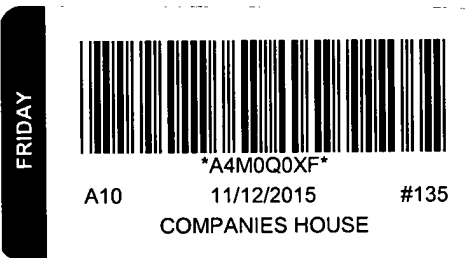


British Retail Consortium
(A company limited by guarantee)

**ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

30 June 2015



Registered number: 405720

British Retail Consortium

(A company limited by guarantee)

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British Retail Consortium
(A company limited by guarantee)
DIRECTORS AND ADVISORS

DIRECTORS

Sir Charlie Mayfield
Helen Dickinson
Gordon Bentley
Steven Esom
Timothy Fallowfield
Ian Filby
Ben Fletcher
Alan Hawkins
Philip Marchant
Rebecca Shelley

(Chairman)
(Director General)

SECRETARY

Paul Davies

REGISTERED OFFICE

21 Dartmouth Street
Westminster
London
SW1H 9BP

AUDITOR

Grant Thornton UK LLP
22 Melton Street
London
NW1 2EP

COMPANY REGISTRATION NUMBER
405720

BANKERS

Lloyds TSB
14 Berkeley Square
London
W1X 6BJ

British Retail Consortium

(A company limited by guarantee)

DIRECTORS' REPORT

The directors present their annual report and the group financial statements of British Retail Consortium (BRC) for the year ended 30 June 2015.

PRINCIPAL ACTIVITIES

The BRC is the lead and the only trade association which covers the whole of the retail industry. This diverse and exciting industry covers large multiples to independents, high streets to out of town and online to bricks, and sells goods across all sectors: clothing, footwear, food, homewares, electricals, health & beauty, jewellery and everything in between, to ever more demanding consumers.

The BRC's mission is to make a positive difference to the retail industry and the customers it serves. Our broad range of stakeholders demonstrates how retailing touches almost every aspect of our culture and economy. The BRC leads the industry and works with our members to shape debates and influence issues and opportunities that will help make that positive difference. We care about the **careers** of people who work in our industry, the retail touches of the **community** and **competitiveness** as a fundamental principle of the industry's success – our 3Cs.

The BRC trade association, the parent company, continues to be engaged in representing the industry to Government and other bodies, both in the UK and the European Union; and in providing information and other services for retailers.

The group's results include those of BRC Trading Limited, a wholly-owned subsidiary which exists to enhance the range of services that are offered to BRC retail members and the global retail supply chain.

PROPOSED DIVIDEND AND TRANSFER TO RESERVES

The Memorandum of the Consortium prohibits the distribution of any surplus to the members either by payment of dividends or by any other means. The general funds remain in surplus as at the end of the year.

DIRECTORS

The directors who held office from 1 July 2014 to the date of this report were:

Sir Charlie Mayfield
Helen Dickinson
Gordon Bentley
Steven Esom
Timothy Fallowfield
Ian Filby
Ben Fletcher
Alan Hawkins
Philip Marchant
Rebecca Shelley

(Chairman – with effect from 1 October 2014)
(Director General)

British Retail Consortium
(A company limited by guarantee)
DIRECTORS' REPORT

The following directors resigned:

Sir Ian Cheshire
David Lloyd-Seed

(resigned as Chairman from 1 October 2014)
(resigned 16 September 2015)

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that 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.

AUDITOR

The previous auditor, Baker Tilly UK Audit LLP, Chartered Accountants, resigned during the period and Grant Thornton UK LLP was appointed auditor.

By order of the board



PAUL DAVIES
Secretary
Date: 25 November 2015

British Retail Consortium

(A company limited by guarantee)

STRATEGIC REPORT

The directors present their strategic report and the group financial statements for the year ended 30 June 2015.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The rise in BRC group profit reflects the strong trading performance of BRC Trading Limited where profits rose through an increase in Global Standards and Publication income. This more than compensated for the static income within the trade association and increased expenditure on strategic campaigning.

RISKS AND FINANCIAL INSTRUMENTS

The key risk to the BRC, as with any membership organisation, is the loss of membership income and the support of its members. The transformational change in the industry continues to place demands on retailers and their cost base, with every expense scrutinised to ensure it is delivering value for money. The BRC strives to produce work of the highest standard and to offer value for money services to its members. Membership retention amongst retailers remains high, although each year there is some churn in the Associate member category.

