

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

COMPANY INFORMATION

DIRECTORS	G Wroe (Deputy President) A Hinds (President) M Sweeney (resigned 10 June 2021) C E Owen (resigned 10 June 2021) P Thandi CBE M Hughes (resigned 10 June 2021) S Parkes (resigned 10 June 2021) R S Burman CBE C Henn H Skouby (Vice President) G Schyberg
COMPANY SECRETARY	L Hadfield
REGISTERED NUMBER	00069391
REGISTERED OFFICE	Federation House Vyse Street Hockley Birmingham B18 6LT
INDEPENDENT AUDITOR	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
BANKERS	Barclays Bank Birmingham B3 2BH NatWest London EC4M 8BU

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

SOLICITORS

George Green LLP
Cradley Heath
Warley
West Midlands
B64 5HW

INVESTMENT MANAGERS

Rathbones Investment Managers Limited
1 Curzon Street
London
W1 5FB

Cazenove Capital Management Limited
12 Mooregate
London
EC2V 6DA

INSURANCE BROKERS

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

BRITISH ALLIED TRADES FEDERATION
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BRITISH ALLIED TRADES FEDERATION
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make 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 Group will continue in business.

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

MEMBERS OF THE BOARD OF DIRECTORS

The Directors and Officers are shown on the contents page. The President and Deputy President have served since the Annual General Meeting held in June 2021. All of the Directors have served throughout the year, except where noted.

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.

DIRECTORS

The directors who served during the year were:

M Sweeney (resigned 10 June 2021)
C E Owen (resigned 10 June 2021)
G Wroe (Deputy President)
P Thandi CBE
M Hughes (resigned 10 June 2021)
S Parkes (resigned 10 June 2021)
A Hinds (President)

BRITISH ALLIED TRADES FEDERATION
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

R S Burman CBE
C Henn
H Skouby (Vice President)
G Schyberg

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 14 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.

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	NAJ	SEA	JDA	BTAA	TOTAL
2017	479	1,294	198	45	56	2,072
2018	482	1,301	204	43	57	2,087
2019	494	1,227	193	35	43	1,992
2020	398	1,184	199	30	32	1,843
2021	328	1,105	219	25	28	1,705

The Federation's membership including Associate Members at 31 December 2021 was:

	GA	NAJ	SEA	JDA	BTAA	TOTAL
	553	1,551	248	27	28	2,407

CHARITABLE DONATIONS

The Federation made charitable donations of £4,012 (2020: £4,650) during the year.

BRITISH ALLIED TRADES FEDERATION
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

REVIEW OF TRADING RESULTS AND TAXATION

The Federation has a pre tax loss of £71,540 (excluding fair value movements) and a post tax loss of £410,948. The trading results of the Federation can be summarised as follows:

	BATF Properties	Trade Associations	Central Services	TOTAL
	£	£	£	£
Trading profit/(loss)	(8,154)	238,657	(302,043)	(71,540)
Fair value movements on investments	-	-	960,005	960,005
Tax charge	-	-	(339,408)	(339,408)
Profit/(loss) after taxation	(8,154)	238,657	318,554	549,057

OUTLOOK FOR 2022

We have considered and evaluated the impact on the Federation of COVID 19, looking at industry trends to adjust our forecast for 2022. Annual subscriptions were 75% received by the end of March and trade show activity has started to return. We continue to look at the various ways the Government are helping businesses during this unprecedented time and are taking all possible actions to inform and support members. The Directors are reviewing the changing situation and are taking action as and when we feel necessary. All staff are successfully working a hybrid of office and home working.

Management have reviewed the impact of the Ukrainian War and, as at 4th April there had been an overall reduction in value of 2.5% that cannot be specifically be attributed to the War. Management will continue to monitor this, taking action as appropriate.

THANKS

The year ended 31st December 2021 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.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

BRITISH ALLIED TRADES FEDERATION
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

AUDITOR

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 11 May 2022 and signed on its behalf.



