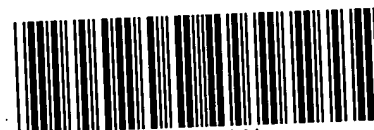


Registered number: 00368163

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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COMPANIES HOUSE

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

COMPANY INFORMATION

DIRECTORS

J Barton
P D Bentley
J Etchells
J M Gilmour
G J Lewis
A J McArdle
J R McKechnie
S Mulligan
R S Pennycook
M J Quickfall
J Weightman
D G Bostock (resigned 13 September 2014)
K G R Farnham
B Sutherland (resigned 9 March 2015)

COMPANY SECRETARY

Crossley Secretaries Limited (appointed 31 January 2014)

REGISTERED NUMBER

00368163

REGISTERED OFFICE

Star House
Star Hill
Rochester
Kent
ME1 1UX

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Consolidated profit and loss account	5
Consolidated statement of total recognised gains and losses	6
Note of consolidated historical cost profits and losses	6
Consolidated balance sheet	7
Company balance sheet	8
Consolidated cash flow statement	9
Notes to the financial statements	10 - 20

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

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

- select suitable accounting policies 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 Group will continue in business.

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

DIRECTORS

The directors who served during the year were:

J Barton
P D Bentley
J Etchells
J M Gilmour
G J Lewis
A J McArdle
J R McKechnie
S Mulligan
R S Pennycook
M J Quickfall
J Weightman
D G Bostock (resigned 13 September 2014)
K G R Farnham
B Sutherland (resigned 9 March 2015)

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 and the Group'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 and the Group's auditors are aware of that information.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014
AUDITORS

Haysmacintyre resigned as auditor during the year. PKF Littlejohn LLP was appointed to fill the vacancy.

PKF Littlejohn LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on **7 SEPTEMBER 2015** and signed on its behalf. :

A handwritten signature in black ink, appearing to read 'P D Bentley', is written over a horizontal line.

P D Bentley
Director

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FEDERATION OF MASTER BUILDERS LIMITED

We have audited the financial statements of Federation of Master Builders Limited for the year ended 31 December 2014, set out on pages 5 to 20. 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).

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, 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 December 2014 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.

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.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FEDERATION OF MASTER BUILDERS 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group strategic report.



Eric Hindson (Senior statutory auditor)

for and on behalf of
PKF Littlejohn LLP

Statutory Auditors

1 Westferry Circus
Canary Wharf
London
E14 4HD

Date: **1 SEPTEMBER 2015**

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
TURNOVER	1,2	4,725,859	4,913,824
Cost of sales		<u>(730,598)</u>	<u>(1,191,237)</u>
GROSS PROFIT		3,995,261	3,722,587
Administrative expenses		(3,493,652)	(4,318,224)
Exceptional administrative expenses		-	(234,165)
Total administrative expenses		<u>(3,493,652)</u>	<u>(4,552,389)</u>
OPERATING PROFIT/(LOSS)	3	501,609	(829,802)
EXCEPTIONAL ITEMS			
Net profit on sale of tangible fixed assets	8	<u>2,949,336</u>	<u>-</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST		3,450,945	(829,802)
Income from other fixed asset investments		153,403	136,493
Interest receivable and similar income		5,265	6,987
Interest payable and similar charges	7	<u>(130,298)</u>	<u>-</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		3,479,315	(686,322)
Tax on profit/(loss) on ordinary activities	9	<u>(43,432)</u>	<u>(6,371)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	15	<u>3,435,883</u>	<u>(692,693)</u>

All amounts relate to continuing operations.

The notes on pages 10 to 20 form part of these financial statements.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	3,435,883	(692,693)
Unrealised surplus on revaluation of tangible fixed assets	1,137,725	-
Unrealised surplus on revaluation of fixed asset investments	458,230	-
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	5,031,838	(692,693)
	<hr/> <hr/>	<hr/> <hr/>

NOTE OF CONSOLIDATED HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
REPORTED PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3,479,315	(686,322)
Realisation of property revaluation gains of previous years	509,090	-
	<hr/>	<hr/>
HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3,988,405	(686,322)
	<hr/> <hr/>	<hr/> <hr/>
HISTORICAL PROFIT/(LOSS) FOR THE YEAR AFTER TAXATION	3,944,973	(692,693)
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 20 form part of these financial statements.

