

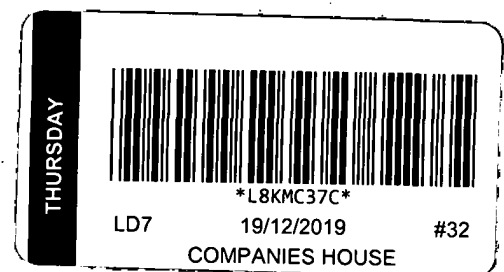
Company No: 02592536

**BRITISH MARINE FEDERATION
(A COMPANY LIMITED BY GUARANTEE)**

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2019



BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION

Directors

A Allen
W Blagdon
I Cooke
P Gullett
E Helps
B Jones
P Martin
A Morgan
G Munford
J L Robinson
D Smith
P Woods

Company Number

02592536 (England and Wales)

Auditor

RSM UK Audit LLP
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

Registered Office

Marine House
Thorpe Lea Road
Egham
Surrey
TW20 8BF

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

STRATEGIC REPORT

The directors present their strategic report of British Marine Federation ("British Marine") and its subsidiaries for the year ended 30 June 2019.

PRINCIPAL ACTIVITIES

The group is governed by a trade association whose principal trading activity is providing services to members and representing the leisure marine, small commercial marine and superyacht sectors of the maritime industries and also the organisation of boat shows. The company is a trade association whilst also providing management services to its subsidiaries.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

In the year we provided services to members which included key representation of members interests and concerns with external parties such as government for example on the proposed banning of red diesel for the propulsion purposes of private pleasure craft, potential Brexit implications, the provision of training and technical services and also promotional messaging. Highlights have also included the delivery of a new industry EXPO event, our 2025 strategic plan, and our new National Agenda.

Our new National Agenda identifies five themes that members have said they want us to focus on. These are:

- Participation
- People and skills
- Environment
- Technology and innovation
- Representation

Over the past 12 months, we've created a structure which now gives British Marine a new direction and prioritisation for the organisations' services, helping us to deliver a long-term vision for the industry.

It won't be possible to do everything at once in each area, so we will be consulting with members to agree bite-sized chunks for action. Most importantly, we'll expect to be held to account on these, to measure progress and report on each action so that members can see how well we're doing on their behalf.

In the year we organised the Southampton International Boat Show and represented members interests at international shows such as Monaco and Dusseldorf with exhibition stands/trade missions.

Going forward British Marine will continue to meet the variety of challenges that the Brexit vote, with its UK economy and political landscape implications, presents. We will make representations to Government and advise our members on the best strategies to deal with the changing trading conditions and at the same time we will adapt effectively and efficiently to on-going developments within our industry, and the global economy in which it operates. We will continue to build upon our National Agenda, ensuring that we put members' first. Our Membership continues to be healthy with c.1,550 members (2018: c.1,600 members).

We will continue to run Southampton profitably as in previous years and are actively working with members to action appropriate promotional activity to support their business requirements. This will include support of regional shows and other promotional events.

British Marine to relocate Head Office by spring 2020

As a member-driven organisation and as part of our ongoing drive to deliver the best value for our members, the senior management team and board of directors of British Marine have reviewed extensively all aspects of our operation. This is in order to achieve our 2025 strategic plan aspirations of developing the British marine industry by driving improvements in product and service quality, marine careers, training, government representation and overall consumer participation in UK boating.

Relocating British Marine's head office to Southampton by spring 2020 enables the organisation to remain accessible to its members and positions the organisation in the area in which 65% of the leisure marine workforce are located.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

STRATEGIC REPORT (Continued)

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS (CONTINUED)

The UK's largest festival of boating has taken place in Southampton for over 50 years and having the British Marine's operational team close to the show site brings added benefits in terms of reduced travel time to meetings and closer relationships with the city.

Many of the nation's maritime organisations are headquartered in Southampton and the city hosts several universities and further education colleges attracting tomorrow's marine professionals. Transport links via road, rail and air are extremely convenient, allowing staff and visitors easy access to the office.

While being on the South Coast is convenient to many members and enables better direct member contact, British Marine will ensure that we continue to service our members by hosting alternate board meetings in the regions. In addition, we have reorganised our regional representation to better serve existing and new members through the whole country and will be creating regular regional workshop sessions across the UK.

