

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
(A Company Limited by Guarantee and not having a Share Capital)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2015

Registered number: 02553435



**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

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**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
LEGAL AND ADMINISTRATION
FOR THE YEAR ENDED 31ST DECEMBER 2015**

PRESIDENT	P R Sykes
VICE PRESIDENT	A J Tate
DEPUTY VICE PRESIDENT	A C Hyde
CHIEF EXECUTIVE OFFICER	G H W Rumney
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**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT OF THE COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2015**

REPORT OF THE COUNCIL

The Council has pleasure in submitting the Association's Report and Accounts for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES

The principal activities of the Association are the provision of training and technical support to its members and the promotion of best practice in the insolvency and turnaround profession. The Association represents its members in dealing with regulators, the government and the media. It achieves its aims by maintaining a website, by running courses and conferences, by the publication of Recovery magazine and technical bulletins, and by organising regional meetings for members.

The Association also seeks to foster a deeper understanding of the work of its members with underperforming businesses and individuals in financial difficulty through regular communication with government, members of parliament, the media and representatives of key creditor and other stakeholder groups.

COUNCIL

The following have been members of the Council and have also served as directors of the Association for all or part of the year:

President P R Sykes, RSM Restructuring Advisory LLP, London

Vice President A J Tate, Kreston Reeves LLP, Chatham

Deputy Vice President A C Hyde, Chantrey Vellacott DFK LLP, London

Other Members W Ballmann, Gateley PLC, Leeds

E Blackburn, French Duncan LLP, Edinburgh (co-opted 24/04/15)

L M Brittain, Wilkins Kennedy LLP, London

A M Byrne, Byrne Associates, Bristol

R Clark, Burges Salmon LLP, Bristol

T Cooper, HBJ Gateley, Edinburgh (appointed 24/04/15)

F E Coulson, Moon Beever, London (appointed 24/04/15)

M Dunham, Smith & Williamson, Manchester

G R Frampton, Richard J Smith & Co, Ivybridge

S J Frith, Stephenson Harwood LLP, London (appointed 24/04/15)

C D Fitzgerald, Shakespeare Martineau LLP, London

S Gilchrist, Edwin Coe LLP, London (appointed 24/04/15)

J R Houston, Houston Hunter, Belfast

K Jordan, Muckle LLP, Newcastle (appointed 24/04/15)

J Leader, Eversheds LLP, London

G Limb, Compliance on Call Ltd, Coventry

J P N Martin, CCW Recovery Solutions LLP, Oldbury

M R Pink, KPMG LLP, London

E Pywowarczuk, Liberta Financial Ltd, Newark

D K Swift, Moore Stephens LLP, Southampton (appointed 24/04/15)

W M H Tait, BDO LLP, Gatwick

A J Turner, Lovewell Blake LLP, Lowestoft (appointed 24/04/15)

L Weeks, Birketts LLP, Cambridge

C E Williams, Squire Patton Boggs (UK) LLP, London

R Wolff, JMW Solicitors LLP, Manchester

Outgoing Members E A Bingham, Ernst & Young LLP, London (resigned 24/04/15)

J E Branson, James Cowper Kreston LLP, Reading (resigned 24/04/15)

D Chubb, PricewaterhouseCoopers LLP, London (resigned 24/04/15)

S N Davenport QC, 3 Hare Court, London (resigned 03/07/15)

L A Farish, RMT Accountants & Business Advisors, Newcastle (resigned 24/04/15)

A S Goldthorp, Addleshaw Goddard LLP, London (resigned 24/04/15)

J M Hall, Invocas Group plc, Edinburgh (resigned 24/04/15)

J Palmer, Begbies Traynor (Central) LLP, Salisbury (resigned 24/04/15)

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT OF THE COUNCIL (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2015**

Officers G H W Rumney, Chief Executive Officer & Company Secretary
 J M Francis, Technical Director
 V Jonson, Director of Communications
 E Hobson, Director

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The Council Members are responsible for preparing the Council's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members 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 Council 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 Association and of the profit or loss of the Association for that period. In preparing these financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Council Members are responsible for keeping proper accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association 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.