The growth of the BRC Trading business in recent years has enabled it to increase its financial contribution to the BRC group. The key risk to BRC Trading is the continued increase in other standards in the global standards market. Competitor activity is regularly monitored and the value proposition of BRC Global Standards reassessed to ensure the market positioning is maintained and enhanced.

The group Risk Register, covering the activities of both the trade association and the trading company, is actively updated and reviewed.

The only financial instruments held by the BRC and its subsidiary companies during the year to 30 June 2015 were trade debtors; trade creditors, cash and finance leases.

KEY PERFORMANCE INDICATORS

The BRC is a membership organisation and as such its primary purpose is to champion the creation of a business environment where retailers can grow, prosper and serve their customers better as well as delivering excellent value for money for its members.

The key performance indicators of the group are:

- Number of new members and member satisfaction and retention;
- Number and impact of policy successes;
- The number of sites using BRC global standards;
- Sales of publications;
- Attendance and satisfaction with BRC events and training courses and related income.

STRATEGY TO ACHIEVE OBJECTIVES

The trade association has identified three strategic priorities relating to the reform of business rates, enhancing progression and productivity in retail and ensuring the EU reform agenda works for the industry. It also continues to shape legislation based on objectives within the framework of Careers, Communities and Competitiveness.

The trading company continues to expand the Global Standards offering and is actively pursuing a number of key initiatives designed to improve the breadth and depth of its work in this important area.

British Retail Consortium
(A company limited by guarantee)
STRATEGIC REPORT

FUTURE PLANS

The group will continue to advance its mission to make a positive difference to the retail industry and the customers it serves.

By order of the board



PAUL DAVIES

Secretary

Date: 25 November 2015

British Retail Consortium
(A company limited by guarantee)
DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report and 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 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;
- 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.

British Retail Consortium

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH RETAIL CONSORTIUM

We have audited the financial statements of British Retail Consortium for the year ended 30 June 2015 which comprise the group and parent company balance sheets, the group profit and loss account, the group cash flow statement, 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).

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.

Respective responsibilities of directors and auditor

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. 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

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/auditscopeukprivate.

Opinion on financial statements

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 2015 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 Strategic Report or in preparing the Directors' Report.

Grant Thornton UK LLP

Malcolm Gomersall

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

Date: 2 December 2015

British Retail Consortium
(A company limited by guarantee)
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2015

	<i>Notes</i>	2015 £	2014 £
TURNOVER	1	10,361,973	9,085,306
Administrative expenses		(8,881,768)	(7,910,422)
OPERATING PROFIT		<u>1,480,205</u>	<u>1,174,884</u>
Interest receivable	2	32,937	26,979
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>1,513,142</u>	<u>1,201,863</u>
Taxation	4	(343,088)	(285,824)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	<u><u>1,170,054</u></u>	<u><u>916,039</u></u>

The operating profit for the year arises from the group's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

British Retail Consortium
(A company limited by guarantee)
CONSOLIDATED BALANCE SHEET
30 June 2015

Company Registration No. 405720

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	6	547,748	332,447
CURRENT ASSETS			
Debtors	8	3,350,868	1,871,308
Cash at bank and in hand		7,671,145	7,062,334
		<u>11,022,013</u>	<u>8,933,642</u>
CREDITORS: Amounts falling due within one year	10	(3,711,457)	(2,661,887)
NET CURRENT ASSETS		<u>7,310,556</u>	<u>6,271,755</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,858,304</u>	<u>6,604,202</u>
PROVISION FOR LIABILITIES	9	(85,576)	(1,528)
NET ASSETS		<u>7,772,728</u>	<u>6,602,674</u>
CAPITAL AND RESERVES			
General funds	12	<u>7,772,728</u>	<u>6,602,674</u>

The financial statements on pages 8 to 21 were approved by the board and authorised for issue on 25 November 2015 and signed on its behalf by



HELEN DICKINSON

Director

British Retail Consortium
(A company limited by guarantee)
COMPANY BALANCE SHEET
30 June 2015

Company Registration No. 405720

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	6	75,128	105,556
Investments	7	100	100
		<u>75,228</u>	<u>105,656</u>
CURRENT ASSETS			
Debtors	8	1,877,562	547,751
Cash at bank and in hand		1,395,151	2,048,672
		<u>3,272,713</u>	<u>2,596,423</u>
CREDITORS: Amounts falling due within one year	10	(2,359,580)	(1,361,776)
NET CURRENT ASSETS		<u>913,133</u>	<u>1,234,647</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>988,361</u>	<u>1,340,303</u>
CREDITORS: Amounts falling due after more than one year	11	(20,228)	(20,228)
PROVISION FOR LIABILITIES	9	(5,966)	(7,751)
NET ASSETS		<u>962,167</u>	<u>1,312,324</u>
CAPITAL AND RESERVES			
General funds	12	<u>962,167</u>	<u>1,312,324</u>