KEY PERFORMANCE INDICATORS AND RISKS

Turnover in the current year has decreased in the year due to the cessation of the London Boat Show to £7,461,760 (2018: £9,035,027), resulting in a reduction in the operating loss from £819,458 in 2018 to £279,981 in 2019. The EBITDA for the year is £2,652 (2018: loss £633,698), after adjusting for historical differences written off.

A fair value gain of £605,264 on the revaluation of Marine House has increased net profit in the year.

Overall net assets for the group increased by 107% (2018: 23%) from £1,642,040 reported in the last financial year to £3,400,262 reported in this financial year.

The success and effectiveness of British Marine is measured by more than financial performance. The key measures are:

- Membership
- Representation of the industry and interaction with Government
- Development of the Boat Shows to showcase the industry
- Number of people who go boating

Membership

We have done well to maintain our membership levels at around 1,550 in a very challenging economic and political environment. This has been achieved through a focus on customer service and member engagement.

Representation of the Industry and Interaction with Government

British Marine is recognised by Government, the media and other opinion formers as the voice of the leisure, Superyacht and small commercial marine industry. The industry has been well represented through British Marine's leading role in Maritime UK. Strong relationships are also maintained with politicians and officials across numerous Government Departments. Our work at the political level has established our industry as being widely viewed as a UK manufacturing success story.

Development of the Boat Show

The Southampton Boat Show continues to provide the premier platform for sales and the promotion of the UK boating industry.

The 2018 show again created an excellent ambience and sales platform delivering encouraging trading for our 500 plus exhibitors and 98,000 (2017: 106,000) visitors attended across the 10 days.

Number of people who go boating

The number of adults who participate in marine leisure activities is around 4 million. British Marine is continuing to address the participation issue as part of its national agenda

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

STRATEGIC REPORT (Continued)

Principal risks and uncertainties

The key risks are:

- Economic and political climate – continuing uncertainty around the implementation of Brexit vote will see the industry and British Marine operating in an uncertain environment. This could impact on membership subscriptions and Boat show revenues.
- Cash flow and credit risk – the group manages credit and cash flow risk by regular monitoring of cashflow forecast against bank facilities. The group applies strict collection policies to debtors.
- Interest risk – the group has an overdraft facility available to them. The Group is therefore exposed to interest rate risk on the drawn facility at a fixed rate. To mitigate this risk the Group has robust cash forecasting procedures and working capital requirements are regularly monitored in the light of changing operational requirements.
- The changes that we are making to our Southampton International boat show and our support going forward of different activities to encourage people into boating.

Principal risks and uncertainties (Continued)

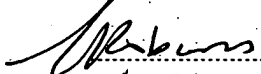
Although financial risks are considered to be minimal at present, future interest rate and liquidity risks could arise, and the Board will continue to monitor these risks in the new financial year.

The Directors continually monitor the risks facing the organisation.

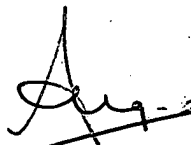
The strategic report was approved by the board on 10 December 2019 and signed on its behalf

On behalf of the Board

J L Robinson
Director

 2019
10 December 2019

A Morgan
Director


10 December 2019

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

The directors submit their report and the consolidated financial statements of British Marine Federation and its subsidiaries for the year ended 30 June 2019.

RESULTS AND DIVIDENDS

The consolidated statement of comprehensive income for the year is set out on page 9.

The profit of the Group for the year after taxation was £498,486 (2018: £492,232 loss).

The Company is limited by guarantee and consequently precluded from paying a dividend.

DIRECTORS

The following directors have held office since 1 July 2018.

A Allen	
W Blagdon	
I Cooke	
A Davies	(Resigned 17 July 2018)
L Fuller	(Resigned 17 July 2018)
P Gullett	
E Helps	(Appointed 17 July 2018)
B Jones	
C Manners	(Appointed 17 July 2018 and resigned 29 November 2019)
P Martin	
B Metcalfe	(Resigned 17 July 2018)
A Morgan	
G Munford	
D Pougher	(Resigned 18 July 2019)
J L Robinson	(Appointed 16 July 2018)
D Smith	(Appointed 21 February 2019)
A Trafford	(Resigned 17 July 2018)
P Woods	

AUDITOR

The auditor, RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR


The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

STRATEGIC REPORT

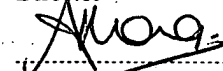
The Group has chosen, in accordance with Companies Act 2006, s. 414C (11), to set out in the Group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. Sch. 7 to be contained in the directors' report. It has done so in respect of future developments, principal risks and uncertainties and financial risk management.