L Hadfield
Secretary

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

OPINION

We have audited the financial statements of British Allied Trades Federation (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Profit and loss account, the Group and Company Balance sheets, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

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

OTHER INFORMATION

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

We have nothing to report in this regard.

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out 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 Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Environmental protection legislation, Health and safety legislation, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the re-valuation of the investment property and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, corroborating and challenging the investment property valuation, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely

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

the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditor's 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 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.


Helen Drew (Senior statutory auditor)

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date: 11 May 2022

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	1,792,213	2,058,400
Cost of sales		(366,085)	(520,857)
Gross profit		1,426,128	1,537,543
Administrative expenses		(1,912,988)	(2,110,123)
Other operating income	5	123,032	126,759
Operating loss		(363,828)	(445,821)
Income from other fixed asset investments	9	323,837	296,926
Fair value movements on investments	14	960,005	83,788
Interest payable and similar expenses	10	(31,549)	(33,718)
Fair value loss on revaluation of investment property	15	-	(691,177)
Profit/(loss) before tax		888,465	(790,002)
Tax on profit/(loss)	11	(339,408)	23,363
Profit/(loss) for the financial year		549,057	(766,639)

The notes on pages 16 to 34 form part of these financial statements.

BRITISH ALLIED TRADES FEDERATION
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CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	37,784	25,054
Tangible assets	13	1,334,757	1,344,791
Investments	14	13,330,429	12,563,324
Investment property	15	2,400,000	2,400,000
		<u>17,102,970</u>	<u>16,333,169</u>
Current assets			
Debtors: amounts falling due within one year	16	191,009	180,470
Cash at bank and in hand		482,169	400,743
		<u>673,178</u>	<u>581,213</u>
Creditors: amounts falling due within one year	17	(1,945,656)	(2,032,663)
Net current liabilities		<u>(1,272,478)</u>	<u>(1,451,450)</u>
Total assets less current liabilities		<u>15,830,492</u>	<u>14,881,719</u>
Creditors: amounts falling due after more than one year	18	(58,890)	-
Deferred taxation	19	(450,137)	(109,311)
		<u>(450,137)</u>	<u>(109,311)</u>
Net assets		<u>15,321,465</u>	<u>14,772,408</u>
Capital and reserves			
Revaluation reserve	20	834,100	837,400
Other reserves	20	3,160,288	2,921,630
Profit and loss account	20	11,327,077	11,013,378
		<u>15,321,465</u>	<u>14,772,408</u>

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)
REGISTERED NUMBER: 00069391

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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.

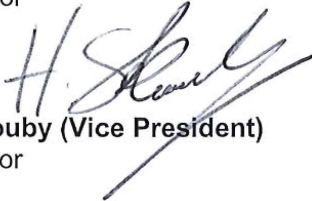
The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 May 2022



G Wroe (Deputy President)
Director



A Hinds (President)
Director



H Skouby (Vice President)
Director

The notes on pages 16 to 34 form part of these financial statements.

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)
REGISTERED NUMBER: 00069391

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	37,784	25,054
Tangible assets	13	1,263,385	1,264,976
Investments	14	15,730,429	14,963,324
		<u>17,031,598</u>	<u>16,253,354</u>
Current assets			
Debtors: amounts falling due within one year	16	259,831	271,488
Cash at bank and in hand		400,140	377,460
		<u>659,971</u>	<u>648,948</u>
Creditors: amounts falling due within one year	17	(1,945,656)	(2,032,663)
Net current liabilities		<u>(1,285,685)</u>	<u>(1,383,715)</u>
Total assets less current liabilities		<u>15,745,913</u>	<u>14,869,639</u>
Deferred taxation	19	(450,137)	(109,311)
		<u>(450,137)</u>	<u>(109,311)</u>
Net assets		<u><u>15,295,776</u></u>	<u><u>14,760,328</u></u>
Capital and reserves			
Revaluation reserve	20	834,100	837,400
Other reserves	20	3,160,288	2,921,630
Profit and loss account brought forward		11,001,298	11,799,140
Profit/(loss) for the year		535,448	(697,590)
Other changes in the profit and loss account		(235,358)	(100,252)
Profit and loss account carried forward		<u>11,301,388</u>	<u>11,001,298</u>
		<u><u>15,295,776</u></u>	<u><u>14,760,328</u></u>

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)
REGISTERED NUMBER: 00069391

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



G Wroe (Deputy President)
Director



A Hinds (President)
Director

11 May 2022



H Skouby (Vice President)
Director

The notes on pages 16 to 34 form part of these financial statements.