FEDERATION OF MASTER BUILDERS LIMITED

(A company limited by guarantee)

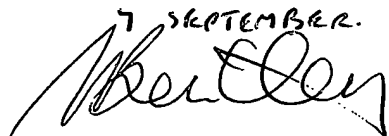
REGISTERED NUMBER: 00368163

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	10		4,746,471		6,956,991
Investments	11		1,750,000		-
			<u>6,496,471</u>		<u>6,956,991</u>
CURRENT ASSETS					
Debtors	12	554,466		401,526	
Cash at bank and in hand		2,596,558		1,180,250	
		<u>3,151,024</u>		<u>1,581,776</u>	
CREDITORS: amounts falling due within one year	13	(1,713,173)		(5,636,283)	
NET CURRENT ASSETS/(LIABILITIES)			<u>1,437,851</u>		<u>(4,054,507)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>7,934,322</u></u>		<u><u>2,902,484</u></u>
CAPITAL AND RESERVES					
Revaluation reserve	15		1,595,955		509,090
Profit and loss account	15		6,338,367		2,393,394
	16		<u><u>7,934,322</u></u>		<u><u>2,902,484</u></u>

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

7 SEPTEMBER.



P D Bentley
Director

The notes on pages 10 to 20 form part of these financial statements.

FEDERATION OF MASTER BUILDERS LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 00368163

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	10		4,736,356		6,956,991
Investments	11		1,756,104		6,104
			<u>6,492,460</u>		<u>6,963,095</u>
CURRENT ASSETS					
Debtors	12	515,627		530,042	
Cash at bank and in hand		2,238,954		851,671	
		<u>2,754,581</u>		<u>1,381,713</u>	
CREDITORS: amounts falling due within one year	13	(1,479,467)		(5,488,260)	
NET CURRENT ASSETS/(LIABILITIES)			<u>1,275,114</u>		<u>(4,106,547)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,767,574</u>		<u>2,856,548</u>
CAPITAL AND RESERVES					
Revaluation reserve	15		1,595,955		509,090
Profit and loss account	15		6,171,619		2,347,458
	16		<u>7,767,574</u>		<u>2,856,548</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 SEPTEMBER 2015

P D Bentley
Director



The notes on pages 10 to 20 form part of these financial statements.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	17	1,441,139	187,692
Returns on investments and servicing of finance	18	27,305	50,609
Capital expenditure and financial investment	18	3,447,864	(210,292)
CASH INFLOW BEFORE FINANCING		4,916,308	28,009
Financing	18	(3,500,000)	-
INCREASE IN CASH IN THE YEAR		1,416,308	28,009

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
Increase in cash in the year	1,416,308	28,009
Cash outflow from decrease in debt and lease financing	3,500,000	-
MOVEMENT IN NET DEBT IN THE YEAR	4,916,308	28,009
Net debt at 1 January 2014	(2,319,750)	(2,347,759)
NET FUNDS/(DEBT) AT 31 DECEMBER 2014	2,596,558	(2,319,750)

The notes on pages 10 to 20 form part of these financial statements.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed assets and in accordance with applicable accounting standards.

1.2 Going concern

The financial statements have been prepared on the going concern basis. The Directors consider that the use of the going concern basis is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt the ability of the Company to continue as a going concern.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Federation of Master Builders Limited and all of its subsidiary undertakings ('subsidiaries').

1.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	15% straight line
Office equipment	-	20% straight line
Computer equipment	-	33.3% straight line

1.6 Investments

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Other investments**
Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the Company and the Group.

1.8 Operating leases

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

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

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.