By order of the Board

J L Robinson
Director

 2019
10 December 2019

A Morgan
Director

 2019
5 10 December 2019

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of British Marine Federation (a company limited by guarantee) (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2019 which comprise the consolidated statement of comprehensive income, statements of financial position, statements of changes in equity, consolidated cash flow statement and notes to the financial statements, 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 FRS 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 30 June 2019 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH MARINE FEDERATION
(A COMPANY LIMITED BY GUARANTEE) (Continued)**

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 strategic report and 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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.

RSM UK Audit LLP

Caroline Watson ACA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey GU1 1UN

13 December 2019

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
TURNOVER	1	7,461,760	9,035,027
Other operating expenses (net)	2	(7,741,741)	(9,854,485)
OPERATING LOSS		<u>(279,981)</u>	<u>(819,458)</u>
Fair value gain on investment property		605,264	-
Fair value gains/(losses) on investments		88,850	(78,948)
Investment income	3	119,988	343,774
Interest payable and similar expenses	4	(36,973)	(30,987)
PROFIT/(LOSS) BEFORE TAXATION	5	<u>497,148</u>	<u>(585,619)</u>
Taxation	7	1,338	93,387
PROFIT/(LOSS) AFTER TAXATION		<u>498,486</u>	<u>(492,232)</u>
OTHER COMPREHENSIVE INCOME			
Revaluation of land and buildings		1,259,736	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		<u><u>1,758,222</u></u>	<u><u>(492,232)</u></u>

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)


STATEMENTS OF FINANCIAL POSITION (Company Registration Number: 02592536)

AT 30 JUNE 2019

	Notes	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
FIXED ASSETS					
Intangible assets	8	34,031	83,456	16,312	59,831
Tangible assets	9	3,291,203	1,510,650	16,203	100,650
Investments	10	3,138,439	3,405,369	3,363,623	3,630,553
		<u>6,463,673</u>	<u>4,999,475</u>	<u>3,396,138</u>	<u>3,791,034</u>
CURRENT ASSETS					
Debtors	11	3,603,861	4,023,159	3,389,993	3,557,014
Cash at bank and in hand		1,051,567	35,301	33,450	2,621
PREPAYMENTS AND ACCRUED INCOME		621,311	656,263	179,698	267,920
Creditors: Amounts falling due within one year	12	(2,949,583)	(2,206,602)	(4,888,501)	(4,649,839)
NET CURRENT ASSETS/(LIABILITIES)		<u>2,327,156</u>	<u>2,508,121</u>	<u>(1,285,360)</u>	<u>(822,284)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,790,829</u>	<u>7,507,596</u>	<u>2,110,778</u>	<u>2,968,750</u>
ACCRUALS AND DEFERRED INCOME		(5,390,567)	(5,865,556)	(1,786,617)	(1,722,843)
NET ASSETS		<u><u>3,400,262</u></u>	<u><u>1,642,040</u></u>	<u><u>324,161</u></u>	<u><u>1,245,907</u></u>
CAPITAL AND RESERVES					
Fair value reserve	16	2,236,385	239,100	371,385	239,100
Capital reserve	16	253	253	92	92
Profit and loss account	16	1,163,624	1,402,687	(47,316)	1,006,715
TOTAL EQUITY		<u><u>3,400,262</u></u>	<u><u>1,642,040</u></u>	<u><u>324,161</u></u>	<u><u>1,245,907</u></u>

As permitted by s408 of the Companies Act 2016, the Company has not presented its own statement of comprehensive income. The Company's total comprehensive expense for the year was £921,746 (2018: £209,195 income).

The financial statements were approved by the Board of directors and authorised for issue on 10 December 2019 and are signed on its behalf by:


J L Robinson
Director


A Morgan
Director

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CHANGES IN EQUITY

AT 30 JUNE 2019

GROUP	Capital reserve £	Fair value reserve £	Profit & loss account £	Total £
Balance at 1 July 2017	253	732,536	1,401,483	2,134,272
Loss and total comprehensive expense for the year	-	(78,948)	(413,284)	(492,232)
Transfer between reserves	-	(414,488)	414,488	-
Balance at 30 June 2018	253	239,100	1,402,687	1,642,040
Profit for the year	-	88,850	409,636	498,486
Other comprehensive income: Revaluation of tangible fixed assets	-	1,259,736	-	1,259,736
Total comprehensive income for the year	-	1,348,586	409,636	1,758,222
Transfer between reserves	-	648,699	(648,699)	-
Balance at 30 June 2019	253	2,236,385	1,163,624	3,400,262

Included in the transfer between resources is £605,264 (2018: £Nil) relating to fair value gains on investment property and £43,435 (2018: £414,488) relating to recognised gains on disposals of listed investments.

