

Financial Statements The British Institute of Facilities Management Limited

For the year ended 31 December 2013

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Registered number: 2849598

The British Institute of Facilities Management Limited
(A company limited by guarantee)

Company Information

Registered number 2849598

Registered office Number One Building
The Causeway
Bishops Stortford
Hertfordshire
CM23 2ER

Directors Emma Bailey
Samantha Bowman
Graham Briscoe
William Clarke (resigned 31 December 2013)
Ismena Clout
Stephen Gladwin
Elizabeth Kentish
Julie Kortens
Mark Morgan
Ashley Rogers
James Sutton (appointed 2 July 2013)
Gareth Tancred
Ian Townsend
Keith Waterman (appointed 1 January 2014)

Company secretary Mark Morgan

Independent auditors Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
101 Cambridge Science Park
Milton Road
Cambridge
CB4 0FY

The British Institute of Facilities Management Limited
(A company limited by guarantee)

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The British Institute of Facilities Management Limited
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Directors' Report

For the year ended 31 December 2013

The Directors present their report and the financial statements for the year ended 31 December 2013.

Principal activities

The principal activities of the Institute are those of being the professional body for facilities managers and governing, educational and promotional body for those in the field of property and facilities management.

Results

The profit for the year, after taxation, amounted to £107,275 (2012 - £297,773).

Directors

The Directors who served during the year were:

Emma Bailey
Samantha Bowman
Graham Briscoe
William Clarke (resigned 31 December 2013)
Ismena Clout
Stephen Gladwin
Elizabeth Kentish
Julie Kortens
Mark Morgan
Ashley Rogers
James Sutton (appointed 2 July 2013)
Gareth Tancred
Ian Townsend

Post year end Keith Waterman was appointed as director on 1 January 2014.

On 7 April 2014 Julie Kortens took over from Ismena Clout as Chair of the Board of Directors.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) applicable to smaller entities. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

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

The British Institute of Facilities Management Limited
(A company limited by guarantee)

Directors' Report

For the year ended 31 December 2013

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

Disclosure of information to auditors

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

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

Auditors

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

9 June 2014, and signed on its behalf.



Mark Morgan
Company Secretary

(A company limited by guarantee)



Independent Auditors' Report to the Shareholders of The British Institute of Facilities Management Limited

We have audited the financial statements of The British Institute of Facilities Management Limited for the year ended 31 December 2013, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) applicable to smaller entities.

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 Auditors' 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.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' responsibilities statement set out on page 1, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

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

(A company limited by guarantee)



Independent Auditors' Report to the Shareholders of The British Institute of Facilities Management Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

A handwritten signature in black ink, appearing to read "Paul Brown".

Paul Brown (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Cambridge
Date: 17 June 2014

The British Institute of Facilities Management Limited
(A company limited by guarantee)

Profit and Loss Account

For the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	1,2	3,374,939	3,136,075
Cost of sales		<u>(1,855,343)</u>	<u>(1,442,630)</u>
Gross profit		1,519,596	1,693,445
Administrative expenses		<u>(1,412,689)</u>	<u>(1,395,867)</u>
Operating profit	3	106,907	297,578
Interest receivable and similar income		<u>368</u>	<u>195</u>
Profit on ordinary activities before taxation		107,275	297,773
Tax on profit on ordinary activities	5	<u>-</u>	<u>-</u>
Profit for the financial year	12	<u>107,275</u>	<u>297,773</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account.

The notes on pages 7 to 15 form part of these financial statements.

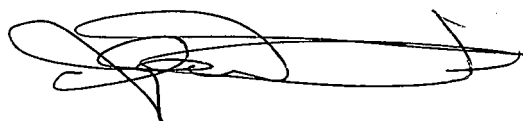
Balance Sheet

As at 31 December 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Intangible assets	6		79,037		17,250
Tangible assets	7		795,241		413,745
Investments	8		100		100
			<u>874,378</u>		<u>431,095</u>
Current assets					
Debtors	9	612,013		527,108	
Cash at bank		456,818		688,547	
		<u>1,068,831</u>		<u>1,215,655</u>	
Creditors: amounts falling due within one year	10	(1,552,826)		(1,363,642)	
Net current liabilities			<u>(483,995)</u>		<u>(147,987)</u>
Total assets less current liabilities			<u>390,383</u>		<u>283,108</u>
Provisions for liabilities					
Other provisions	11		<u>(29,000)</u>		<u>(29,000)</u>
Net assets			<u><u>361,383</u></u>		<u><u>254,108</u></u>
Capital and reserves					
Reserves on amalgamation	12		19,533		19,533
Profit and loss account	12		341,850		234,575
	13		<u><u>361,383</u></u>		<u><u>254,108</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9/6/14



Gareth Tancred
Director

The notes on pages 7 to 15 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Practice).

