



Annual Report 2017



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Chair's introduction – Annual Report 2016/17

By Chris Ratcliffe, Chair of the British Educational Suppliers Association

The Chair's introduction last year referred to 2015/16 as a 'momentous year', and very few people could argue with that assessment. Well, if last year was momentous, then this year has been one to strap on your seatbelt and ready yourselves for lift-off.

The BESA team, led admirably by Caroline Wright, have spent a huge amount of time working to ensure that the association is not only seen as, but actually is, the de facto trade association for all suppliers working with education establishments and providers. To that end this year we've had the pleasure to welcome to membership Local Authorities, Academy Groups and start-ups into our Launchpad scheme from sectors as wide as technology, publishing, and support services among many more. Our membership numbers are the highest they have been in over five years and in the last quarter new sign-ups jumped over 50% on prior year. One way of seeing this positivity in numbers is through the Net Promoter Score (a customer survey tool that is used to gauge an organisation's customer relationship). BESA's Net Promoter Score currently stands at 60 – a 46% year-on-year increase, and 18 percentage points higher than that of Apple's (which is 42).

A big contributor to the increased membership and positive feeling toward BESA has been the increase in services that BESA offers members, none less than our research. The volume of research has increased substantially this year, but not at the expense of quality. The academies research and most recently the international school research from the Education Company are very welcome, and in addition to the rest of the research provide our members with tremendous value for money.

Value for money is essential at a moment where schools' budgets are tight – generally speaking when a headteacher is struggling to find budget, it means that our members have to work harder for every sale. Here's a quick state of the market update:

- The Barometer report for Q2 suggests a decline in sales of nearly 8%; school spend was down by 4.7% in 2016 and the forecast continues to report a decline in spending on resources in 2017 by a further 5.5%.
- The Resources in English Maintained Schools 2017 – Mid-Year Update report is stark, with a reduction in spending of nearly £130m over two years.
- The ICT in UK State Schools Research 2017 report is a curate's egg. On one hand the number of computers has increased in both primary (8.8%) and secondary (3.2%) with a big shift towards laptop and tablet use, and on the other hand the number of old and ineffective computers is at record levels. There are over 315,000 computers over five years old in UK schools, and 30% of all computers are ineffective. The decline in budget spend for ICT doesn't look as though it will help this situation, with a 5% budget decrease in primary and a 7% drop in secondary schools.

Faced with these facts, it is important to remember why we do what we do. You'll know that I firmly believe in the power of our members to do good. Every single resource that our members conceive, commission, create, make, publish and sell has one purpose, to help schools to educate and support our children to the best of their ability. This message, hand-in-hand with that of high-quality and world-leadership is one that the secretariat of BESA has been taking to ministers, politicians, our friends in the Civil Service, education associations, unions, schools and teachers. They have done this in a variety of ways:

- To date this year, BESA has organised a record of 57 UK events that BESA members have been able to attend. These range from regional events, to an expanded seminar programme and roundtables as well as our flagship Summer Insight Day, Launchpad conferences and in conjunction with the Education Publisher's Council the PA/BESA Conference.
- International events: this year, BESA has taken 195 companies to exhibit abroad, up from 179 last year – and 124 in 2015. BESA is also running three trade missions this year, two more than last year and compared to none in 2015. BESA has been able to negotiate a 27% increase in the amount of funding for SMEs to exhibit abroad this year – receiving £417,900 in grants.
- Special Interest Group attendance has increased by 10% in the past year, with the Export SIG proving a popular new addition for members. The average attendance is 13 members per SIG.
- Combined, Caroline and Patrick sit on 14 different government and influencer panels. In addition to this there have been many and varied meetings with government officials, 91 to be exact:
 - Department for International Trade: 44,
 - Department for Education: 18,
 - Department for Business, Energy & Industrial Strategy: 12,
 - Department for International Development: 6,
 - Members of the House of Lords: 7,
 - London Mayor's office: 2, and
 - The Royal family: 2.