BRITISH ALLIED TRADES FEDERATION
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2020	840,700	2,818,078	11,880,269	15,539,047
Loss for the year	-	-	(766,639)	(766,639)
Transfer between reserves	(3,300)	103,552	(100,252)	-
At 1 January 2021	837,400	2,921,630	11,013,378	14,772,408
Profit for the year	-	-	549,057	549,057
Transfer between reserves	(3,300)	238,658	(235,358)	-
At 31 December 2021	834,100	3,160,288	11,327,077	15,321,465

The notes on pages 16 to 34 form part of these financial statements.

BRITISH ALLIED TRADES FEDERATION
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**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2020	840,700	2,818,078	11,799,140	15,457,918
Loss for the year	-	-	(697,590)	(697,590)
Transfer between reserves	(3,300)	103,552	(100,252)	-
At 1 January 2021	<u>837,400</u>	<u>2,921,630</u>	<u>11,001,298</u>	<u>14,760,328</u>
Profit for the year	-	-	535,448	535,448
Transfer between reserves	(3,300)	238,658	(235,358)	-
At 31 December 2021	<u><u>834,100</u></u>	<u><u>3,160,288</u></u>	<u><u>11,301,388</u></u>	<u><u>15,295,776</u></u>

The notes on pages 16 to 34 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 2021

1. GENERAL INFORMATION

The principal activity of the company is to provide 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.

British Allied Trades Federation is a company limited by guarantee and the registered number is 69361. It is incorporated in England and Wales. 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 unless otherwise specified within these accounting policies 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, as applicable to small entities.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and loss account in these financial statements.

The following principal accounting policies have been applied:

2.2 BASIS OF CONSOLIDATION

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

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

2.3 GOING CONCERN

As stated in the Director's Report, the Directors believe there are no material uncertainties that call into doubt the Company's ability to continue as a going concern and the accounts have therefore been prepared on the going concern basis. In light of the ongoing COVID-19 pandemic, the Directors have reviewed the company's finances. In the short term cash holdings are sufficient to ensure adequate cashflow for the foreseeable future.

BRITISH ALLIED TRADES FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.4 REVENUE

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.

2.5 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.

2.6 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 provided on the following basis:

Freehold property	-	2% Straight line
Fixtures and fittings	-	10% Straight line
Computer equipment	-	25% Straight line

2.7 INVESTMENT PROPERTY

Investment property is carried at fair value determined annually by management and external valuer's 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 Profit and Loss account.

2.8 OPERATING LEASES - AS LESSEE

Rentals paid under operating leases are charged to the Profit and Loss account on a straight line basis over the lease term.

2.9 FINANCIAL INSTRUMENTS

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

BRITISH ALLIED TRADES FEDERATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

DEBTORS

Short term debtors and other receivables are measured at transaction price, less any impairment.

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. Cash held as part of the investment portfolio is shown within fixed asset investments.

CREDITORS

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

2.10 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss account.

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

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.

2.13 OPERATING LEASES: THE GROUP AS LESSOR

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

Rent free periods given as an incentive to sign an operating lease are spread over the term of the lease on a straight line basis.

2.14 AGENCY ARRANGEMENTS

The Federation acts as an agent for the distribution of funds. Payments received and subsequent disbursements are excluded from the consolidated profit and loss account, as the Federation does not have control over these funds.

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NOTES TO THE FINANCIAL STATEMENTS
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2. ACCOUNTING POLICIES (CONTINUED)

2.15 PENSIONS

The Group operates a defined contribution plan for its employees. 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 Group in independently administered funds.