2. TURNOVER

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

	2014 £	2013 £
Subscription Income	3,666,189	3,975,134
Sales of Goods	26,900	33,555
Sales of Services	154,309	170,028
Seminar Income	878,461	735,107
	<u>4,725,859</u>	<u>4,913,824</u>

All turnover arose within the United Kingdom.

3. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the group	80,315	127,444
Impairment of fixed assets	187,352	-
Operating lease rentals:		
- plant and machinery	56,273	-
- other operating leases	20,589	-
Difference on foreign exchange	2,182	-
	<u>266,529</u>	<u>127,444</u>

4. AUDITORS' REMUNERATION

	2014 £	2013 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	16,500	16,500
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	3,000	5,400
	<u>19,500</u>	<u>21,900</u>

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	1,362,749	1,908,544
Social security costs	142,346	206,607
Other pension costs	121,219	159,604
	<u>1,626,314</u>	<u>2,274,755</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
	<u>44</u>	<u>50</u>

6. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>2,500</u>	<u>-</u>

7. INTEREST PAYABLE

	2014 £	2013 £
Bank loans	<u>130,298</u>	<u>-</u>

8. EXCEPTIONAL ITEMS

	2014 £	2013 £
Profit on sale of tangible fixed assets	2,949,336	-
Exceptional administrative expenses	-	234,165
	<u>2,949,336</u>	<u>234,165</u>

At the year ended 31 December 2014, the profit on sale of tangible fixed assets of £3,458,426 arises from the sale of two properties in the year.

At the year ended 31 December 2013, the exceptional amount of £234,165 was charged to the profit and loss account in respect of restructuring costs.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

9. TAXATION

	2014	2013
	£	£
UK corporation tax charge on profit/loss for the year	43,432	6,371

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - *higher than*) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014	2013
	£	£
Profit/loss on ordinary activities before tax	3,479,315	(686,322)
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	748,053	(159,570)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	1,805
Capital allowances for year in excess of depreciation	(34,559)	(10,448)
Utilisation of tax losses	(50,846)	-
Fixed asset differences	(616,130)	-
Short term timing difference leading to an increase (decrease) in taxation	(2,917)	-
Other timing differences leading to an increase (decrease) in taxation	-	5,226
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	1,181	-
Unrelieved tax losses carried forward	-	162,987
Other differences leading to an increase (decrease) in the tax charge	(10)	6,371
Marginal relief	(1,340)	-
Current tax charge for the year (see note above)	43,432	6,371

Factors that may affect future tax charges

There are losses carried forward of some £652,435 which can be held against future trading surplus'.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

10. TANGIBLE FIXED ASSETS

Group	Land and Buildings £	Equipment and Vehicles £	Total £
Cost or valuation			
At 1 January 2014	7,353,577	1,690,284	9,043,861
Additions	25,292	130,455	155,747
Disposals	(2,095,000)	(1,639,411)	(3,734,411)
Transfer to investment properties	(1,445,777)	-	(1,445,777)
Revaluation surplus/(deficit)	974,261	-	974,261
	<hr/>	<hr/>	<hr/>
At 31 December 2014	4,812,353	181,328	4,993,681
Depreciation			
At 1 January 2014	500,680	1,586,190	2,086,870
Charge for the year	45,254	33,571	78,825
On disposals	(228,463)	(1,559,903)	(1,788,366)
Transfer to investment properties	(154,007)	-	(154,007)
Impairment charge	187,352	-	187,352
On revalued assets	(163,464)	-	(163,464)
	<hr/>	<hr/>	<hr/>
At 31 December 2014	187,352	59,858	247,210
Net book value			
At 31 December 2014	<hr/> <hr/> 4,625,001	<hr/> <hr/> 121,470	<hr/> <hr/> 4,746,471
At 31 December 2013	<hr/> <hr/> 6,852,897	<hr/> <hr/> 104,094	<hr/> <hr/> 6,956,991

Land is not depreciated and comprises 50% of the valuation shown.