Bett has gone from strength to strength, the Education Show is trialling new formats, and BESA has launched with great success the Great British Classroom. The EDUCATE research project announcement at the Summer Insight Day is a pioneering collaboration by industry, academics and teachers, which aims to catalyse the development of evidence-based EdTech products and services. Having BESA at the heart of this is a tremendous boost to our members.

In my view, the Resource Our Schools campaign has been BESA's tour de force this year, a campaign that was created to highlight the chronic underfunding of schools. At last count over 500 individuals, associations, unions, Lords, tutors, teachers, teaching assistants, technicians, musicians and suppliers have signed up to the campaign, recognising that every school must have access to the resources they need to deliver the education that our children deserve.

Another issue that has been across the BESA desk and is sure to continue is the centralised control and direction over the resources that are used in schools. Maths textbooks have been the most recent example of this (where only one textbook has been approved by the Department for Education for eligibility for match funding) but there looks to be movement on reading materials as well. These are critical issues for our members and we will be looking at them in the coming year.

One of the less glamorous areas that the Secretariat, in conjunction with BESA Council have been working on this year, has been our governance practices. There is a need to ensure that all of our members, partners and schools understand that BESA is a transparent and ethical association. The first fruits of this have already been seen this year through the publishing of our BESA Code of Practice which covers 'quality and standards', 'integrity', 'transparency and openness', 'safeguarding and data security' and 'discriminatory conduct'. These are all areas that every BESA member signs up to when they join and renew their membership and we should be proud to be associated with them. We will continue to look at governance this year, with a focus on the roles of the BESA Executive Council, the Special Interest Groups and Management Committee, with a goal to bring a revised set of Articles of Association to the Summer Insight Day in July 2018.

None of the tremendous amount of work listed above could be done without the huge dedication of the BESA secretariat and also the commitment of the BESA Executive Council members. Thank you to all, including those members of Council who are coming to the end of their terms this year: two ex-Chairs of BESA, Andrea Carr and Andrew Thraves, as well as Cath Jeffery, Carole Mills and John Doherty at ESPO, who although only on Council for a short time as Treasurer has given us a huge amount of insight and support.

Finally, your membership of SIGs, passion for joining BESA's Executive Council (through better communication with members we have had the highest number of members standing for Executive Council, and the most votes ever cast to put those nominees into the Council positions), mentoring of our Launchpad community, and turning up to events such as the Summer Insight Day and AGM mean that the networking opportunities are better now than they have ever been. BESA wouldn't be BESA without the time that all of our members give to the organisation, so thank you.

Chris Ratcliffe,
Chair of BESA

Director General's introduction – Annual Report 2016/17

By Caroline Wright, Director General of the British Educational Suppliers Association

As the Chair rightly reports, the past year has been tumultuous. The impact of the vote to leave the European Union started to impact on the economy, school spend on resources continued its downward trajectory, and further political uncertainty impacted on our sector and wider society both before and after the snap general election in June.

Given this challenging backdrop the Executive Council and Secretariat have been determined to find ways to help members deliver during difficult times. To this end we have focused on three core areas of delivery; delivering better value for money for members, delivering better research and insights to help inform members' business strategies, and delivering greater external impact and public representation on behalf of members.

In delivering better value for money we have developed and deployed a broader range of member seminars and events, importantly focusing in the regions as well as at BESA's London HQ. We have used webinar services where possible to enable remote access as well as recording and making videos of our events available online for members who are unable to attend in person or wish to share insights more widely throughout their organisations. We have also negotiated more discounts and group deals for members – including an area for UK companies to do workshops, free of charge, at Didac India and the L&T Expo in Hong Kong; a 50% discount on the exhibition stand costs at GET China; discounts on advertisements in Schools Week and the EdTech Podcast, and 10% off participating in InnovateMySchool's speed-dating events with headteachers. This, alongside our existing member benefits, means that members can often recover the cost of membership by participating in just one or two other events.