The financial statements only present information about the company and do not contain information relating to the group as a whole. The company is not required to prepare group accounts under Section 398 of the Companies Act 2006 because the group qualifies as small-sized and is not an ineligible group.

The directors have every expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have adopted the going concern basis of accounting in preparing the financial statements. The directors have based this expectation on the budgeted financial performance and the level of cash reserves retained by the company.

These accounts have been prepared on a going concern basis.

1.2 Cash flow

The Institute has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Turnover

Turnover comprises the value of members' subscriptions, registration fees, annual conference, awards dinner, exhibitions, training and other income receivable, net of value added tax and discounts.

Income relating to memberships and subscriptions is recognised over a period of the subscription and recognised monthly. All other income is recognised fully when the event has occurred or the service delivered.

1.4 Intangible fixed assets - Research and Development

Research expenditure is charged to the Statement of Financial Activities in the period in which it is incurred. Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with the expected benefit arising from the projects. The development costs capitalised will be written off on a straight line basis over 5 years once the project is brought into its intended use. All other development costs are written off in the year of expenditure.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	20% straight line
Office equipment	-	20% straight line
Web development	-	20% straight line

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting Policies (continued)

Web and system development costs are capitalised on a case by case basis only to the extent that the Board believes that the development creates an enduring asset which will deliver future membership and other benefits at least equal in value to the members of the amount capitalised.

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Operating leases

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

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.10 Joint arrangements that are not an entity

The Company accounts for its share of the income in joint arrangements that are not an entity within turnover, and in accordance with Financial Reporting Standard 9, Associates and Joint Ventures. Further details are given in note 18.

As the Company is exempt from the requirement to present consolidated financial statements, the Company's share of the net assets of the joint arrangement is not recorded in the Balance Sheet. Amounts receivable or payable to the joint arrangement are included in debtors or creditors respectively.

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting Policies (continued)

1.11 Provision for liabilities

Provisions, other than provisions for past retirement benefits and deferred taxation, are recognised when the company has a present legal or constructive obligation as a result of past transactions or events, and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

2. Turnover

The whole of the turnover is attributable to the main activity of the business.

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	65,873	89,835
Auditors' remuneration	13,500	13,400
Auditors' remuneration - non-audit	2,900	2,360
Amortisation - intangible fixed assets	14,121	7,010
	<u> </u>	<u> </u>

4. Directors' remuneration

	2013 £	2012 £
Remuneration	289,278	300,570
	<u> </u>	<u> </u>
Company pension contributions to defined contribution pension schemes	18,124	17,097
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 2 Directors (2012 - 4) in respect of defined contribution pension schemes.

Included in Directors' emoluments is £nil (2012 - £48,000) for compensation for loss of office

Notes to the Financial Statements

For the year ended 31 December 2013

5. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>107,275</u>	<u>297,773</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	24,941	72,946
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	152	5,614
Capital allowances for year in excess of depreciation	3,037	1,805
Unutilised tax losses arising in year	60,773	44,867
Short term timing difference leading to a (decrease) in taxation	(1,230)	(215)
Membership activities not taxable	(87,673)	(125,017)
Current tax charge for the year	<u>-</u>	<u>-</u>

The Institute is not liable to corporation tax on its ordinary activities except to the extent that it is income derived from non-members.

A deferred tax asset has not been recognised because it is unlikely that sufficient taxable profits will be generated from non-membership activities in the foreseeable future from which the losses can be deducted. The Institute has unprovided deferred tax assets of £319k (2012: £305k).

