

Company Registration No. 02739706 (England and Wales)

**OIL FIRING TECHNICAL ASSOCIATION LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**



**OIL FIRING TECHNICAL ASSOCIATION LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
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**OIL FIRING TECHNICAL ASSOCIATION LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**


**AS AT 31 DECEMBER 2019**

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	4		35,779		45,281
<b>Current assets</b>					
Stocks		44,398		56,590	
Debtors	5	1,145,064		335,730	
Investments	6	662		817,141	
Cash at bank and in hand		1,319,948		1,329,067	
		<u>2,510,072</u>		<u>2,538,528</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,398,847)</u>		<u>(1,435,001)</u>	
<b>Net current assets</b>			<u>1,111,225</u>		<u>1,103,527</u>
<b>Total assets less current liabilities</b>			<u>1,147,004</u>		<u>1,148,808</u>
<b>Creditors: amounts falling due after more than one year</b>	8		<u>(495,852)</u>		<u>(522,861)</u>
<b>Net assets</b>			<u><u>651,152</u></u>		<u><u>625,947</u></u>
<b>Reserves</b>					
Income and expenditure account			<u>651,152</u>		<u>625,947</u>
<b>Members' funds</b>			<u><u>651,152</u></u>		<u><u>625,947</u></u>

The directors of the company have elected not to include a copy of the income and expenditure account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

 16/06/2020

.....  
Mr P G Rose  
Director

Company Registration No. 02739706

**OIL FIRING TECHNICAL ASSOCIATION LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1 Accounting policies**

**Company information**

Oil Firing Technical Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Foxwood House, Dobbs Lane, Kesgrave, Ipswich, Suffolk, IP5 2QQ.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future subject to the impact that the COVID 19 pandemic might have on the business which is unknown at this time. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income and expenditure**

Income and expenses are included in the financial statements as they become receivable or due.

Income is recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

The company has six main income streams. The recognition policy of each is as follows:

**Members' Subscriptions:** are invoiced annually and income is apportioned equally over 12 months.

**Technician registrations:** are for a period of one or five years. Income for one year registrations is apportioned equally over 12 months. Income for five year registrations is apportioned in the ratio 40:15:15:15:15.

**Work notifications:** are recognised when customers are invoiced at the completion of the assignment.

**OFTEC Direct merchandise sales:** are recognised when customers are invoiced at the point of dispatch.

**Training pack sales:** are recognised when customers are invoiced at the point of dispatch.

**Other sales and advertising:** are recognised when the customers are invoiced.

**1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

**OIL FIRING TECHNICAL ASSOCIATION LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1 Accounting policies**

**(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	15% straight line
Plant and machinery	25% straight line
Website and database	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

**1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price.

**1.7 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**1.8 Financial instruments**

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Investments**

Listed investments are held as current asset investments, and are shown at their market value at the year-end, with unrealised gain or loss recognised in the revaluation reserve.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified 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 company after deducting all of its liabilities.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**1 Accounting policies**

**(Continued)**

***Basic financial liabilities***

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.11 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

**1.12 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	29	27
	<u>          </u>	<u>          </u>

**OIL FIRING TECHNICAL ASSOCIATION LIMITED**  
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**3 Taxation**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	10,708	4,029
Adjustments in respect of prior periods	1,932	3,615
	<u>12,640</u>	<u>7,644</u>
<b>Total current tax</b>	<u>12,640</u>	<u>7,644</u>

**4 Tangible fixed assets**

	<b>Fixtures, fittings &amp; equipment</b>	<b>Plant and machinery</b>	<b>Website and database</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 January 2019	22,080	47,002	131,497	200,579
Additions	-	10,969	9,545	20,514
Disposals	(82)	(27,594)	(2,588)	(30,264)
	<u>21,998</u>	<u>30,377</u>	<u>138,454</u>	<u>190,829</u>
<b>At 31 December 2019</b>	<u>21,998</u>	<u>30,377</u>	<u>138,454</u>	<u>190,829</u>
<b>Depreciation and impairment</b>				
At 1 January 2019	17,041	36,481	101,776	155,298
Depreciation charged in the year	1,167	5,811	22,914	29,892
Eliminated in respect of disposals	(82)	(27,470)	(2,588)	(30,140)
	<u>18,126</u>	<u>14,822</u>	<u>122,102</u>	<u>155,050</u>
<b>At 31 December 2019</b>	<u>18,126</u>	<u>14,822</u>	<u>122,102</u>	<u>155,050</u>
<b>Carrying amount</b>				
At 31 December 2019	<u>3,872</u>	<u>15,555</u>	<u>16,352</u>	<u>35,779</u>
<b>At 31 December 2018</b>	<u>5,039</u>	<u>10,521</u>	<u>29,721</u>	<u>45,281</u>

**5 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	199,322	270,558
Other debtors	945,742	65,172
	<u>1,145,064</u>	<u>335,730</u>

**6 Current asset investments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other investments	<u>662</u>	<u>817,141</u>

**OIL FIRING TECHNICAL ASSOCIATION LIMITED**  
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**7 Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	98,000	117,942
Corporation tax	10,708	5,257
Other taxation and social security	107,874	94,689
Other creditors	3,016	1,217
Accruals and deferred income	1,179,249	1,215,896
	<u>1,398,847</u>	<u>1,435,001</u>

**8 Creditors: amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	495,852	522,861
	<u>495,852</u>	<u>522,861</u>

Deferred income is the amount of technician registrations that has been deferred to future accounting periods, in line with the company's accounting policy.

**9 Members' liability**

The company is limited by guarantee, not having share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £10.

**10 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Barry Gostling.  
The auditor was Ensors Accountants LLP.

**11 Financial commitments, guarantees and contingent liabilities**

At the year-end the company has a £10,000 (2018: £15,000) commitment in respect of warranty insurance.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**12 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
126,717	161,468
<u>126,717</u>	<u>161,468</u>

**13 Related party transactions**

During the year the company expensed £5,000 (2018: £5,000) for warranty insurance from OFTEC Warranty Limited, a company under common control, in addition £10,000 (2018: £15,000) was prepaid at the year-end in respect of the warranty insurance. The company recharged £264 (2018: £200) to OFTEC Warranty Limited in respect of expenses reimbursed.

**14 Parent company**

The company is controlled by the Board of Directors.