COMPANY	Capital reserve £	Fair value reserve £	Profit & loss account £	Total £
Balance at 1 July 2017	92	732,536	722,474	1,455,102
Loss for the year	-	(78,948)	(130,247)	(209,195)
Transfer between reserves	-	(414,488)	414,488	-
Balance at 30 June 2018	92	239,100	1,006,715	1,245,907
Loss for the year	-	88,850	(1,010,596)	(921,746)
Transfer between reserves	-	43,435	(43,435)	-
Balance at 30 June 2019	92	371,385	(47,316)	324,161

The transfer between reserves relates to recognised gains on disposals of listed investments.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 £	2018 £
Operating activities			
Cash used in operations	17	(249,915)	(128,437)
Corporation tax received/(paid)		5,553	(13,303)
NET CASH USED IN OPERATING ACTIVITIES		(244,362)	(141,140)
INVESTING ACTIVITIES			
Interest received		4,566	16,350
Investment income received		89,165	83,748
Interest paid		(36,973)	(30,987)
Purchase of tangible fixed assets		(13,449)	(10,042)
Payments to acquire intangible assets		(16,312)	(16,800)
Purchase of investments		(520,644)	(1,422,580)
Proceeds from sale of investments		902,681	1,604,681
NET CASH FROM INVESTING ACTIVITIES		409,034	224,370
NET INCREASE IN CASH AND CASH EQUIVALENTS		164,672	82,630
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		(651,918)	(734,548)
CASH AND CASH EQUIVALENTS AT END OF YEAR		(487,246)	(651,918)
 Relating to:			
Bank balances and short term deposits included in cash at bank and in hand		1,051,567	35,301
Bank overdrafts		(1,538,813)	(687,219)
		(487,246)	(651,918)

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2019

COMPANY INFORMATION

British Marine Federation is a private company limited by guarantee, registered and incorporated in England. The address of the Company's registered office and principal place of business is Marine House, Thorpe Lea Road, Egham, Surrey TW20 8BF. The principal activity of the Group is that of a trade association representing the British marine industry and the organisation and promotion of boat shows. The principal activity of the Company in the year was that of a trade association whilst also providing management services to its subsidiaries.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the requirements of the Companies Act 2006, including provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

REDUCED DISCLOSURES

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The Company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument, basis of determining fair values, details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The results of the Company are consolidated within these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

As permitted by s408 Companies Act 2006, the Company has not presented its own statement of comprehensive income. The Company's loss for the year was £934,747 (2018: £209,195).

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of British Marine Federation and all of its subsidiary undertakings (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the acquisition method. Their results are incorporated from the date that control passes. All financial statements are made up to 30 June 2019.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

FUNCTIONAL AND PRESENTATIONAL CURRENCIES

The financial statements are presented in sterling which is also the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest £.

GOING CONCERN

The directors have reviewed the Group's cash flows and the available finance and have determined that it can continue to invest in its services to members and delivery of the Southampton boat show. The directors note the company's loss for the year £921,746 (2018: £209,195) and net current liabilities of £1,285,360 (2018: £822,284) and have reviewed the availability of cash and liquid assets, concluding that the company has sufficient cash available to meet their liabilities as they fall due.

On this basis the directors have determined that the Group and Company have sufficient working capital for their needs for at least 12 months from the date of signing of these financial statements.

FOREIGN CURRENCY TRANSLATION

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to income and expenditure, except to the extent that they relate to gains and losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

TURNOVER

Turnover is derived from subscription income, events, government grants and the annual Southampton Boat Show. Subscription income is received annually from all members of British Marine Federation. Turnover is accounted for on an accrual's basis.

Both event revenue and costs are recognised in the period in which the event has been completed. Deposits, relating to an event, received in advance are recorded as deferred income in the balance sheet.

Government grants are recognised in the profit and loss account so as to match them with expenditure towards which they are intended to contribute.

OTHER INCOME

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Dividend income is recognised when the investments become ex-div.

