

BFS Member Services Limited

**Report of the Directors and
Financial Statements for the Year ended 31 December 2021
for
BFS Member Services Limited
Registered Number: 03821812**

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for the Year Ended 31 December 2021

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Company Information
for the Year Ended 31 December 2021

DIRECTORS: Mr C Radford (resigned 15 June 2021)
Mr S Owens
Mr R Harania (appointed 23 July 2021)
Mr G Hull (resigned 31 May 2021)

COMPANY SECRETARY: Mr R Harania (appointed 23 July 2021)

REGISTERED OFFICE: BFS House
45 Bromham Road
Bedford
MK40 2AA

REGISTERED NUMBER: 03821812

INDEPENDENT AUDITOR: BDO LLP
55 Baker Street
London
W1U 7EU

Report of the Directors
for the Year Ended 31 December 2021

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of managing loans to certain members of its parent company, the British Friendly Society. These loans are advanced by the company with a reciprocal loan being advanced to the company by its parent. Any administrative costs incurred by the company are offset against interest due to its parent.

POST BALANCE SHEET EVENT

Key risks to the company would arise from any impact on British Friendly Society as its parent which provides guarantees and liquidity for its loan book. Having made enquiries the Board are satisfied that the Society is adequately covering its Solvency Capital Requirement and Minimum Capital Requirement and is expected to continue to do so over 2022 and beyond.

DIRECTORS

The directors shown below have held office during the period from 1 January 2021 to the date of this report.

Mr C Radford (resigned 15 June 2021)

Mr S Owens

Mr R Harania (appointed 23 July 2021)

Mr G Hull (resigned 31 May 2021)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

BFS Member Services Limited
Report of the Directors
for the Year Ended 31 December 2021

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

SIGNED ON BEHALF OF THE DIRECTORS:

A handwritten signature in black ink, appearing to read 'S Owens', written in a cursive style.

Simon Owens - Director
Date: 30 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BFS MEMBER SERVICES LIMITED

Opinion on the 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 2021 and of its result 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.

We have audited the financial statements of BFS Member Services Limited ("the Company") for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report of the Directors and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

BFS Member Services Limited
Independent Auditors Report to the Members of
BFS Member Services Limited (continued)

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Report of the Independent Auditors report to the Members of
BFS Member Services Limited (continued)**

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

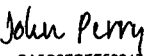
- assessing whether the accounting policies, treatments and presentation adopted in the financial statements is in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice and whether there are instances of potential bias in areas with significant degrees of judgement; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

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John Perry (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

30 March 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Income Statement
for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
TURNOVER		22,391	30,167
Cost of sales		<u>(19,878)</u>	<u>(28,266)</u>
GROSS PROFIT		2,513	1,901
Administrative expenses		<u>(2,513)</u>	<u>(1,901)</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		-	-
Tax on profit		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>-</u>	<u>-</u>

There is no other comprehensive income. All operations are continuing.

Statement of Financial Position
31 December 2021

	Notes	31.12.21 £	31.12.20 £
CURRENT ASSETS			
Debtors	3	310,658	432,390
CREDITORS			
Amounts falling due within one year	4	<u>(121,983)</u>	<u>(164,045)</u>
NET CURRENT ASSETS		<u>188,675</u>	<u>268,345</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		188,675	268,345
CREDITORS			
Amounts falling due after more than one year	5	<u>188,675</u>	<u>268,345</u>
NET LIABILITIES		<u>-</u>	<u>-</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>(100)</u>	<u>(100)</u>
SHAREHOLDERS' FUNDS		<u>-</u>	<u>-</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies (with registered number 03821812).

The financial statements were approved by the Board of Directors on 30 March 2022 and were signed on its behalf by:



Simon Owens - Director

Date: 30 March 2022

BFS Member Services Limited
Notes to the Financial Statements
for the Year Ended 31 December 2021

1. STATUTORY INFORMATION

BFS Member Services Limited is a private company, limited by shares, registered in England. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

A statement of changes in equity is not disclosed as if it were there would be no matters included. There is no other comprehensive income.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements. In making this assessment the Directors have considered trading forecasts and the position of British Friendly Society as its parent. In addition, the Directors have considered the potential impact of the Covid-19 pandemic and are satisfied that it does not, in their opinion, give rise to a material uncertainty around the ability of the business to continue as a going concern.

Turnover

The turnover in the profit and loss account represents the interest element on loan repayments, recognised on an accruals basis.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

BFS Member Services Limited
Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

3. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	<u>310,658</u>	<u>432,390</u>

The loans to members of British Friendly Society Limited (BFS) are guaranteed for repayment by that company and are secured on members capital accounts with BFS. The company has no obligation to support any losses, nor does it intend to do so. Capital and interest is paid to BFS as it is received from the members, BFS will not seek other recourse for repayment of the loans.

Of the total trade debtors balance £121,983 (2020: £164,045) is due within one year.

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Amounts owed to group undertakings	<u>121,983</u>	<u>164,045</u>

5. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.21	31.12.20
	£	£
Amounts owed to group undertakings	<u>188,676</u>	<u>268,345</u>

6. RELATED PARTY DISCLOSURES

During the year the company received advances from the company's parent, British Friendly Society Limited (BFS). These amounts were then loaned to members of that society. At 31 December 2021 £310,658 (2020: £432,390) was owing to BFS in respect of these loans. Interest totalling £22,391 (2020: £30,167) was charged to members on the loans and this amount net of administrative charges was remitted to BFS.

Fees for the audit of the Company's financial statements are paid by the parent undertaking.

7. ULTIMATE CONTROLLING PARTY

The controlling party is British Friendly Society, which as a Friendly Society, is ultimately owned by the members.

The company is a 100% subsidiary of British Friendly Society Limited, a company incorporated in England and Wales under the Friendly Societies Act 1992

8. POST BALANCE SHEET EVENTS

No significant post balance sheet events have occurred.