This Council Member's report has been prepared taking advantage of the special exemptions applicable to small companies conferred by Section 415A of the Companies Act 2006.

COUNCIL & COMMITTEE MEETINGS

Council met on three occasions during the year. The national committees meet between 2 and 6 times, with the Education (ECC) and Technical (GTC) committees meeting the most frequently.

SUMMARY OF ACTIVITIES

The Association, known by its brand name R3 (standing for Rescue, Recovery and Renewal), continued providing training, technical advice and networking opportunities for its members, their staff and prospective members. It promoted best advice and the work of its members in the fields of insolvency (both corporate and personal), restructuring, turnaround and business recovery.

The Association continues actively to be involved in areas of legislative reform affecting insolvency professionals, in England and Wales, Scotland and Northern Ireland, issuing information to members on developments in statute and case law. The year saw one of the busiest periods of legislative and regulatory change affecting the profession since the introduction of the Enterprise Act, requiring guidance in a number of areas.

We continued to expand the range of our activities that directly informs, educates and supports our members and their firms. Our two technical committees: General Technical Committee (GTC) and Scottish Technical Committee (STC) were both fully engaged in responding to consultations and other areas of interaction with the Insolvency Service, The Accountant In Bankruptcy and the Joint Insolvency Committee, the latter being a forum for the insolvency regulators to discuss and agree matters of common interest, where R3 is an active "observer".

The Association continues to maintain dialogue with government and outside parties on matters of common interest and concern, and has responded to a number of consultations on insolvency law reform and insolvency-related matters during the year, in both the UK and European contexts. Within GTC a specialist Tax Group has been set up, and has been active

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT OF THE COUNCIL (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2015**

in maintaining liaison with HMRC on matters of current concern. The year also saw the establishment of an R3 Academic Forum linked to GTC & STC.

Changes proposed in previous years to insolvency fees and pre-packs were finally introduced, while the Small Business, Enterprise and Employment Act 2014 – around a fifth of which concerned insolvency measures – became law in March. Changes to the personal insolvency regime were introduced in October to improve accessibility; at the same time, new rules guaranteeing supplies for insolvent companies were introduced in a bid to improve business rescue.

Additionally the new fees' rules introduced in 2015 are based on a beneficial compromise proposed by R3; an R3 hosted roundtable gave impetus to the efforts to reform pre-packs, with the impact of the "Pool"; following pressure from R3, changes were made to safeguard the future of physical creditor meetings in the Small Business, Enterprise and Employment Act; reforms to supply in business rescue situations were implemented after a long running campaign by R3, while changes to the personal insolvency regime reflected R3 proposals.

Outside of politics, the Football League adopted R3's proposals for reforming the treatment of unsecured creditors in football insolvencies.

Old issues resurfaced and new issues came to the fore in 2015, including the conflict between employment and insolvency law when companies fail, and increased interest in insolvency regimes and likely "harmonisation" from the European Commission. On these matters, R3 has made the case for the UK's insolvency regime and practitioners to policymakers and the press, and has increased its activity with regards to European insolvency developments.

During 2015, R3 met 50 parliamentarians, including ministers and shadow ministers, and gave evidence to the House of Commons' Business, Innovation & Skills Select Committee. R3 also hosted events for politicians and stakeholders and built a coalition of support for its work: two parliamentary Early Day Motions on reviewing the insolvency exemption from the LASPO Act received almost 100 signatures from MPs, while nine other business bodies (including the Association of British Insurers, the British Property Federation, the Chartered Institute of Credit Management, the FSB, and ICAEW) joined R3 in campaigning against the government's proposals for reform of insolvency litigation funding. To the regret of many, at the year end the M.o.J. announced the exemption would end in April 2016.