INTANGIBLE ASSETS

Intangible assets are stated at cost net of amortisation and provision for impairment. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Computer Software	-	25% straight line
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BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially recognised at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Leasehold buildings	-	2% straight line
Office, fixtures and equipment	-	25% straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

REVALUATION OF LEASEHOLD PROPERTY

Property whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and losses are recognised in profit or loss.

INVESTMENT PROPERTY

Investment property is initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

INVESTMENTS

Group

The Group's trade investments are classified as financial instruments and accounted for at fair value through profit or loss. They represent investments quoted on a recognised stock exchange and fair value is the quoted bid price.

Company

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

The Company's trade investments are classified as financial instruments and accounted for at fair value through profit or loss. They represent investments quoted on a recognised stock exchange and fair value is the quoted bid price.

IMPAIRMENTS

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

TAXATION (Continued)

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on income and expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains or losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

LEASES

Operating leases as a lessee

The annual rentals are charged to profit or loss on a straight-line basis over the lease term. Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised, on a straight-line basis over the lease term.

Operating leases as a lessor

Rental income from assets leased under operating leases is recognised on a straight-line basis over the term of the lease. Rent free periods or other incentives given to the lessee are accounted for as a reduction to the rental income and recognised on a straight-line basis over the lease term.

RETIREMENT BENEFITS

Defined contribution plan

For defined contribution schemes the amount charged to profit and loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

FINANCIAL INSTRUMENTS (Continued)

Financial assets

Trade, group and other debtors

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Trade investments

Trade investments are equity investments over which the Group has no significant influence, joint control or control and are initially measured at transaction price. Transaction price includes transaction costs, except where trade investments are measured at fair value through profit or loss when transaction costs are expensed to profit or loss as incurred.

Trade investments are non-convertible and non-puttable preference shares or non-puttable ordinary shares are measured at fair value through profit or loss.

The fair value of trade investments quoted on a recognised stock exchange is the quoted bid price. The fair value of unlisted investments is measured using valuation techniques which include turnover multiple, earnings multiple, net assets or discounted cash flows, as appropriate, based on the nature and circumstances of the investment.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade, group and other creditors

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

Bank overdraft

Bank overdrafts are presented within creditors: amounts falling due within one year.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

FINANCIAL INSTRUMENTS (Continued)

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Deferred taxation

Deferred tax liabilities are assessed on the basis of assumptions regarding the future, the likelihood that assets will be realised and liabilities will be settled, and estimates as to the timing of those future events and as to the future tax rates that will be applicable.

Valuation of property

A key accounting estimate in preparing these financial statements relates to the carrying value of the property which is stated at fair value. The Group uses external professional valuations as a basis for determining the directors' estimation of the fair value of the property. However, the valuation of the property is inherently subjective, as it is made on the basis of valuation assumptions which may in future not prove to be accurate.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2019****1. TURNOVER**

The total turnover of the Group for the year has been derived from its principal activity and from services wholly provided in the United Kingdom.

2. OTHER OPERATING EXPENSES

	2019 £	2018 £
Administrative expenses	7,860,048	9,906,929
Other operating income	(118,307)	(52,444)
	<u>7,741,741</u>	<u>9,854,485</u>

3. INVESTMENT INCOME

	2019 £	2018 £
Profit on disposal of listed investments	26,257	243,676
Other investment income	93,731	100,098
	<u>119,988</u>	<u>343,774</u>

4. INTEREST PAYABLE

	2019 £	2018 £
Bank interest	36,973	30,987

5. PROFIT/(LOSS) BEFORE TAXATION

	2019 £	2018 £
Profit/(loss) before taxation is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
- owned assets	83,279	64,402
Operating lease rentals:		
- plant and machinery	37,807	7,549
- land and buildings	334,737	959,408
Auditor's remuneration to RSM UK Audit LLP:		
- Statutory audit	29,950	34,000
Rents receivable	(118,307)	(52,444)
Gain on disposal of investments	(26,257)	(243,676)
Loss on disposal of fixed assets	50,627	5,956
Amortisation of intangible assets	29,727	114,402

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

6. EMPLOYEES

	2019	2018
The average number of employees (excluding directors) employed by the Group during the year was:	No.	No.
Administration	43	50
	£	£
Staff costs for the above persons (Group and Company):		
Wages and salaries	1,664,738	1,813,420
Social security costs	147,042	186,761
Other pension costs	61,826	74,724
	1,873,606	2,074,905

DIRECTORS' REMUNERATION

	2019	2018
	£	£
In respect of the directors of the Group and Company		
Emoluments for qualifying services	214,170	126,641
Group pension contributions to money purchase schemes	15,448	21,736
	229,618	148,377

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2018: 1).