2.16 BORROWING COSTS

All borrowing costs are recognised in the Profit and Loss account in the year in which they are incurred.

2.17 CURRENT AND DEFERRED TAXATION

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

Deferred tax balances are 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. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include the following:

Investment property valuation

The investment property is revalued annually to the estimated open market value as at the year-end.

4. TURNOVER

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

	2021 £	2020 £
International services	79,048	293,375
Trade associations and members' services	1,713,165	1,765,025
	<u>1,792,213</u>	<u>2,058,400</u>

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5. OTHER OPERATING INCOME

	2021	<i>2020</i>
	£	£
Government grants receivable	-	61,350
Rents receivable	123,032	65,409
	123,032	<i>126,759</i>

In the year to 31 December 2020 the company was eligible to claim additional funding in the year from the furlough support scheme provided by the government in response to the coronavirus outbreak (CJRS) whereby the company furloughed staff. The funding received of £61,350 related to staff costs. no such income was due in the year to 31 December 2021.

6. ADMINISTRATIVE EXPENSES

Administration expenses include:

	2021	<i>2020</i>
	£	£
Presidents fees	5,000	-
Donations	4,012	4,650
Operating lease rentals	2,805	9,962
Depreciation of tangible fixed assets	30,111	33,199
Amortisation of intangible assets	11,271	8,654
Defined contribution pension cost	61,008	70,800

7. EMPLOYEES

The average monthly number of employees, including directors, during the year was 24 (2020 - 29).

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8. TRANSACTIONS WITH DIRECTORS

The role of President, was undertaken by one director during the year. Honorarium payments made during the year totalled £5,000 (2020: £nil).

During the year £37,991 (2020: £59,300) was expensed relating to consultancy fees. There was a £nil (2020: £5,000) creditor balance as at 31 December 2021.

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 £340,566 (2020: £380,529) was paid to the above key management personnel during the year.

9. INCOME FROM FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Dividends receivable on listed investments	323,837	296,926

10. INTEREST PAYABLE

	2021	2020
	£	£
Other loan interest payable	31,549	33,718

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11. TAXATION

	2021	2020
	£	£
CORPORATION TAX		
Refund of tax suffered at source	(1,418)	(1,413)
TOTAL CURRENT TAX	(1,418)	(1,413)
DEFERRED TAX		
Origination and reversal of timing differences	340,826	(21,950)
TOTAL DEFERRED TAX	340,826	(21,950)
TAXATION ON LOSS	339,408	(23,363)

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NOTES TO THE FINANCIAL STATEMENTS
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12. INTANGIBLE ASSETS

Group and Company

	Computer software £
COST	
At 1 January 2021	54,100
Additions	24,001
At 31 December 2021	<u>78,101</u>
AMORTISATION	
At 1 January 2021	29,046
Charge for the year on owned assets	11,271
At 31 December 2021	<u>40,317</u>
NET BOOK VALUE	
At 31 December 2021	<u><u>37,784</u></u>
<i>At 31 December 2020</i>	<u><u>25,054</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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13. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2021	1,375,000	677,494	153,635	2,206,129
Additions	-	-	28,520	28,520
At 31 December 2021	<u>1,375,000</u>	<u>677,494</u>	<u>182,155</u>	<u>2,234,649</u>
DEPRECIATION				
At 1 January 2021	126,000	588,113	147,225	861,338
Charge for the year on owned assets	18,000	13,510	7,044	38,554
At 31 December 2021	<u>144,000</u>	<u>601,623</u>	<u>154,269</u>	<u>899,892</u>
NET BOOK VALUE				
At 31 December 2021	<u><u>1,231,000</u></u>	<u><u>75,871</u></u>	<u><u>27,886</u></u>	<u><u>1,334,757</u></u>
<i>At 31 December 2020</i>	<u><u>1,249,000</u></u>	<u><u>89,381</u></u>	<u><u>6,410</u></u>	<u><u>1,344,791</u></u>

Cost or valuation at 31 December 2020 for freehold property is as follows:

	Land and buildings £
AT COST	735,000
INCREASE AT VALUATION: 2015	640,000
	<u><u>1,375,000</u></u>

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13. TANGIBLE FIXED ASSETS (CONTINUED)

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

	2021 £	2020 £
GROUP		
Cost	735,000	735,000
Accumulated depreciation	(338,100)	(323,400)
NET BOOK VALUE	<u>396,900</u>	<u>411,600</u>

HERITAGE ASSETS

The Federation owns a silver collection of 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 £940,543. There is no public access to the collection.