High levels of quality press coverage for R3 continued throughout 2015, with reports on R3 statistics and comment in every national newspaper during the year; and appearances by R3 spokespeople on Radio 4 programmes. At a regional level, there was excellent coverage, particularly of R3's Value of the Insolvency Profession report.

The press, policy, and public affairs teams' work was recognised with nominations for 'trade body of the year' award at the 2015 Public Affairs Awards and for 'public affairs campaign of the year' at the 2015 Chartered Institute of Public Relations Awards.

R3's policy-orientated members' groups, including the main Policy Group and the Personal Insolvency Committee, continued providing valuable output, and both contribute to the development of R3 national policy positions.

The Personal Insolvency Committee has helped position R3 at the forefront of the debate on the introduction of a 'breathing space' for indebted individuals in England & Wales, with the publication of its own proposals ahead of a government review. The committee also responded to the Treasury and Financial Conduct Authority's Financial Advice Market Review to ensure policy makers are aware of the insolvency profession's expertise in debt advice, and to raise awareness of the profession's concerns about the impact of the FCA authorisation regime on the insolvency profession.

R3's Fraud Group continued to develop its contacts with government and other fraud combatting stakeholders to raise awareness of what the insolvency profession can do to recover money for victims of fraud and to discourage or disrupt fraudulent activity.

During 2015, we undertook a membership survey to understand and obtain feedback from our members. This provided us with valuable information and insights from 444 members who commented upon all areas of R3 activities. We were pleased to receive significant validation of much of what we do and to hear more of members' concerns.

We have continued with incremental upgrades on the R3 website, ensuring members can readily access technical materials, regulatory updates and member-only information. The R3 site, our members tell us, is an essential member access tool and we remain committed to its development.

R3 continues to provide a comprehensive professional education (CPE/CPD) programme in the areas of insolvency and restructuring. Recognition of its excellence was the award for 'Education and Training Provider of the Year' at the 2015

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT OF THE COUNCIL (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2015**

programmes that are valued by the profession.

R3's national training events took place in Birmingham, Bristol, Cheltenham, Leeds, London and Manchester. The Annual Conference was in Berlin, and our Smaller Practices Group Forum made the move from Birmingham to Manchester.

Through a variety of one day and half day courses, conferences, workshops, breakfast briefings and webinars our programme covered all the key areas of insolvency - corporate, personal, regulatory and business management. These included: Insolvency Litigation, Personal Insolvency, Restructuring, Property Law for insolvency practitioners, Key Stakeholders, R3/INSOL international Restructuring Conference, Pre-packs, Insolvency Litigation, Directors' Duties', Tax and Administrations. There were also some new courses in the programme - A Guide to Dealing with Regulatory Regimes, A Beginners Guide to IBRs, Asset Tracing, Fraud & Forensics. As an investment in the future of the profession, 'The Future of Restructuring and Insolvency Conference' was held with the aim of arming delegates with the tools needed to become and remain leaders in industry.

R3 also continues to support new professionals with JIEB Workshops and an Introductory Programme, which is seen to be an essential foundation for all new starters in insolvency.

Our breakfast briefings and webinars mean we can inform our members about relevant 'hot topics' and offer practical and technical guidance. These are short and concise, and so perfect for people with little time to spare.

The R3 local network and committees, comprising nine regions and "R3 in Scotland", are an integral part of R3's provision of services to members, providing a gateway for R3 to engage and communicate with - and listen to - its members. The work of the R3 local chairmen, their committees, the associated women's committees and new professionals' committees deserve particular mention and thanks. They ensure R3 remains in touch with its membership; by arranging a valued calendar of local networking and technical events for those interested in insolvency, turnaround and restructuring. In some regions these included shared events with the TMA and the IFT.