The highest paid director in the year had emoluments of £140,426 and pension contributions of £10,978.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The total remuneration of the directors and senior management team, who are considered to be the key management personnel of the Group was £296,578 (2018: £511,157) including employer's national insurance of £43,061 (2018: £65,524).

All employees of the Group are also employees of the Company.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

7. TAXATION

	2019 £	2018 £
UK Corporation tax		
Current period	-	-
Adjustments in respect of prior periods	(495)	(6,129)
Current tax credit	<u>(495)</u>	<u>(6,129)</u>
Deferred tax		
Deferred tax credit for current period	(9,600)	(76,589)
Effect of change in tax rate	(14)	(10,669)
Adjustments in respect of prior periods	8,771	-
Deferred tax credit	<u>(843)</u>	<u>(87,258)</u>
Total tax credit	<u>(1,338)</u>	<u>(93,387)</u>
Factors affecting the tax credit for the year;		
Profit/(loss) before taxation	497,148	(585,619)
Profit/(loss) before taxation multiplied by effective rate of UK corporation tax: 19% (2018: 19%)	<u>94,458</u>	<u>(111,268)</u>
Effects of:		
Non-deductible expenses	32,486	16,812
Income not relevant for tax purposes	(151,660)	(8,818)
Adjustments in respect of prior periods – current tax	(495)	(6,129)
Adjustments in respect of prior periods – deferred tax	8,771	-
Chargeable gains/(losses)	21,727	(3,355)
Other tax adjustments	3,574	(19,461)
Deferred tax not recognised	(10,185)	28,163
Effect of change in tax rate	(14)	10,669
	<u>(95,796)</u>	<u>17,881</u>
Current tax credit	<u>(1,338)</u>	<u>(93,387)</u>

The Group has estimated tax losses of £522,477 (2018: £566,398) available to carry forward against future profits. Deferred tax in respect of these losses has been accounted for as detailed in note 14.

The UK main corporation tax rate will reduce to 17% from 1 April 2020, as announced in the Finance Bill 2016, which was substantively enacted on 12 September 2016. As the change has been substantively enacted at the balance sheet date, any deferred tax assets and liabilities reflect this rate.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 30 JUNE 2019****8. INTANGIBLE FIXED ASSETS
GROUP**

	Computer software £
Cost	
At 1 July 2018	581,856
Additions	16,312
Disposals	(558,231)
At 30 June 2019	39,937
Amortisation	
At 1 July 2018	498,400
Charge for the year	29,727
Disposals	(522,221)
At 30 June 2019	5,906
Net book value	
At 30 June 2019	34,031
At 30 June 2018	83,456

**INTANGIBLE FIXED ASSETS
COMPANY**

	Computer software £
Cost	
At 1 July 2018	558,231
Additions	16,312
Disposals	(558,231)
At 30 June 2019	16,312
Amortisation	
At 1 July 2018	498,400
Charge for the year	23,821
Disposals	(522,221)
At 30 June 2019	-
Net book value	
At 30 June 2019	16,312
At 30 June 2018	59,831

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

9. TANGIBLE FIXED ASSETS GROUP

	Leasehold land and buildings £	Office fixtures & equipment £	Total £
Cost			
At 1 July 2018	1,500,000	847,709	2,347,709
Additions	-	13,449	13,449
Disposals	-	(840,213)	(840,213)
Revaluation	1,775,000	-	1,775,000
At 30 June 2019	3,275,000	20,945	3,295,945
Depreciation			
At 1 July 2018	90,000	747,059	837,059
Charge for the year	-	83,279	83,279
Disposals	-	(825,596)	(825,596)
Revaluation	(90,000)	-	(90,000)
At 30 June 2019	-	4,742	4,742
Net book value			
At 30 June 2019	3,275,000	16,203	3,291,203
At 30 June 2018	1,410,000	100,650	1,510,650

The long leasehold properties were valued on an existing use basis by Kempton Carr Croft, a firm of independent Property Consultants as at April 2019 at a valuation of £3,275,000. The directors consider that the market value of the properties has not materially changed between the valuation date and the balance sheet date.

Included within leasehold land and buildings is £1,062,864 relating to investment property rented to third parties.