The land and buildings were revalued on 31 July 2015 by Cluttons LLP on an open market existing use basis.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Company	Land and Buildings £	Equipment and Vehicles £	Total £
Cost or valuation			
At 1 January 2014	7,353,577	1,690,284	9,043,861
Additions	25,292	119,489	144,781
Disposals	(2,095,000)	(1,639,411)	(3,734,411)
Transfer to investment properties	(1,445,777)	-	(1,445,777)
Revaluation surplus/(deficit)	974,261	-	974,261
At 31 December 2014	<u>4,812,353</u>	<u>170,362</u>	<u>4,982,715</u>
Depreciation			
At 1 January 2014	500,680	1,586,190	2,086,870
Charge for the year	45,254	32,720	77,974
On disposals	(228,463)	(1,559,903)	(1,788,366)
Transfer to investment properties	(154,007)	-	(154,007)
Impairment charge	187,352	-	187,352
On revalued assets	(163,464)	-	(163,464)
At 31 December 2014	<u>187,352</u>	<u>59,007</u>	<u>246,359</u>
Net book value			
At 31 December 2014	<u>4,625,001</u>	<u>111,355</u>	<u>4,736,356</u>
At 31 December 2013	<u>6,852,897</u>	<u>104,094</u>	<u>6,956,991</u>

Land is not depreciated and comprises 50% of the valuation shown.

The land and buildings were revalued on 31 July 2015 by Cluttons LLP on an open market existing use basis.

11. FIXED ASSET INVESTMENTS

Investment properties have been transferred from tangible fixed assets during the year as they are held for investment purposes. The properties have been revalued on 31 July 2015 by Cluttons LLP on a fair value basis.

It is the opinion of the Directors that the recognition of the properties as tangible fixed assets in the year ending 31 December 2013 is not a fundamental error to the financial statements, as defined in Financial Reporting Standard 3 *Reporting Financial Performance*, therefore a prior year adjustment has not been made.

Group	Investment Properties £
Cost or valuation	
Additions	1,291,770
Revaluations	458,230
At 31 December 2014	<u>1,750,000</u>
Net book value	
At 31 December 2014	<u>1,750,000</u>

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

11. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertaking

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
FMB Training Services Limited	1 Ordinary share	100 %
FMB Insurance Services Limited	5,000 Ordinary shares	100 %
Building Industry Certification Scheme Limited	2 Ordinary shares	100 %
Construction Industry Services Limited	1,000 Ordinary shares	100 %
Trade Debt Recovery Services Limited	100 Ordinary shares	100 %
Build Assure Limited	1 Ordinary share	100 %

The aggregate of the share capital and reserves as at 31 December 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
FMB Training Services Limited	73,776	62,330
FMB Insurance Services Limited	100,784	64,280
Building Industry Certification Scheme Limited	2	-
Construction Industry Services Limited	1,709	-
Trade Debt Recovery Services Limited	2,377	-
Build Assure Limited	1	-

The investment properties were revalued on 31 July 2015 by Cluttons LLP at market value.

Company	Investments in subsidiary companies £	Investment properties £	Total £
Cost or valuation			
At 1 January 2014	6,104	-	6,104
Additions	-	1,291,770	1,291,770
Revaluations	-	458,230	458,230
At 31 December 2014	6,104	1,750,000	1,756,104
Net book value			
At 31 December 2014	6,104	1,750,000	1,756,104
At 31 December 2013	6,104	-	6,104

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

12. DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	151,570	155,434	62,764	88,653
Amounts owed by group undertakings	4,323	-	216,497	226,824
Other debtors	40,519	41,699	16,884	12,107
Prepayments and accrued income	358,054	204,393	219,482	202,458
	554,466	401,526	515,627	530,042

13. CREDITORS:
Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Loans and overdrafts	-	3,500,000	-	3,500,000
Trade creditors	255,344	156,380	227,020	114,933
Amounts owed to group undertakings	4,323	-	23,710	217,632
Corporation tax	44,045	613	29,000	613
Other taxation and social security	173,983	229,619	173,983	229,619
Other creditors	136,149	168,781	71,384	50,053
Accruals and deferred income	1,099,329	1,580,890	954,370	1,375,410
	1,713,173	5,636,283	1,479,467	5,488,260

The Company obtained a bridging loan of £2,500,000 in 2013 to enable it to purchase a new head office. The lender had a first charge over both properties and a floating charge over other assets.