The R3 Smaller Practices Group (SPG) has a very active committee, which strenuously supports the work, and articulates the needs, of members covered by our definition of a 'smaller' firm (no more than 5 appointment-takers). The committee's work in 2015 included various training options specifically for smaller firms: the SPG Forum, the SPG Technical Review course and a programme of webinars. This committee successfully supported smaller firms on monitoring and compliance matters; releasing a guidance document covering online marketing and promotion of firms; and developing guidance aimed at assisting practitioners combat the negative marketing of unlicensed advisers and 'ambulance chasers'. Work also started on a 'Small Business Landscape' paper to outline the importance of small businesses to the UK economy and demonstrate the vital role of smaller IP firms in supporting businesses and the economy in their local communities.

The SPG Committee contributed to R3's responses to various Government proposals and consultations that impact on smaller firms; and led a number of work streams e.g. R3's ongoing liaison with the Insolvency Service and the Official Receivers (OR) to ensure that smaller firm interests are taken into account in all matters relating to the OR work.

FINANCIAL RESULTS

The Association's activities in the year resulted in a deficit after tax for the year ended 31 December 2015 of £11.2k (£125.8k surplus after tax in 2014). The Association's reserves consequently reduced to £2.34m (£2.35m in 2014). We had initially budgeted for a £60k deficit, but the releasing of a redundant reserve of £69k relating to the premises, following the lease renewal discussions, helped achieve this better than expected outcome.

Our subscription income of £1.255m (£1.275m in 2014) represents a £20k reduction year on year, but is viewed as a good result against the backdrop of contraction in the industry, with tight budgetary controls over discretionary expenditure continuing in most firms.

Whilst achieving a good, overall educational net contribution of £491k (£618k in 2014) this was £40k less than hoped for at the outset of the year.

There was a very good regional contribution of £214k (£229k in 2014) from locally-hosted social and educational events which, as well as contributing to central costs, also fully funded our region-specific media work. Seven local centres are twinned with local press agents, the exceptions being London, Scotland and Northern Ireland (for whom our in-house team sources coverage). The costs incurred with these agents and the training of local spokesmen in media management

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT OF THE COUNCIL (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2015**

totalled £64k (£65k in 2014).

We remain thankful for the support of all R3 sponsors during 2015. This has enabled R3 to continue in, and further develop, our core services to members across the comprehensive range of education, training, lobbying and core support services for and on behalf of all members. We especially wish to thank our 2015 Key Sponsors Partners Willis, IRS and Encompass.

Investment income remained at the same low level as in recent years. In keeping with our low risk policy of holding surplus funds in bank deposits, we earned £22.6k (£21.2k in 2014). Our term deposits were held with Santander and Metrobank. Our working capital balances are predominantly held with Barclays.

We envisage and have planned for the next few years remaining challenging on the income front; and whilst working to increase income in all possible areas, we contemporaneously keep a close control over our costs.

R3's financial policy, having built up a cushion of reserves to above £2m, is currently to maintain them at around that level, whilst continuing to provide the core services our members need. Our 2016 plans deliberately include further reductions in our reserves.

We will maintain our commitment to providing members with the educational, informational, networking and social activities they tell us they want, being a combination of traditional and new offerings. Additionally, we are determined to promote the rescue, recovery and renewal activities our industry undertakes; and of which our members are justifiably proud, be they insolvency practitioners, restructuring experts or turnaround specialists.

R3 is a not-for-profit company. What we generate is not paid out as dividends, but kept within the company to support our work and aims. We encourage members to "buy local"; and our efforts in marketing and promoting our courses are being extended to utilise the resources and recommendations of local committees and Council members; and, as appropriate, via increased use of social media.

The team at "120" is committed to work in full support of our members; and they in turn are aided by those industry volunteers on national and regional committees, as well as their employing firms; and thanks are due to all of them for their efforts.

FIXED ASSETS

Movements in fixed assets are shown in Note 7 to the accounts.

AUDIT INFORMATION

So far as the Council Members are aware, there is no relevant audit information of which the Company's auditors are unaware. The Council Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

AUDITORS

Messrs haysmacintyre have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted to the Annual General Meeting.