On an historical cost basis leasehold land and buildings would have been included at:

	£
Cost	
1 July 2018 and 30 June 2019	2,183,536
Depreciation based on cost	
1 July 2018	837,477
Charge in the year	43,671
At 30 June 2019	881,118
Net book value	
At 30 June 2019	1,302,418
At 30 June 2018	1,346,059

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 30 JUNE 2019****9. TANGIBLE FIXED ASSETS (Continued)
COMPANY**

	Office fixtures & equipment £
Cost	
At 1 July 2018	847,709
Additions	13,449
Disposals	(840,213)
At 30 June 2019	20,945
Depreciation	
At 1 July 2018	747,059
Charge for the year	83,279
Disposals	(825,596)
At 30 June 2019	4,742
Net book value At 30 June 2019	16,203
At 30 June 2018	100,650

**10. FIXED ASSET INVESTMENTS
GROUP**

	Listed investments £
Valuation	
At 1 July 2018	3,405,369
Additions	520,644
Disposals	(876,424)
Valuation charges	88,850
At 30 June 2019	3,138,439
At 30 June 2018	3,405,369

The cost of the listed investments at 30 June 2019 was £2,767,054 (2018: £3,166,271).

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

10. FIXED ASSET INVESTMENTS (Continued) COMPANY

	Listed investments £	Shares in group undertakings £	Total investments £
Valuation			
At 1 July 2018	3,405,369	225,184	3,630,553
Additions	520,644	-	520,644
Disposals	(876,424)	-	(876,424)
Valuation charges	88,850	-	88,850
At 30 June 2019	3,138,439	225,184	3,363,623
Net book value			
At 30 June 2019	3,138,439	225,184	3,363,623
At 30 June 2018	3,405,369	225,184	3,630,553

The cost of the listed investments at 30 June 2019 was £2,767,054 (2018: £3,166,271).

The Company holds 100% of the ordinary share capital of the following subsidiary undertakings:

Company	Country Incorporation	Nature of business
BMF Property Limited	Great Britain	Property ownership
National Boat Shows Limited	Great Britain	Boat show organisers
Southampton International Boat Show Limited	Great Britain	Boat show organisers

The registered address of the above subsidiaries is Marine House, Thorpe Lea Road, Egham, Surrey, TW20 8BF.

11. DEBTORS

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Amounts falling due within one year:				
Trade debtors	3,541,793	3,902,028	1,400,401	899,984
Amounts owed by group undertakings	-	-	1,928,059	2,542,646
Corporation tax receivable	1,071	6,129	1,071	-
Other debtors	2,676	57,524	2,647	57,524
Deferred tax asset (note 14)	58,321	57,478	57,815	56,860
	3,603,861	4,023,159	3,389,993	3,557,014

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

12. CREDITORS: Amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank overdrafts	1,538,813	687,219	1,538,813	687,219
Trade creditors	357,247	450,750	280,738	211,401
Amounts owed to group undertakings	-	-	2,553,832	3,236,086
Other taxes and social security	775,616	724,950	277,781	280,638
Other creditors	277,907	343,683	237,337	234,495
	<u>2,949,583</u>	<u>2,206,602</u>	<u>4,888,501</u>	<u>4,649,839</u>

13. FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments at 30 June were

	Group	
	2019	2018
	£	£
Financial assets		
Debt instruments measured at amortised cost	3,553,583	3,959,552
Investments measured at fair value	3,138,439	3,405,369
	<u>6,692,022</u>	<u>7,364,921</u>
Financial liabilities		
Measured at amortised cost	2,492,769	1,809,310
	<u>2,492,769</u>	<u>1,809,310</u>

14. DEFERRED TAXATION

GROUP

	Deferred taxation £
Balance at 1 July 2018	(57,478)
Credit to profit and loss	(843)
Balance at 30 June 2019	<u>(58,321)</u>

COMPANY

	Deferred taxation £
Balance at 1 July 2018	(56,860)
Credit profit and loss	(955)
Balance at 30 June 2019	<u>(57,815)</u>

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

14. DEFERRED TAXATION (Continued)

Deferred taxation provided in the financial statements is as follows:

GROUP

	2019 £	2018 £
Fixed term timing differences	(25,665)	(14,976)
Short term timing differences	(14,732)	(1,776)
Assets measured at fair value	45,833	31,254
Losses available	(63,757)	(71,980)
	<u>(58,321)</u>	<u>(57,478)</u>

COMPANY

	2019 £	2018 £
Fixed term timing differences	(25,159)	(14,358)
Short term timing differences	(14,732)	(1,776)
Assets measured at fair value	45,833	31,254
Losses available	(63,757)	(71,980)
	<u>(57,815)</u>	<u>(56,860)</u>

15. LIMITED BY GUARANTEE

The liability of each member of British Marine is limited to £1, being the amount that each member undertakes to contribute to the assets of British Marine in the event of its being wound up while the business concerned is a member or within one year after that business ceases to be a member, for:

- (a) payment of British Marine's debts and liabilities contracted before they ceased to be a member;
- (b) payment of the costs, charges and expenses of winding up, and;
- (c) adjustment of the rights of the contributories among themselves.

