

# Financial Statements

## British Orienteering Federation Limited

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**For the Year Ended 31 December 2015**

**Registered number: 01606472**

**British Orienteering Federation Limited**  
(A company limited by guarantee)

## Company Information

<b>Directors</b>	Martin Ward (Chair) Robert Dredge (Treasurer) Philip Baxter Elizabeth Dunn (Independent Director) John Flook (Independent Director) Judith Holt (Vice-Chair) David Maliphant John Woodall Mike Hamilton
<b>Company secretary</b>	Mike Hamilton
<b>Registered number</b>	01606472
<b>Registered office</b>	Scholes Mill Old Coach Road Tansley Matlock Derbyshire DE4 5FH
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2 Broadfield Court Sheffield South Yorkshire S8 0XF
<b>Bankers</b>	RBS 8 Snitterton Road Matlock Derbyshire DE4 3LZ

**British Orienteering Federation Limited**  
**(A company limited by guarantee)**

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## **Directors' Report**

**For the Year Ended 31 December 2015**

The directors present their report and the financial statements for the year ended 31 December 2015.

### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

### **Principal activity**

The principal activity of the company during the year continued to be that of the administration and development of the sport of orienteering in the United Kingdom.

Except for the Chief Executive, the directors of the Company are either elected at the AGM or appointed by an Appointments Panel for terms of up to three years. No director may serve more than three terms consecutively. At its first meeting after an Annual General Meeting (or otherwise as required) the Board appoints the Chair, Vice-chair and Treasurer from its membership. Those directors serving in these roles since the most recent AGM are shown on the Company Information page.

## Directors' Report

For the Year Ended 31 December 2015

### Results and dividends

The profit for the year, after taxation, amounted to £8,599 (2014 - loss £15,395).

There has been an impact on the reserves position due to the creation of a holiday pay accrual as part of the transition to FRS 102. See Note 17 for further details on the first time adoption of FRS 102.

### Directors

The directors who served during the year were:

Martin Ward (Chair - re-elected 18 April 2014)  
Robert Dredge (Treasurer - re-elected 29 March 2013)  
Philip Baxter (re-elected 3 April 2015)  
Elizabeth Pariag (Independent Director - re-appointed 1 October 2015)  
John Flook (Independent Director - appointed 1 October 2013)  
Rosemary Williams (Independent Director - resigned 1 June 2015)  
Judith Holt (Vice-Chair - re-elected 18 April 2014)  
David Maliphant (re-elected 3 April 2015)  
John Woodall (re-elected 3 April 2015)  
Mike Hamilton (Chief Executive)

### Future / Going concern

The directors have reviewed forecasts for at least 12 months from the date the financial statements are signed and are confident that the organisation has sufficient resources to enable it to meet its financial obligations for the foreseeable future. Sport England grant funding has been secured for the period from April 2013 to March 2017, allowing the programmes currently being run under this agreement to continue into the future.

### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

## Directors' Report

For the Year Ended 31 December 2015

### Reserves Policy

The Board has a responsibility to ensure that the Company has sufficient reserves to meet its operational needs. This includes maintaining a level of reserves which would enable it to continue to meet its obligations even when there are significant changes to its circumstances. This was particularly important during the last foot and mouth outbreak, and is likely to become important again, particularly in the current climate of uncertainty with regard to government and lottery funding.

Consequently the Board has set the following policy with regard to the level of reserves that the Company should maintain:

- Reserves should be maintained at a level which ensures that three months of the Company's normal activity (a full programme as is currently being implemented) and a further three months of core activity (meeting its commitments to the membership) could continue during a period of unforeseen difficulty. A proportion of reserves will be maintained in a readily realisable form. For this purpose, the reserves that the Company carries excludes fixed assets.

At the end of 2015, the Board estimated the required level of reserves to be £397,206 and the Company reserves, excluding fixed assets, amounted to £473,168.

### Post balance sheet events

There have been no significant events affecting the company since the year end.

### Auditors

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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 was approved by the board on 12 February 2016 and signed on its behalf.