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT OF THE COUNCIL (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2015**

SMALL COMPANIES NOTE (FRSSE 2015)

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 has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the Board on 30 March 2016 and signed by Order of the Council:



**P R Sykes
President**



**A J Tate
Vice President**

120 Aldersgate Street
London EC1A 4JQ

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

We have audited the financial statements of the Association of Business Recovery Professionals for the year ended 31 December 2015 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (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 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 auditors

As explained more fully in the Statement of Council Members' Responsibilities Statement set out on page 3, the Council members 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of accounts is provided on the FRC'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 company's affairs as at 31 December 2015 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

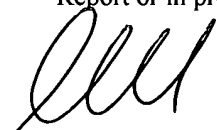
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Council 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, 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 Council members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



**George Crowther (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor**

**26 Red Lion Square
London
WC1R 4AG**

30 March 2016

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2015**

	Notes	2015 £'000	2014 £'000
TURNOVER			
Subscription income		1,255.1	1,274.9
Courses, meetings and conferences		1,621.6	1,780.8
Sponsorship		196.0	192.3
Advertising		43.3	54.0
Other income		7.0	18.6
		<u>3,123.0</u>	<u>3,320.6</u>
OPERATING EXPENSES			
Direct course expenses		(1,013.0)	(1,033.4)
Administrative expenses		(2,139.3)	(2,178.4)
		<u>(3,152.3)</u>	<u>(3,211.8)</u>
OPERATING (DEFICIT) / SURPLUS	3	(29.3)	108.8
Interest receivable and similar income		<u>22.6</u>	<u>21.2</u>
(DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		(6.7)	130.0
Taxation	4	<u>(4.5)</u>	<u>(4.2)</u>
(DEFICIT)/ SURPLUS FOR THE YEAR		<u><u>(11.2)</u></u>	<u><u>125.8</u></u>

There are no material differences between the deficit on ordinary activities after taxation and the retained deficit for the financial year stated above and their historical cost equivalents.

All transactions are derived from the continuing activities.

The notes on pages 11 to 13 form part of these financial statements.


**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
BALANCE SHEET
AT 31ST DECEMBER 2015**

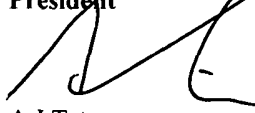
Company Registration No. 2553435

	Note	2015 £'000	2014 £'000
FIXED ASSETS			
Tangible fixed assets	7	46.5	40.6
CURRENT ASSETS			
Debtors	8	572.7	499.0
Cash at bank and in hand		2,730.7	2,881.7
		<u>3,303.4</u>	<u>3,380.7</u>
CREDITORS: amounts falling due within one year	9	<u>(1,006.7)</u>	<u>(1,066.9)</u>
NET CURRENT ASSETS		<u>2,296.7</u>	<u>2,313.8</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,343.2</u>	<u>2,354.4</u>
ACCUMULATED SURPLUS	10	<u>2,343.2</u>	<u>2,354.4</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The accounts were approved and authorised for issue on behalf of Council on 30 March 2016 and were signed below on its behalf by:


P R Sykes
President


A J Tate
Vice President

The notes on pages 11 to 13 form part of these financial statements.

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

1 ACCOUNTING POLICIES

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The particular accounting policies adopted are described below.

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives at the following rates:

Fixtures & fittings	25 per cent straight line
Computers & equipment	33 1/3 per cent straight line
Leasehold improvements	20 per cent straight line

(c) Taxation

The Association is a mutual company for taxation purposes and is only liable to tax on its investment income and any profits earned from non-members.

(d) VAT

The Association is partially exempt. The irrecoverable proportion of VAT is included in administrative expenditure.

(e) Fees

Membership subscriptions are recognised according to the period to which they relate.

(f) Stock

Stock items bought during the year which remain unsold at the year end and all publications are written off in the year of purchase.

(g) Cash flow statement

The Association has taken advantage of the exemptions available in Financial Reporting Standard No.1 and has chosen not to prepare a cash flow statement.