16. RESERVES

Fair value reserve

This represents the unrealised fair value gains arising on the Group's and Company's fixed assets held at fair value.

Capital reserve

This reserve represents the reserve arising on the Group reconstruction upon the incorporation of the Company.

Profit and loss account

This represents the accumulated profits of the Group and Company.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

17. CASH FLOWS

Reconciliation of loss after tax to net cash (used in) operations

	2019 £	2018 £
Profit/(loss) after tax	498,486	(492,232)
Adjustments for:		
Taxation	(1,338)	(93,387)
Interest payable	36,973	30,987
Depreciation of tangible fixed assets	83,279	64,402
Amortisation of intangible fixed assets	29,727	114,402
Gain on revaluation of investment property	(605,264)	-
Gain on disposal of investments	(26,257)	(243,676)
Loss on disposal of fixed assets	50,627	5,956
Investment income received	(93,731)	(100,098)
Fair value (gains)/losses on investments	(88,850)	78,948
Operating cash flow movements in working capital	(116,348)	(634,698)
Decrease/(increase) in debtors	415,083	(124,640)
Decrease in prepayments and accrued income	34,952	150,497
(Decrease)/increase in creditors within one year	(108,613)	172,756
(Decrease)/increase in accruals and deferred income	(474,989)	307,648
Cash used in operating activities	(249,915)	(128,437)

18. COMMITMENTS UNDER OPERATING LEASES

The Group as a lessee:

The total future minimum lease payments under non-cancellable operating leases for exhibition space are as follows:

	2019 £	2018 £
Amounts due:		
Within one year	212,713	163,676
	<u>212,713</u>	<u>163,676</u>

The total future minimum lease payments under non-cancellable operating leases for plant and machinery are as follows:

	2019 £	2018 £
Amounts due:		
Within one year	17,493	25,180
Between one and five years	18,141	19,673
	<u>35,634</u>	<u>44,853</u>

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

18. COMMITMENTS UNDER OPERATING LEASES (Continued)

The Group as a lessor:

At the year end, the Company had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:

	2019 £	2018 £
Amounts receivable:		
Within one year	35,605	56,003
Between one and five years	27,318	25,824
	<u>62,923</u>	<u>81,827</u>

The operating leases receivable represents amounts due from tenants in respect of the investment property. This relates to one property rented to three (2018: two) tenants with current annual income of £82,459 (2018: £52,444) and lease expiry dates of August 2019 and 2021. The next rent review was due in August 2019.

The Company as a lessee:

The total future minimum lease payments under non-cancellable operating leases for plant and machinery are as follows:

	2019 £	2018 £
Amounts due:		
Within one year	17,493	30,714
Between one and five years	18,141	36,275
	<u>35,634</u>	<u>66,989</u>

19. PENSION COSTS

The Group and Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group and Company in an independently administered fund. The pension cost charge represents contributions payable by the Group and Company to the fund and to certain employees' individual money purchase pension schemes.

	2019 £	2018 £
Contributions payable by the Group and Company for the year	<u>61,826</u>	<u>74,724</u>

Contributions totalling £11,267 (2018: £6,795) were payable to the schemes at the year end.

20. TRANSACTIONS WITH DIRECTORS

No director, who is an exhibitor at the Group's exhibitions and shows, received any preferential rates for exhibiting at them.

The Company has taken advantage of the exemptions provided by FRS102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a Group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that Group.

BRITISH MARINE FEDERATION (A COMPANY LIMITED BY GUARANTEE)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2019

21. CONTINGENT LIABILITY

The Company is included in the Group registration for VAT purposes and is therefore jointly and severally liable for all other participating Group undertakings' unpaid debts in the connection. The total liability for the VAT Group is £711,925 at 30 June 2019 (2018: £674,686).

22. CONTROL

The ultimate controlling party is the Board of directors who are elected by the members of the British Marine Federation.