Judith Holt (Vice-Chair)  
Director



## Independent Auditor's Report to the Members of British Orienteering Federation Limited

We have audited the financial statements of British Orienteering Federation Limited for the year ended 31 December 2015, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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, 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](http://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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditor's Report to the Members of British Orienteering Federation Limited

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, 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' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

A handwritten signature in black ink, appearing to read "P. Edwards".

Peter Edwards (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
Sheffield

12 February 2016



**British Orienteering Federation Limited**  
**(A company limited by guarantee)**

# Statement of Income and Retained Earnings

For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Income	3	1,623,252	1,091,599
Cost of sales		<u>(1,619,057)</u>	<u>(1,113,421)</u>
<b>Gross profit</b>		<b>4,195</b>	<b>(21,822)</b>
Interest receivable and similar income	6	<u>5,675</u>	<u>7,865</u>
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>9,870</b>	<b>(13,957)</b>
Taxation on profit/(loss) on ordinary activities	7	<u>(1,271)</u>	<u>(1,438)</u>
<b>Profit/(loss) and total comprehensive income on ordinary activities after taxation</b>		<b><u>8,599</u></b>	<b><u>(15,395)</u></b>
Retained earnings at the beginning of the year		<u>480,622</u>	<u>496,017</u>
		<b>480,622</b>	<b>496,017</b>
Profit for the year		<u>8,599</u>	<u>(15,395)</u>
<b>Retained earnings at the end of the year</b>		<b><u>489,221</u></b>	<b><u>480,622</u></b>

The notes on pages 8 to 20 form part of these financial statements.

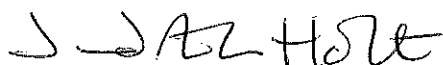
The 2014 numbers shown above are restated as a result of the transition to FRS 102, see Note 17 for details.

## Balance Sheet

As at 31 December 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	8	16,053	8,529
		<u>16,053</u>	<u>8,529</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	9	135,739	208,565
Cash at bank and in hand	10	659,685	775,532
		<u>795,424</u>	<u>984,097</u>
Creditors: Amounts falling due within one year	11	(322,256)	(512,004)
		<u>473,168</u>	<u>472,093</u>
<b>Net current assets</b>			
		<u>489,221</u>	<u>480,622</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Retained earnings		489,221	480,622
		<u>489,221</u>	<u>480,622</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 February 2016.



Judith Holt (Vice-Chair)  
Director

The notes on pages 8 to 20 form part of these financial statements.

The 2014 numbers shown above are restated as a result of the transition to FRS 102, see Note 17 for details.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 1. Accounting policies

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact first-time adoption of FRS 102 is given in note 17.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The financial statements are presented in Sterling (£).

The company has taken advantage of the exemption in FRS 102 Section 7.1B from the requirement to produce a cash flow statement on the grounds that it is a small Company.

The following principal accounting policies have been applied:

### 1.2 Going concern

The Directors have a reasonable expectation that the Company will be able to continue as a going concern for the foreseeable future, and for this reason continue to adopt the going concern basis in preparing the financial statements. The Directors considers the foreseeable future to be 12 months from the date that the financial statements are signed and have prepared financial forecasts which show that suitable financial facilities are available to provide adequate ongoing finance consistent with these forecast requirements. The Directors have concluded that the Company remains a going concern and have accordingly prepared these financial statements on the going concern basis.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 1. Accounting policies (continued)

### 1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

#### **Grant Income**

Grant income is recognised in line with related expenditure of the grant.

#### **Membership and Levy Income**

Membership income is recognised in the period to which it relates and levies are recognised when they become due.

#### **Event Income**

Event income represents entry fees and other income derived from events staged by British Orienteering (JK Festival, WOC 2015 and British Championships). This income is recognised in the period in which the event takes place.

### 1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

## Notes to the Financial Statements

For the Year Ended 31 December 2015

### 1. Accounting policies (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Depreciation is provided on the following bases:

Fixtures & fittings	-	10% straight line
(includes computer equipment	-	33% straight line)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

#### 1.5 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

#### 1.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 1.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 1.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

The Company uses financial instruments, comprising cash and debtors. The main purpose of these financial instruments is to finance the working capital cycle of the Company and finance longer term capital needs.