(h) Operating leases

Rents applicable to operating leases where substantially all of the benefits and risks of partnership remain with the lessor are charged to the profit and loss account evenly over the life of the lease.

(i) Pensions

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

2 THE ASSOCIATION

The Association is a company limited by guarantee of the members for such amounts as may be required, not exceeding one pound per member.

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2015

3 OPERATING (DEFICIT)/ SURPLUS	2015 £'000	2014 £'000
This is stated after charging / (crediting) :		
Auditors' remuneration – audit	7.0	7.0
- other	2.3	2.3
Depreciation	28.5	25.3
Operating lease rentals - land and buildings	95.1	90.9
- other	3.5	3.5
- release of provision	(66.7)	-

4 TAXATION

	2015 £'000	2014 £'000
The tax charge on bank interest receivable for the year was as follows:		
UK Corporation tax at current rates	4.5	4.2
Corporation tax charge for the year	4.5	4.2
Tax reconciliation		
Differences in the total taxed assessed are explained below:		
(Deficit)/ Surplus on ordinary activities before tax	(29.3)	114.1
Expenses not chargeable to corporation tax	51.9	(92.9)
Surplus for the year chargeable to corporation tax	22.6	21.2
Surplus chargeable to tax multiplied by the standard rate of tax in the UK of 20% (2014: 20%)	4.5	4.2

5 STAFF COSTS

	2015 £'000	2014 £'000
Employee particulars are shown below:		
Wages and salaries	1,200.7	1,136.1
Social security costs	136.4	131.2
Other pension costs	33.5	27.1
	1,370.6	1,294.4

The average number of persons employed by the company during the year was:	No.	No.
Administration	24	22

None of the directors received any remuneration in either 2015 or 2014.

6 OPERATING LEASE COMMITMENTS

At 31 December 2015, the Association had annual commitments under operating leases as set out below:

	2015		2014	
	Land and Buildings £'000	Other £'000	Land and Buildings £'000	Other £'000
Operating leases which expire in:				
Less than 1 years	-	-	90.9	3.5

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2015

7	FIXED ASSETS	Leasehold Improvements £'000	Fixtures & Fittings £'000	Computers & Equipment £'000	Total £'000
	Cost				
	At 1 January 2015	184.4	74.9	215.6	474.9
	Additions for year	0.0	2.7	31.7	34.4
	Disposals for year	0.0	0.0	0.0	0.0
	At 31 December 2015	184.4	77.6	247.3	509.3
	Depreciation				
	At 1 January 2015	183.0	73.7	177.6	434.3
	Charge for year	1.4	1.1	26.0	28.5
	Disposals for year	0.0	0.0	0.0	0.0
	At 31 December 2015	184.4	74.8	203.6	462.8
	Net Book Value				
	At 31 December 2015	0.0	2.8	43.7	46.5
	At 31 December 2014	1.4	1.2	38.0	40.6
8	DEBTORS			2015 £'000	2014 £'000
	Trade debtors			94.3	81.9
	Other debtors			230.6	248.6
	Prepayments			247.8	168.5
				572.7	499.0
9	CREDITORS: amounts falling due within one year			2015 £'000	2014 £'000
	Trade creditors			168.1	172.0
	Other creditors			90.0	152.9
	Accruals and deferred income			744.1	737.8
	Corporation tax			4.5	4.2
				1,006.7	1,066.9
10	MOVEMENT ON ACCUMULATED SURPLUS			2015 £'000	2014 £'000
	Accumulated surplus brought forward			2,354.4	2,228.6
	(Deficit)/Surplus for the year			(11.2)	125.8
	Balance carried forward			2,343.2	2,354.4
11	PENSION CONTRIBUTIONS				

The Association contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the Association in an independently administered fund. The pension charge represents contributions payable by the company to the scheme which amounted to £33,500 (2014: £27,100). There were no contributions outstanding at the year-end (2014: £0).