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13. TANGIBLE FIXED ASSETS (CONTINUED)

Company

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2021	1,375,000	593,066	153,635	2,121,701
Additions	-	-	28,520	28,520
At 31 December 2021	<u>1,375,000</u>	<u>593,066</u>	<u>182,155</u>	<u>2,150,221</u>
DEPRECIATION				
At 1 January 2021	126,000	583,500	147,225	856,725
Charge for the year on owned assets	18,000	5,067	7,044	30,111
At 31 December 2021	<u>144,000</u>	<u>588,567</u>	<u>154,269</u>	<u>886,836</u>
NET BOOK VALUE				
At 31 December 2021	<u>1,231,000</u>	<u>4,499</u>	<u>27,886</u>	<u>1,263,385</u>
<i>At 31 December 2020</i>	<u>1,249,000</u>	<u>9,566</u>	<u>6,410</u>	<u>1,264,976</u>

FREEHOLD PROPERTY

The freehold property was revalued to £1,375,000 by Chamberlains Chartered Surveyors, a RICS registered Chartered Surveyor, at the date of transition to FRS102 in 2015, and taken to be deemed cost. Freehold land amounting to £475,000 has not been depreciated (Group and Company).

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14. FIXED ASSET INVESTMENTS

Group

	Listed investments £	Unlisted investments £	Total £
COST OR VALUATION			
At 1 January 2021	12,158,490	404,834	12,563,324
Additions	1,831,270	-	1,831,270
Disposals	(1,903,854)	(120,316)	(2,024,170)
Revaluations	960,005	-	960,005
At 31 December 2021	<u>13,045,911</u>	<u>284,518</u>	<u>13,330,429</u>

Company

	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Total £
COST OR VALUATION				
At 1 January 2021	2,400,000	12,158,490	404,834	14,963,324
Additions	-	1,831,270	-	1,831,270
Disposals	-	(1,903,854)	(120,316)	(2,024,170)
Revaluations	-	960,005	-	960,005
At 31 December 2021	<u>2,400,000</u>	<u>13,045,911</u>	<u>284,518</u>	<u>15,730,429</u>

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14. FIXED ASSET INVESTMENTS (CONTINUED)

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
The National Association of Goldsmiths of Great Britain and Ireland	England and Wales	Dormant	Guarantee	100%
BATF Properties Limited	England and Wales	Investment property	Ordinary	100%
Jewellery Advisory Centre Limited	England and Wales	Dormant	Ordinary	75%

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
The National Association of Goldsmiths of Great Britain and Ireland	75	-
Jewellery Advisory Centre Limited	-	-
BATF Properties Limited	(655,997)	13,609

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. INVESTMENT PROPERTY

Group

	Freehold investment property £
VALUATION	
At 1 January 2021	2,400,000
AT 31 DECEMBER 2021	<u>2,400,000</u>

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 investment property was revalued to its estimated open market value as at 31 December 2021 by Mr M Sweeney, who has experience of the surrounding London property market and it is deemed to be representative of the market values of similar local property sales.

This year there was a £nil revaluation (2020: revaluation loss £691,177).

