

REGISTRAR

Registered number: 00059737

BRITISH FOOTWEAR ASSOCIATION LIMITED

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2018

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BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER:00059737

BALANCE SHEET
AS AT 28 FEBRUARY 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	257,073	258,583
Investments	5	785,500	754,370
		<u>1,042,573</u>	<u>1,012,953</u>
Current assets			
Debtors: amounts falling due within one year	6	130,314	180,712
Cash at bank and in hand	7	148,288	235,223
		<u>278,602</u>	<u>415,935</u>
Creditors: amounts falling due within one year	8	(201,398)	(278,433)
Net current assets		<u>77,204</u>	<u>137,502</u>
Total assets less current liabilities		<u>1,119,777</u>	<u>1,150,455</u>
Provisions for liabilities			
Deferred tax	9	(12,577)	(12,577)
		<u>(12,577)</u>	<u>(12,577)</u>
Net assets		<u><u>1,107,200</u></u>	<u><u>1,137,878</u></u>

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER:00059737

BALANCE SHEET (CONTINUED)
AS AT 28 FEBRUARY 2018

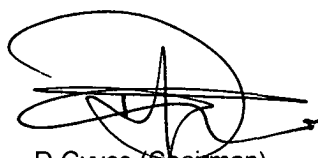
	Note	2018 £	2017 £
Capital and reserves			
Revaluation reserve	10	337,701	295,207
Profit and loss account	10	769,499	842,671
		<u>1,107,200</u>	<u>1,137,878</u>

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with 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 by:



D Gyves (Chairman)
Director



J S Saunders
Director

Date: 31/10/18

The notes on pages 5 to 14 form part of these financial statements.

Date: 31/10/18

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2018

	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 March 2017	295,207	842,671	1,137,878
Comprehensive income for the year			
Loss for the year	-	(84,248)	(84,248)
Surplus on revaluation of listed investments	53,570	11,076	64,646
Other comprehensive income for the year	53,570	11,076	64,646
Total comprehensive income for the year	53,570	(73,172)	(19,602)
Transfer to/from profit and loss account	(11,076)	-	(11,076)
Total transactions with owners	(11,076)	-	(11,076)
At 28 February 2018	337,701	769,499	1,107,200

The notes on pages 5 to 14 form part of these financial statements.

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2017

	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 March 2016	181,021	1,029,112	1,210,133
Comprehensive income for the year			
Loss for the year	-	(163,495)	(163,495)
Deficit on revaluation of listed investments	-	(4,274)	(4,274)
Surplus on revaluation of listed investments	91,240	-	91,240
Other comprehensive income for the year	91,240	(4,274)	86,966
Total comprehensive income for the year	91,240	(167,769)	(76,529)
Transfer to/from profit and loss account	22,946	(18,672)	4,274
Total transactions with owners	22,946	(18,672)	4,274
At 28 February 2017	295,207	842,671	1,137,878

The notes on pages 5 to 14 form part of these financial statements.

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

1. General information

British Footwear Association Limited is a company limited by guarantee, domiciled in England and Wales, registered number 00059737. The registered office and principal place of business is 3 Burystead Place, Wellingborough, NN8 1AH.

The principal activity of the Company during the year was promoting and representing the footwear industry.

The Company derives its income from providing its members with marketing services which arise from organising stands and facilities at overseas trade shows, running a group logistics facility and charging a levy on its members.

The financial statements are presented in Sterling, which is also the functional currency of the Company.

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.

The following principal accounting policies have been applied:

2.2 Consolidation

In the opinion of the directors, the Company and its subsidiary undertakings comprise a small group. The Company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

2. Accounting policies (continued)

2.3 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

Government grants are receivable from UK Trade and Investment in relation to specific trade shows. The funds are utilised to assist with the running costs of the related trade shows. The grants are credited to the profit and loss account as the related expenditure is incurred.

2.5 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.

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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 and on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- 2% of cost
Office equipment	- 20% of net book value
Software	- 33% of net book value

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.7 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.

2.8 Cash and cash equivalents

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.

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

2. Accounting policies (continued)

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 debtors and creditors, 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 Statement of Comprehensive Income.

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.

