RESERVES DESIGNATED TO TRADE ASSOCIATIONS

	BJA £	BTAA £	GA £	JOA £	SEA £	Total £
INCOME						
Subscriptions	309,976	36,974	307,178	17,164	97,289	768,581
Share of investment income	1,680	1	2,032	53	4,914	8,680
Other income generated	46,149	12,400	52,182	1,662	329,601	441,994
	357,805	49,375	361,392	18,879	431,804	1,219,255
EXPENDITURE						
Staff costs	209,116	37,555	134,292		167,705	548,668
Other direct expenses	185,066	15,912	201,068	19,237	261,969	683,252
	394,182	53,467	335,360	19,237	429,674	1,231,920
Net (loss)/profit	(36,377)	(4,092)	26,032	(358)	2,130	(12,665)
Balance at 1 January 2015	355,640	1,235	387,479	11,166	911,071	1,666,591
31 December 2015	319,263	(2,857)	413,511	10,808	913,201	1,653,926

Amounts designated to trade associations are included within other reserves.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

25. FIRST TIME ADOPTION OF FRS 102

	As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Fixed assets	10,888,475	860,500	11,748,975	11,049,414	857,200	11,906,614
Current assets	614,142		614,142	944,470		944,470
Creditors: amounts falling due within one year	(520,475)		(520,475)	(779,603)		(779,603)
Net current assets	93,667		93,667	164,867		164,867
Total assets less current liabilities	10,982,142	860,500	11,842,642	11,214,281	857,200	12,071,481
Provisions for liabilities	(8,319)	(100,000)	(108,319)		(70,000)	(70,000)
Net assets	10,973,823	760,500	11,734,323	11,214,281	787,200	12,001,481
Capital and reserves	10,973,823	760,500	11,734,323	11,214,281	787,200	12,001,481

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

25. FIRST TIME ADOPTION OF FRS 102 (continued)

	<i>As previously stated 31 December 2014 £</i>	<i>Effect of transition 31 December 2014 £</i>	<i>FRS 102 (as restated) 31 December 2014 £</i>
Turnover	2,107,773		2,107,773
Cost of sales	(731,734)		(731,734)
	1,376,039		1,376,039
Fair value movements		4,291	4,291
Administrative expenses	(1,553,048)	(3,300)	(1,556,348)
Other operating income	65,026		65,026
Operating profit	(111,983)	991	(110,992)
Income from investments	336,868		336,868
Amounts written off investments		4,291	4,291
Interest receivable and similar income	1,525		1,525
Taxation	9,754	30,000	39,754
Profit on ordinary activities after taxation and for the financial year	236,164	35,282	271,446

Explanation of changes to previously reported profit and equity:

1 At the date of transition, the freehold land and buildings were revalued to fair value and this value has been taken as deemed cost from the date of transition. The increase in fixed assets and equity represents the increase in value between the carrying value and the fair value of freehold land and buildings at the date of transition. There is no deferred tax resulting from this transaction.

Deferred tax has been recognised on the investments held at fair value. At the date of transition deferred tax on these assets was £100,000 and this had reduced to £70,000 as at 31 December 2014.

Movements in the fair value of investments now passes through profit and loss under FRS102 as detailed above.