A further loan of £1,000,000 was obtained for working capital purposes and the lender had a second charge over the Federation's previous head office.

The loans were repaid from the sale of the previous head office in April 2014.

14. 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 £0.25 towards the assets of the company in the event of liquidation.

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

15. RESERVES

Group	Revaluation reserve £	Profit and loss account £
At 1 January 2014	509,090	2,393,394
Profit for the financial year		3,435,883
Surplus on revaluations	1,595,955	
Transfer between Revaluation reserve and P/L account	(509,090)	509,090
	<u>1,595,955</u>	<u>6,338,367</u>
At 31 December 2014	<u>1,595,955</u>	<u>6,338,367</u>

Company	Revaluation reserve £	Profit and loss account £
At 1 January 2014	509,090	2,347,458
Profit for the financial year		3,315,071
Surplus on revaluations	1,595,955	
Transfer between Revaluation reserve and P/L account	(509,090)	509,090
	<u>1,595,955</u>	<u>6,171,619</u>
At 31 December 2014	<u>1,595,955</u>	<u>6,171,619</u>

16. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS

Group	2014 £	2013 £
Opening members' funds	2,902,484	3,595,177
Profit/(loss) for the financial year	3,435,883	(692,693)
Other recognised gains and losses during the year	1,595,955	-
	<u>7,934,322</u>	<u>2,902,484</u>
Closing members' funds	<u>7,934,322</u>	<u>2,902,484</u>

Company	2014 £	2013 £
Opening members' funds	2,856,548	3,549,241
Profit/(loss) for the financial year	3,315,071	(692,693)
Other recognised gains and losses during the year	1,595,955	-
	<u>7,767,574</u>	<u>2,856,548</u>
Closing members' funds	<u>7,767,574</u>	<u>2,856,548</u>

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit/(loss) for the year dealt with in the accounts of the Company was £3,315,071 (2013 - £-692,693).

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit/(loss)	501,609	(829,802)
Depreciation of tangible fixed assets	78,825	127,444
Impairments of fixed assets	187,352	-
Decrease in stocks	1,291,770	-
(Increase)/decrease in debtors	(147,553)	517,773
Increase in amounts owed by group undertakings	(4,323)	-
(Decrease)/increase in creditors	(470,864)	372,277
Increase in amounts owed to group undertakings	4,323	-
Net cash inflow from operating activities	1,441,139	187,692

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	4,200	6,987
Interest paid	(130,298)	(92,871)
Rent receivable	153,403	-
Rent receivable	-	136,493
Net cash inflow from returns on investments and servicing of finance	27,305	50,609

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(155,747)	(210,292)
Sale of tangible fixed assets	4,895,381	-
Purchase of unlisted and other investments	(1,291,770)	-
Net cash inflow/(outflow) from capital expenditure	3,447,864	(210,292)

	2014 £	2013 £
Financing		
Repayment of loans	(3,500,000)	-

FEDERATION OF MASTER BUILDERS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

19. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2014	Cash flow	Other non-cash changes	31 December 2014
	£	£	£	£
Cash at bank and in hand	1,180,250	1,416,308	-	2,596,558
Debt:				
Debts due within one year	(3,500,000)	3,500,000	-	-
Net debt	(2,319,750)	4,916,308	-	2,596,558

20. OPERATING LEASE COMMITMENTS

At 31 December 2014 the Group had annual commitments under non-cancellable operating leases as follows:

	2014	Other	2013
	£		£
Group and Company			
Expiry date:			
Between 2 and 5 years	3,188		-