2.10 Creditors

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

2.11 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 Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

BRITISH FOOTWEAR ASSOCIATION LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018**

2. Accounting policies (continued)

2.12 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 payment 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.

2.13 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 Statement of Comprehensive Income 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.

2.14 Current and deferred taxation

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

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

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

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

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

BRITISH FOOTWEAR ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2017 - 5).

4. Tangible fixed assets

	Freehold property £	Office equipment £	Software £	Total £
Cost or valuation				
At 1 March 2017	265,000	9,128	-	274,128
Additions	-	-	4,995	4,995
At 28 February 2018	265,000	9,128	4,995	279,123
Depreciation				
At 1 March 2017	10,600	4,945	-	15,545
Charge for the year on owned assets	5,300	1,205	-	6,505
At 28 February 2018	15,900	6,150	-	22,050
Net book value				
At 28 February 2018	249,100	2,978	4,995	257,073
At 28 February 2017	254,400	4,183	-	258,583

As permitted by FRS 102 s.35.10 (c) the company has elected to measure its freehold property at its fair value and use that fair value as its deemed cost at the date of transition. The freehold property was revalued by Martin Pendered and Co Limited as at 1 March 2015 and was valued at £265,000.

An income is generated from a small part of the freehold property rented out to an independent third party. The Directors consider the effect of reclassifying this element of the property to investment property to be immaterial and as a result the entire property has been disclosed as freehold property.

BRITISH FOOTWEAR ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

5. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 March 2017	10	754,360	754,370
Additions	-	32,488	32,488
Disposals	-	(54,652)	(54,652)
Revaluations	-	53,294	53,294
At 28 February 2018	10	785,490	785,500
Net book value			
At 28 February 2018	10	785,490	785,500
At 28 February 2017	10	754,360	754,370

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
BFA Training Limited	Ordinary Shares	100 %	Provision of training courses to the footwear industry

The company also had a quasi-subsidiary, the British Footwear Development Trust, a charity. The Trustees of the charity are appointed by the Directors of the British Footwear Association Limited. The charity's surplus/deficit for the year ended 28 February 2018 was £2,467 deficit (2017 - £28,185 surplus) and its accumulated funds at that date amounted to £245,778 (2017 - £248,248).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

5. Fixed asset investments (continued)

The aggregate of the share capital and reserves as at 28 February 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
BFA Training Limited	1,629	(154)
	<u>1,629</u>	<u>(154)</u>

Listed investments

The fair value of the listed investments at 28 February 2018 was £785,490 (2017 - £754,360).

6. Debtors

	2018 £	2017 £
Trade debtors	113,354	165,578
Amounts owed by group undertakings	1,216	1,218
Other debtors	7,231	4,456
Prepayments and accrued income	8,513	9,460
	<u>130,314</u>	<u>180,712</u>

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>148,288</u>	<u>235,223</u>

BRITISH FOOTWEAR ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	77,378	71,092
Other taxation and social security	20,919	27,413
Other creditors	8,364	14,299
Accruals and deferred income	94,737	165,629
	<u>201,398</u>	<u>278,433</u>

	2018 £	2017 £
Other taxation and social security		
PAYE/NI control	4,229	4,361
VAT control	16,690	23,052
	<u>20,919</u>	<u>27,413</u>

9. Deferred taxation

	2018 £	2017 £
At beginning of year	(12,577)	6,095
Charged to profit or loss	-	(18,672)
At end of year	<u>(12,577)</u>	<u>(12,577)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Gain/(loss) on revaluation of investments	<u>(12,577)</u>	<u>(12,577)</u>

Due to uncertainties surrounding the company's ability to generate future taxable trading profits, no deferred tax asset has been included within the financial statements in relation to trading losses carried forward. If a deferred tax asset had been included it would have amounted to £63,169 (2017: £39,672), calculated at 17% (2017: 17%) of the taxable trading losses carried forward.

BRITISH FOOTWEAR ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

10. Reserves

Revaluation reserve

The revaluation reserve includes unrealised gains and losses on listed investments held by the company.

Profit and loss account

The profit and loss account reserve includes all current and prior period retained profits and losses.

11. 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.

12. Auditor's information

The auditor's report on the financial statements for the year ended 28 February 2018 was unqualified.

The audit report was signed on 7 November 2018 by Martin Herron BA ACA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.