Notes to the Financial Statements

For the year ended 31 December 2013

6. Intangible fixed assets

	Development costs £
Cost	
At 1 January 2013	43,705
Additions	75,908
At 31 December 2013	119,613
Amortisation	
At 1 January 2013	26,455
Charge for the year	14,121
At 31 December 2013	40,576
Net book value	
At 31 December 2013	79,037
At 31 December 2012	17,250

7. Tangible fixed assets

	Long-term leasehold property £	Office equipment £	Web development £	Total £
Cost				
At 1 January 2013	194,455	460,772	492,772	1,147,999
Additions	-	22,334	425,035	447,369
Disposals	-	(9,434)	-	(9,434)
At 31 December 2013	194,455	473,672	917,807	1,585,934
Depreciation				
At 1 January 2013	188,617	279,560	266,077	734,254
Charge for the year	1,396	58,727	5,750	65,873
On disposals	-	(9,434)	-	(9,434)
At 31 December 2013	190,013	328,853	271,827	790,693
Net book value				
At 31 December 2013	4,442	144,819	645,980	795,241
At 31 December 2012	5,838	181,212	226,695	413,745

Notes to the Financial Statements

For the year ended 31 December 2013

8. Fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2013 and 31 December 2013	100
Net book value	
At 31 December 2013	100
At 31 December 2012	100

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Holding
FM Training - Dormant	100%

The aggregate of the share capital and reserves as at 31 December 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
FM Training - Dormant	3,812	-

9. Debtors

	2013 £	2012 £
Trade debtors	280,867	266,331
Prepayments and accrued income	297,684	227,377
VAT debtors	33,462	33,400
	612,013	527,108

The British Institute of Facilities Management Limited
(A company limited by guarantee)

Notes to the Financial Statements

For the year ended 31 December 2013

10. Creditors:

Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	96,716	127,290
Amounts owed to group undertakings	13,174	13,174
Other taxation and social security	50,383	49,321
Accruals and deferred income	1,392,553	1,173,857
	<u>1,552,826</u>	<u>1,363,642</u>

11. Provisions

	Dilapidation £
At 1 January 2013 and 31 December 2013	<u>29,000</u>

Dilapidation

The provision relates to expenditure expected to be incurred at the end of December 2017 when the property lease expires.

12. Reserves

	Reserves on Amalgamation £	Profit and loss account £
At 1 January 2013	19,533	234,575
Profit for the financial year	-	107,275
	<u>19,533</u>	<u>341,850</u>
At 31 December 2013		

The reserves on amalgamation is represented by the transfer of the accumulated surplus/(deficit) on 1 September 1993 from the following companies on amalgamation, as follows:

	2013	2012
	£	£
The Association of Facilities Management	32,261	32,261
The Institute of Facilities Management	(12,728)	(12,728)
	<u>19,533</u>	<u>19,533</u>
Total		

The British Institute of Facilities Management Limited
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Notes to the Financial Statements

For the year ended 31 December 2013

13. Reconciliation of movement in members' funds

	2013	2012
	£	£
Opening members' funds/(deficit)	254,108	(43,665)
Profit for the year	107,275	297,773
Closing members' funds	<u>361,383</u>	<u>254,108</u>

14. Capital commitments

At 31 December 2013 the company had capital commitments as follows:

	2013	2012
	£	£
Capital investment	<u>250,000</u>	<u>200,000</u>

15. Operating lease commitments

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Between 2 and 5 years	<u>86,925</u>	<u>86,925</u>	<u>25,305</u>	<u>17,405</u>

16. 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 £1 towards the assets of the company in the event of liquidation.

The British Institute of Facilities Management Limited
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Notes to the Financial Statements

For the year ended 31 December 2013

17. Related party transactions

The company has entered into joint venture agreements with Quadrilect Limited (trading as BIFM Training) and Redactive Publishing Limited for the provision of training courses and FM World publications respectively. The combined income arising from these arrangements in the year was £237,809 (2012: £233,704), which is included in turnover. At 31 December 2013 these organisations owed the company a combined balance of £102,984 (2012: £85,693).

Quadrilect Limited and Redactive Publishing Limited are related parties as they constitute joint arrangements that are not an entity.

18. Companies connected with the Institute

All companies included below are subsidiary companies of the Institute and were dormant throughout the year.

Limited by guarantee:

01977359	The Association of Facilities Management
01988334	The Institute of Facilities Management
02750920	The British Institute of Facilities Management Foundation
03033818	The British Facilities Management Association
03930256	The International Association of Facilities Management UK
04461890	Occupier Org Limited

Private limited companies:

04044943	FM Training Limited
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