

The British Quality Foundation

Financial Statements

For Filing with Registrar

For the year ended 31 December 2019

Company Registration No. 02770257 (England and Wales)

The British Quality Foundation

Company Information

Directors	M Johnson K Leftley P Nolan A Williams L Iftikhar-Ali G Kildare D Vaishampayan	(Appointed 2 September 2019)
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Company number	02770257
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Registered office	Devonshire House 60 Goswell Road London EC1M 7AD
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Auditors	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
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Bankers	HSBC The Peak 333 Vauxhall Bridge Road Victoria London SW1V 1EJ
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The British Quality Foundation

Contents

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

The British Quality Foundation

Balance Sheet

As at 31 December 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	5		5,271		8,321
Tangible assets	6		51		52,663
			<u>5,322</u>		<u>60,984</u>
Current assets					
Stock		1,966		397	
Debtors	7	251,916		320,776	
Cash at bank and in hand		39,084		85,098	
		<u>292,966</u>		<u>406,271</u>	
Creditors: amounts falling due within one year	8	<u>(757,863)</u>		<u>(687,450)</u>	
Net current liabilities			<u>(464,897)</u>		<u>(281,179)</u>
Total assets less current liabilities			<u>(459,575)</u>		<u>(220,195)</u>
Creditors: amounts falling due after more than one year	9		(18,000)		-
Net liabilities			<u><u>(477,575)</u></u>		<u><u>(220,195)</u></u>
Reserves					
Profit and loss reserves			<u><u>(477,575)</u></u>		<u><u>(220,195)</u></u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 23 December 2020 and are signed on its behalf by:

K Leftley
Director

Company Registration No. 02770257

The British Quality Foundation

Notes to the Financial Statements

For the year ended 31 December 2019

1 Accounting policies

Company information

The British Quality Foundation is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office is Devonshire House, 60 Goswell Road, London, EC1M 7AD.

1.1 Accounting convention

These financial statements have been prepared in accordance with section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has net liabilities of £477,575 as at 31 December 2019 (2018: £220,195) after making a loss for the year ended 31 December 2019 of £257,380 (2018: loss of £181,650). However, the net liabilities position is stated after accounting for deferred income totalling £415,291 (2018: £325,834).

The impact of Covid-19 has also been considered. Membership income has remained steady during the financial year ended 31 December 2020 and the company has made significant cost savings which have mitigated the impact of the loss of revenue. The board are monitoring the situation closely and action will be taken if required.

The directors have prepared detailed cash flow forecasts for the period covering the twelve months from the date of approval of these financial statements which show that the company will have sufficient cash resources to continue trading throughout that period and as such the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

The British Quality Foundation

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

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

Software	4 years straight line
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1.5 Tangible fixed assets

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

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

Leasehold improvements	Over the term of the lease
Computers	4 years straight line

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

1.6 Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

This company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other, or basic financial instruments at fair value.

1.9 Taxation

The tax expense represents the sum of the tax currently payable. The company is a mutual trading company for taxation purposes and is only liable to tax on its investment income and surpluses earned from non-member trading.

1.10 Employee benefits

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

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

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

The British Quality Foundation

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

1.11 Retirement benefits

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

1.12 Leases

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

1.13 Foreign exchange

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

2 Exceptional costs

	2019 £	2018 £
Lease surrender costs	120,356	-

During the year, the company surrendered its property lease at 53 New Broad Street and incurred costs of £120,356 in respect of this.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2018 - 11).

4 Directors' remuneration

	2019 £	2018 £
Remuneration paid to executive directors	87,480	86,400

The British Quality Foundation

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

5 Intangible fixed assets

	Other £
Cost	
At 1 January 2019 and 31 December 2019	17,846
Amortisation and impairment	
At 1 January 2019	9,525
Amortisation charged for the year	3,050
At 31 December 2019	12,575
Carrying amount	
At 31 December 2019	5,271
At 31 December 2018	8,321

6 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2019	120,513	65,690	186,203
Disposals	(120,513)	(44,961)	(165,474)
At 31 December 2019	-	20,729	20,729
Depreciation and impairment			
At 1 January 2019	77,245	56,295	133,540
Depreciation charged in the year	10,302	5,252	15,554
Eliminated in respect of disposals	(87,547)	(40,869)	(128,416)
At 31 December 2019	-	20,678	20,678
Carrying amount			
At 31 December 2019	-	51	51
At 31 December 2018	43,268	9,395	52,663

The British Quality Foundation

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

7 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	142,881	85,784
Other debtors	109,035	234,992
	<u>251,916</u>	<u>320,776</u>

8 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	251,367	252,953
Other taxation and social security	65,614	21,328
Other creditors	440,882	413,169
	<u>757,863</u>	<u>687,450</u>

9 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	18,000	-
	<u>18,000</u>	<u>-</u>

The British Quality Foundation

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

10 Audit report information

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

The auditor's report was unqualified but was subject to a material uncertainty in respect of going concern.

The senior statutory auditor was John Staniforth.

The auditor was Moore Kingston Smith LLP.

11 Related party transactions

Transactions with related parties

During the year, a total amount of £1,403 (2018: £nil) was invoiced by a company in which one of the directors is a shareholder in respect of consultancy services. Of this balance £720 (2018: £nil) was owed at the balance sheet date and included within Trade Creditors.

12 Controlling party

The BQF is a company limited by guarantee, therefore there is no single controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.