The financial statements on pages 8 to 21 were approved by the board and authorised for issue on 25 November 2015 and signed on its behalf by:



HELEN DICKINSON

Director

British Retail Consortium
(A company limited by guarantee)
GROUP CASH FLOW STATEMENT
for the year ended 30 June 2015

	<i>Notes</i>	2015 £	2014 £
Cash flow from operating activities	15a	1,250,613	1,091,418
Returns on investments and servicing of finance	15b	32,937	26,979
Taxation paid		(229,044)	(334,402)
Capital expenditure and financial investment	15b	(455,260)	(244,426)
INCREASE IN CASH IN THE PERIOD		<u>599,246</u>	<u>539,569</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
Increase in cash in the period		<u>599,246</u>	<u>539,569</u>
Movement in net funds in period	15c	599,246	539,569
NET FUNDS AT 1 JULY 2014	15c	<u>7,062,334</u>	<u>6,522,765</u>
NET FUNDS AT 30 JUNE 2015	15c	<u>7,661,580</u>	<u>7,062,334</u>

British Retail Consortium

(A company limited by guarantee)

ACCOUNTING POLICIES

LIMIT OF LIABILITY

The Consortium is a company limited by guarantee. Under the Articles of Association, the liability of each member is limited to £1. At 30 June 2015 there were 176 members (2014: 179).

BASIS OF ACCOUNTING

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Consortium's financial statements.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

These accounts show the consolidated accounts of the British Retail Consortium and its subsidiaries.

BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30 June 2015. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Leasehold improvements	over the life of the lease
Office and computer equipment	20%-33% per annum
Fixtures and fittings	14%-33% per annum

Leasehold improvement depreciation starts when the works are completed and are spread over the remainder of the lease period. For other fixed assets a full year's charge is taken in the year of acquisition.

LEASES

Where the Consortium enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as "operating leases" and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

PENSION COSTS

The Consortium operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

British Retail Consortium
(A company limited by guarantee)
ACCOUNTING POLICIES

DEFERRED TAXATION

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 and 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.

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated at a rate of exchange at the balance sheet date. Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit or loss.

TURNOVER

Turnover represents the amounts (excluding value added tax) received by the Consortium in respect of subscriptions and commercial activities. Funding provided by members for specific purposes is offset against the cost of such projects. Any surplus or deficit arising is shown within sundry income or administrative expenses.

In addition, turnover represents amounts (excluding value added tax) receivable in respect of royalties receivable on the sale of BRC publications. It also includes income generated from advertising, translation/licensing fees, fees received for training courses and training provider schemes and events income.

Turnover is recognised on an accruals basis when the group becomes entitled to receipt of the income.

INVESTMENTS

Investments in subsidiaries are recorded at cost.

Subsidiaries are entities over which the group has the power to govern the financial and operating policies so as to obtain economic benefits from their activities. Subsidiaries are consolidated from the date on which control is transferred to the group up until the date that control ceases.

British Retail Consortium
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The group's turnover and profit on ordinary activities before taxation were all derived from its principal activities.

	2015 £	2014 £
Membership subscription	4,057,477	4,285,361
Commercial activities	5,349,274	4,057,004
Publications	369,392	190,458
Training	585,830	552,483
	<u>10,361,973</u>	<u>9,085,306</u>

The geographical markets where the group operates and the turnover derived from those areas is:

	2015 £	2014 £
United Kingdom	6,810,791	6,361,808
North America	665,896	506,533
Europe	1,796,871	1,498,325
Asia	637,802	414,611
Rest of the World	450,613	304,029
	<u>10,361,973</u>	<u>9,085,306</u>