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2015**

### **1. Accounting policies (continued)**

#### **1.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **1.10 Pensions**

##### **Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

#### **1.11 Interest income**

Interest income is recognised in the Income statement using the effective interest method.

#### **1.12 Taxation**

Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 2. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

### 1) Third party event income

Events organised and operated by third parties are not the responsibility of British Orienteering Federation. Therefore only levy income relating to the event and payable to British Orienteering Federation is recognised in their financial statements. Where British Orienteering Federation is entitled to a share of event profits this is recognised when the profit is reasonably certain.

### 2) World Orienteering Championships

Income and expenditure for this event has been recognised in these financial statements based on payments made to and from British Orienteering Federation. Where expenditure is made by third parties on behalf of British Orienteering Federation in relation to the World Orienteering Championships event, this is only recognised as an amount received by way of any surplus or deficit calculated by the third party organiser at the end of the event. An agreement has been made with the International Orienteering Federation in relation to the television rights and the proportion of costs relating to British Orienteering Federation have been included as expenditure in the year.

## 3. Analysis of income

All income arose within the United Kingdom.

	2015 £	2014 £
<b>Grant income</b>		
Sport England	560,016	527,028
Sport Northern Ireland	86,449	89,928
	-	-
<b>Total grant income</b>	<b>646,465</b>	<b>616,956</b>
<b>Other income</b>		
Membership income	51,429	46,756
Participation levy income	130,394	114,421
Income from events	226,007	206,271
WOC 2015	475,854	-
Athletes' and others' contributions	54,193	48,388
Other income	38,910	58,807
<b>Total other income</b>	<b>976,787</b>	<b>474,643</b>
<b>Total income</b>	<b>1,623,252</b>	<b>1,091,599</b>

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 4. Operating profit/(loss)

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

	2015 £	2014 £
Depreciation of tangible fixed assets	7,198	1,709

## 5. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	46,600	46,600
Directors' pension costs	116	-
	46,716	46,600

## 6. Interest receivable

	2015 £	2014 £
Bank & other interest receivable	5,675	7,865
	5,675	7,865



# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 7. Taxation

	2015 £	2014 £
<b>Corporation tax</b>		
Current tax on profits for the year	1,136	1,438
Adjustments in respect of previous periods	135	-
	<u>1,271</u>	<u>1,438</u>
<b>Taxation on profit on ordinary activities</b>	<u><u>1,271</u></u>	<u><u>1,438</u></u>

### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20 % (2014 - 20 %). The differences are explained below:

	2015 £	2014 £
Profit/(loss) on ordinary activities before tax	9,870	(13,957)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20 % (2014 -20 %)	1,974	(2,791)
<b>Effects of:</b>		
Non-taxable income	(703)	4,229
	<u>1,271</u>	<u>1,438</u>
<b>Total tax charge for the year</b>	<u><u>1,271</u></u>	<u><u>1,438</u></u>

## Notes to the Financial Statements

For the Year Ended 31 December 2015

### 8. Tangible fixed assets

	Fixtures & fittings £
<b>Cost or valuation</b>	
At 1 January 2015	40,356
Additions	14,722
<b>At 31 December 2015</b>	<b>55,078</b>
<b>Depreciation</b>	
At 1 January 2015	31,827
Charge for the period	7,198
<b>At 31 December 2015</b>	<b>39,025</b>
<b>At 31 December 2015</b>	<b>16,053</b>
At 31 December 2014	8,529

### 9. Debtors

	2015 £	2014 £
<b>Due within one year</b>		
Trade debtors	5,591	9,648
Other debtors	103,042	179,779
Prepayments and accrued income	27,106	19,138
	<b>135,739</b>	<b>208,565</b>

There has been no impairment recognised against trade debtors.

## Notes to the Financial Statements

For the Year Ended 31 December 2015

### 10. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	659,685	775,532
	<u>659,685</u>	<u>775,532</u>

The deposit account with Royal Bank of Scotland is subject to nil days notice and (at 31 December 2015) was paying interest at 0.5%. The deposit account with Barclays is subject to 10 days notice and (at 31 December 2015) was paying interest at 1.34% (1.39% balances above £500,000). The deposit account with Loughborough Building Society is subject to nil days notice and (at 31 December 2015) was paying interest at 1.25%.