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NOTES TO THE FINANCIAL STATEMENTS
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16. DEBTORS

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Trade debtors	54,806	55,492	54,806	55,492
Amounts owed by group undertakings	-	-	109,716	93,574
Other debtors	2,823	3,830	2,823	3,830
Prepayments and accrued income	128,092	117,278	87,198	114,722
Tax recoverable	5,288	3,870	5,288	3,870
	191,009	180,470	259,831	271,488

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Other loans	1,500,000	1,500,000	1,500,000	1,500,000
Trade creditors	89,093	70,673	89,093	70,673
Other taxation and social security	53,569	228,243	53,569	228,243
Other creditors	109,505	82,953	109,505	82,953
Accruals and deferred income	193,489	150,794	193,489	150,794
	1,945,656	2,032,663	1,945,656	2,032,663

Secured loans

The £1,500,000 loan is secured on the fixed asset investments held by the Company.

It is interest bearing at a rate of 2% above base rate and is repayable on demand. The facility will be reviewed annually and is ultimately repayable on demand.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £	<i>Group 2020 £</i>
Accruals and deferred income	58,890	-

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NOTES TO THE FINANCIAL STATEMENTS
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19. DEFERRED TAXATION

Group

	2021
	£
At beginning of year	(109,311)
Charged to profit or loss	(340,826)
AT END OF YEAR	(450,137)

Company

	2021
	£
At beginning of year	(109,311)
Charged to profit or loss	(340,826)
AT END OF YEAR	(450,137)

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>2020</i>	2021	<i>2020</i>
	£	<i>£</i>	£	<i>£</i>
Short term timing differences	(11,164)	<i>(1,921)</i>	(11,164)	<i>(1,921)</i>
Capital gains	(632,495)	<i>(279,711)</i>	(632,495)	<i>(279,711)</i>
Losses and other deductions	193,522	<i>172,321</i>	193,522	<i>172,321</i>
	(450,137)	<i>(109,311)</i>	(450,137)	<i>(109,311)</i>

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NOTES TO THE FINANCIAL STATEMENTS
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20. RESERVES

Revaluation reserve

This reserve records the surplus arising on the valuation of Freehold property.

Other reserves

This reserve includes all current and prior period retained profit and losses for the trade associations.

Profit and loss account

This reserve includes all current and prior period retained profit and losses.

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

The contributions are recognised as an expense in the statement of comprehensive income 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 £61,008 (2020: £70,800) and contributions amounting to £nil (2020: £nil) were payable to the scheme at the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
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23. RESERVES DESIGNATED TO TRADE ASSOCIATIONS

	NAJ £	GA £	SEA £	Total £
Income				
Subscriptions	647,675	203,857	124,755	976,287
Share of investment income	345	413	1,040	1,798
Other income generated	447,193	43,340	261,552	752,086
	<u>1,095,213</u>	<u>247,610</u>	<u>387,347</u>	<u>1,730,171</u>
Expenditure				
Staff costs	(254,718)	(129,934)	(147,949)	(532,601)
Other direct expenses	(478,590)	(79,490)	(180,832)	(738,912)
Service cost allocation	(98,746)	(65,254)	(56,000)	(220,000)
	<u>(832,054)</u>	<u>(274,678)</u>	<u>(384,781)</u>	<u>(1,491,513)</u>
Net profit	<u>263,159</u>	<u>(27,068)</u>	<u>2,566</u>	<u>238,658</u>
	-	-	-	-
Balance at 1 January 2021	1,661,752	359,009	900,870	2,921,630
31 December 2021	<u><u>1,924,911</u></u>	<u><u>331,941</u></u>	<u><u>903,436</u></u>	<u><u>3,160,288</u></u>

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24. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Not later than 1 year	-	2,805	-	2,805
	<hr/>	<hr/>	<hr/>	<hr/>
	-	2,805	-	2,805
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

At 31 December 2021 the Group and the Company had future minimum lease receipts due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Company 2021 £
Not later than 1 year	127,593	127,593
Later than 1 year and not later than 5 years	19,630	19,630
	<hr/>	<hr/>
	147,223	147,223
	<hr/> <hr/>	<hr/> <hr/>

25. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption under FRS 102 section 33 not to disclose related party transactions and balances between wholly owned members of the same group.

See also note 8 for details of transactions with directors.