2 INTEREST RECEIVABLE

	2015 £	2014 £
Bank interest	<u>32,937</u>	<u>26,979</u>

British Retail Consortium
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

3	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2015 £	2014 £
	Profit on ordinary activities before taxation is stated after charging:		
	Auditor's remuneration:		
	Audit	17,500	17,000
	Non audit fee	18,500	-
	Depreciation and other amounts written off tangible fixed assets:		
	owned	239,959	202,653
	Operating lease rentals:		
	plant and machinery	292,014	224,753
	land and buildings	288,353	288,353
		<u> </u>	<u> </u>
4	TAXATION	2015 £	2014 £
	Current tax:		
	UK corporation tax on profits of the period	308,970	279,105
	Adjustments in respect of previous periods	(49,930)	(4,792)
	Total current tax	<u>259,040</u>	<u>274,313</u>
	Deferred tax:		
	Origination and reversal of timing differences	54,270	10,208
	Effect of tax rate change on opening balance	29,778	1,303
	Total deferred tax	<u>84,048</u>	<u>11,511</u>
		<u> </u>	<u> </u>
	Tax on profit on ordinary activities	343,088	285,824
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the current period		
	The tax assessed for the period is lower (2014: higher) than the standard rate of corporation tax in the UK (2015: 20.75%; 2014: 22.5%). The differences are explained below:		
		2015 £	2014 £
	Current tax reconciliation		
	Profit on ordinary activities before taxation	1,513,142	1,201,863
		<u> </u>	<u> </u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.75% (2014: 22.5%)	313,987	270,419
	Effects of		
	Expenses not deductible for tax purposes	14,183	16,454
	Depreciation less than capital allowances	(55,841)	(5,293)
	Marginal relief	-	(3,661)
	Other differences	(398)	1,186
	Losses carried back	34,141	-
	Fixed asset differences	2,898	-
	Adjustment in respect of previous periods	(49,930)	(4,792)
	Current tax charge for the period	<u>259,040</u>	<u>274,313</u>

British Retail Consortium
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

5 EMPLOYEES

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

	2015 No.	2014 No.
Office and management	71	67
	<u>£</u>	<u>£</u>

Staff costs for the above persons:

Wages and salaries	3,702,418	3,531,948
Social security costs	432,545	414,059
Other pension costs	365,972	287,447
	<u>4,500,935</u>	<u>4,233,454</u>

DIRECTORS' REMUNERATION

Emoluments	315,970	286,700
	<u>£</u>	<u>£</u>

The emoluments of the Chairman were £nil (2014: £nil). The emoluments of the highest paid director, excluding pension contributions, amounted to £315,970 (2014: £286,700).

	2015 £	2014 £
The number of directors to whom relevant benefits are accruing under defined contribution pension schemes was	-	-
	<u>£</u>	<u>£</u>

British Retail Consortium
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

6 TANGIBLE FIXED ASSETS

GROUP	Leasehold improvements £	Office and computer equipment £	Fixtures and fittings £	Total £
Cost				
1 July 2014	66,186	776,193	111,831	954,210
Additions	4,360	449,447	1,453	455,260
Disposals	-	-	-	-
30 June 2015	70,546	1,225,640	113,284	1,409,470
Depreciation				
1 July 2014	40,019	494,716	87,028	621,763
Disposals	-	-	-	-
Charge for year	13,964	205,316	20,679	239,959
30 June 2015	53,983	700,032	107,707	861,722
Net book value At 30 June 2015	16,563	525,608	5,577	547,748
At 30 June 2014	26,167	281,477	24,803	332,447

COMPANY	Leasehold improvements £	Office and computer equipment £	Fixtures and fittings £	Total £
Cost				
1 July 2014	66,186	175,763	111,831	353,780
Additions	4,360	33,240	1,453	39,053
Disposals	-	-	-	-
30 June 2015	70,546	209,003	113,284	392,833
Depreciation				
1 July 2014	40,019	121,177	87,028	248,224
Disposals	-	-	-	-
Charge for year	13,964	34,838	20,679	69,481
30 June 2015	53,983	156,015	107,707	317,705
Net book value At 30 June 2015	16,563	52,988	5,577	75,128
At 30 June 2014	26,167	54,586	24,803	105,556

British Retail Consortium
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

7 FIXED ASSET INVESTMENTS

COMPANY

Shares in subsidiary undertakings
£

1 July 2014 and 30 June 2015

100

The company holds more than 20% of the following companies:

Subsidiary undertakings	Country of incorporation	Principal activity	Proportion of shares held
BRC Trading Limited	United Kingdom	Global Standards	100%

8 DEBTORS

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	2,707,749	1,200,697	1,426,442	226,668
Amounts owed by group undertakings	-	-	50,420	3,549
Other debtors	64,143	16,371	35,705	16,371
Prepayments and accrued income	578,976	654,240	364,995	301,163
	<u>3,350,868</u>	<u>1,871,308</u>	<u>1,877,562</u>	<u>547,751</u>

British Retail Consortium
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

9 DEFERRED TAX LIABILITY

GROUP AND COMPANY

	Group £	Company £
Balance at 1 July 2014	(1,528)	(7,751)
Profit and loss account	(84,048)	1,785
Balance at 30 June 2015	<u>(85,576)</u>	<u>(5,966)</u>