### 11. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	28,602	14,800
Corporation tax	1,135	1,437
Taxation and social security	10,057	12,673
Other creditors	35,900	13,015
Accruals and deferred income	246,562	470,079
	<u>322,256</u>	<u>512,004</u>

Accruals and deferred income includes deferred membership subscriptions. Membership runs for the calendar year. Subscriptions are collected by direct debit and similar payments before the end of the previous year from members renewing their membership. The accruals and deferred income also include a provision for the holiday pay accrual which is a requirement under FRS 102.

## Notes to the Financial Statements

For the Year Ended 31 December 2015

### 12. Applications of grants

	Deferred income brought forward from 2014 £	Income received £	Grant income recognised £	Deferred income carried forward to 2016 £
Sport England Whole Sport Plan 13-17	175,489	570,664	560,016	186,137
Sport Northern Ireland Coach Legacy	965	750	1,715	-
Sport Northern Ireland Performance Focus & Transition Funding Programme	-	84,734	84,734	-
<b>Total</b>	<u>176,454</u>	<u>656,148</u>	<u>646,465</u>	<u>186,137</u>

### 13. Reserves

#### Retained earnings

Retained earnings includes all current and prior period retained profits and losses.

## Notes to the Financial Statements

For the Year Ended 31 December 2015

### 14. Company status

The Company is limited by guarantee and does not have share capital. Every member of the Company (as defined in the Articles of Association) undertakes to contribute to the assets of the Company in the event of the same being wound up while he/she is a member, or within one year after he/she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he/she ceased to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding 50p (fifty pence).

### 15. Commitments under operating leases

At 31 December 2015 the company's future minimum lease payments under non-cancellable operating leases were as follows:

	2015 £	2014 £
Not later than 1 year	7,764	15,600
Later than 1 year and not later than 5 years	28,339	27,900
Later than 5 years	-	4,950
<b>Total</b>	<b>36,103</b>	<b>48,450</b>

### 16. Transactions with related parties

	2015 £	2014 £
Key management personnel compensation	201,451	192,770

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 17. First time adoption of FRS 102

	Note	As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Fixed assets		2,837	-	2,837	8,529	-	8,529
Current assets		857,066	-	857,066	984,097	-	984,097
Creditors: amounts falling due within one year	1	(354,930)	(8,956)	(363,886)	(503,048)	(8,956)	(512,004)
<b>Net current assets</b>		<b>502,136</b>	<b>(8,956)</b>	<b>493,180</b>	<b>481,049</b>	<b>(8,956)</b>	<b>472,093</b>
<b>Total assets less current liabilities</b>		<b>504,973</b>	<b>(8,956)</b>	<b>496,017</b>	<b>489,578</b>	<b>(8,956)</b>	<b>480,622</b>
<b>Net assets</b>		<b>504,973</b>	<b>(8,956)</b>	<b>496,017</b>	<b>489,578</b>	<b>(8,956)</b>	<b>480,622</b>
Capital and reserves		504,973	(8,956)	496,017	489,578	(8,956)	480,622

## Notes to the Financial Statements

For the Year Ended 31 December 2015

### 17. First time adoption of FRS 102 (continued)

		As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
	Note			
Turnover		1,091,599	-	1,091,599
Cost of sales	1	(1,104,465)	(8,956)	(1,113,421)
		<u>(12,866)</u>	<u>(8,956)</u>	<u>(21,822)</u>
<b>Operating profit</b>		<b>(12,866)</b>	<b>(8,956)</b>	<b>(21,822)</b>
Interest receivable and similar income		7,865	-	7,865
Taxation		(1,438)	-	(1,438)
		<u>(6,439)</u>	<u>(8,956)</u>	<u>(15,395)</u>
<b>Loss on ordinary activities after taxation and for the financial year</b>		<b>(6,439)</b>	<b>(8,956)</b>	<b>(15,395)</b>

Explanation of changes to previously reported profit and equity:

#### 1 Holiday Pay Accrual

A Holiday Pay Accrual is now required under FRS 102, which has been entered as an adjustment in 2013. Therefore there has been an adjustment posted to prior year reserves to take into account the initial accrual which would have been posted in 2013.