	Group		Company	
The deferred tax liability comprises the following timing differences:	2015 £	2014 £	2015 £	2014 £
Fixed asset timing differences	(91,279)	(8,261)	(7,752)	(8,331)
Short term timing differences	5,703	6,733	1,786	580
	<u>(85,576)</u>	<u>(1,528)</u>	<u>(5,966)</u>	<u>(7,751)</u>

10 CREDITORS: amounts falling due within one year

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	518,902	615,757	212,490	177,586
Overdraft	9,565	-	-	-
Corporation tax	184,634	118,933	-	19,003
Other taxation and social security costs	324,401	183,281	293,980	118,021
Accruals	756,345	620,774	312,002	324,277
Income in advance	1,894,788	1,041,115	1,524,223	696,493
Other creditors	22,822	82,027	16,885	26,396
	<u>3,711,457</u>	<u>2,661,887</u>	<u>2,359,580</u>	<u>1,361,776</u>

11 CREDITORS: amounts falling due after more than year

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Amounts owed to group undertakings	-	-	20,228	20,228
	<u>-</u>	<u>-</u>	<u>20,228</u>	<u>20,228</u>

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12 GENERAL FUNDS

	2015 £	2014 £
GROUP		
1 July 2014	6,602,674	5,686,635
Profit for the year	1,170,054	916,039
30 June 2015	<u>7,772,728</u>	<u>6,602,674</u>
COMPANY		
1 July 2014	1,312,324	1,243,970
(Loss)/profit for the year	(350,157)	68,354
30 June 2015	<u>962,167</u>	<u>1,312,324</u>

13 COMMITMENTS UNDER OPERATING LEASES

At 30 June 2015 the group had annual commitments under non-cancellable operating leases as follows:

	2015		2014	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Within one year	-	50,000	-	-
In the second to fifth years inclusive	288,353	270,828	288,353	208,525
	<u>288,353</u>	<u>320,828</u>	<u>288,353</u>	<u>208,525</u>

14 PENSION COSTS

The pension charge for the year was £365,972 (2014: £287,447) representing contributions payable under the Group Personal Pension Plan (GPPP), which is a defined contribution pension scheme. The pension charge represents contributions payable under the GPPP. Contributions outstanding at the year end of £Nil (2014: £Nil) are included in creditors.

15 RECONCILIATION OF OPERATING PROFIT TO NET CASH
INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
a Operating profit	1,480,205	1,174,884
Depreciation	239,959	202,653
Increase in debtors	(1,443,855)	(352,217)
Increase in creditors	974,304	66,098
Net cash inflow from operating activities	<u>1,250,613</u>	<u>1,091,418</u>

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15	RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2015 £	2014 £	
b	ANALYSIS OF CASH FLOWS			
	Returns on investment and servicing of finance			
	Interest received	32,937	26,979	
		<u>32,937</u>	<u>26,979</u>	
	Capital expenditure and financial investment			
	Purchase of tangible fixed assets	455,260	244,426	
		<u>455,260</u>	<u>244,426</u>	
c	ANALYSIS OF NET DEBT			
		At beginning of year £	Cash flow £	At end of year £
	Cash at bank and in hand	7,062,334	608,811	7,671,145
	Overdraft	<u> </u>	<u>(9,565)</u>	<u>(9,565)</u>
	Net Debt	7,062,334	599,246	7,661,580

16 RELATED PARTY TRANSACTIONS

The company is holding an amount of £4,394 (2014: £26,107) on behalf of Passco Limited, a company considered to be a subsidiary of BRC.

The company has provided a £1 guarantee in respect of the following entities:

Subsidiary undertakings	Country of incorporation	Aggregate Capital & Reserves	Result for the year	Principal activity	Proportion of guarantee given
OPRL Limited	United Kingdom	£85,236	£11,938 Profit	Promotion of On-Pack Recycle Labelling on food products	100%
Passco Limited	United Kingdom	£(962)	£(21,785) Loss	Promotion of Proof of Age Cards	100%

These companies have no share capital and are limited by guarantee.

The British Retail Consortium has not consolidated the results of these entities within these consolidated accounts on the basis that the Directors are of the opinion that their inclusion would not materially alter the financial statements. The Directors are currently reviewing the relationship of BRC with these companies.

Advantage has been taken of the exemption provided by Financial Reporting Standard 8 from reporting certain transactions with wholly owned group companies.

17 ULTIMATE CONTROL

The company has no ultimate controlling party. It is a company limited by guarantee.