We have further improved our research and business insights, continuing to offer access to the ever-evolving database of the UK's Multi-Academy Trusts. This year, in response to member requests, we have added an international dimension to our research focus, carrying out a new study into procurement in international schools. Through guest blogs and an improved focus on BESA's member communications we have also increased the frequency and level of sector insights provided in our BESA newsletter, website, and twitter channels.

Our improved social media activity is also a key plank of our work to raise BESA's external profile on behalf of our members. To this end, Patrick Hayes and I have taken part in a wide range of government advisory and working groups across Whitehall departments and business areas including assessment, flexible working in schools, school workload, international trade policy, international education export policy, EdTech, China, and industrial sector strategy, amongst others.

We have embarked on extensive media campaigns to raise the profile of schools resourcing through our Resource Our Schools campaign, and raised the profile of trusted, quality BESA

suppliers through the marketing and promotion of our new BESA Code of Practice, as well as re-invigorating our BESA branding and logo-type to bring BESA firmly into the 2010s as a current, influential and modern trade association that reflects the innovation and dynamism of our members. As well as these UK-facing campaigns, we have worked to further boost our members' profiles internationally with our innovative classroom display initiative, the Great British Classroom initiative, and by partnering with the Department for International Trade to take trade delegations of BESA members to China, Vietnam, and Mexico – the latter successfully led by our President, Baroness Hooper.

To carry out and deliver these improved member services it has been necessary to make some internal changes. We have modernised our working practices and updated our infrastructure to become more fleet-of-foot. We have revised and adapted our staffing structure accordingly and sought to forge and develop new partnerships, both in the UK and internationally, that will help benefit members and strengthen BESA's future focus. However, while we have updated and sharpened BESA's mission and objectives to help members in these challenging times, we never forget BESA's strong tradition of collaboration and co-operation.

I am honoured to work with a dedicated and talented team, led by Patrick Hayes, and I thank them all whole-heartedly for their hard work and efforts over the past year. The Secretariat and I have also been fortunate in being joined by Chair, Chris Ratcliffe, and Treasurer, John Doherty, in November 2016. During the past 12 months I have greatly appreciated both their support and constructive challenge, as well as the help, advice and expert insights of all 20 members of BESA's Executive Council. It gives me great pleasure to serve BESA and the Executive Council and I look forward to doing so over the coming year alongside the newly-elected members of BESA's Executive Council who will be announced later today.

Caroline Wright,

Director General of BESA

Treasurer's report - Annual Account 2016/17

By John Doherty, Treasurer of the British Educational Suppliers Association

As you have heard from the Chair, we have seen a period of significant change at BESA over the past 12 months. In financial terms I would describe it as a period of consolidation and restructuring, underpinning both BESA's essential member services and support, while updating and refreshing the structures and internal processes of the association.

In my first annual report as Treasurer, I am pleased to be able to report that I have been encouraged by the underlying healthy performance indicators we see in these annual accounts. We can see that the association welcomed more members into membership over the 2016/17 period and our subscription revenue held up, with an increase from £421,647 to £432,504. BESA's events and services turnover also rose from £1,339,487 to £1,426,746 seeing a combined increase in revenue of almost £100k to £1,862,250.

Set against this, as we know, we have also seen a once-in-a-generation change to the leadership of BESA and, with that, some expected one-off extra costs. These can be broadly attributed to three key factors. First, handover and restructuring costs including double-running of two Director Generals, pension and retirement expenses of £98k. Second, modernisation and restructuring costs of £96k updating and improving BESA's office processes, staffing structures and capacity to ensure that BESA's secretariat, premises, and office equipment is fit for purpose to deliver the member services we need in a changing education market. The third key factor includes associated business development costs totalling £95k – including the new website and the Great British Classroom initiative – to ensure that BESA invests in core and new areas of association activity to underline and protect BESA and members' influence and reputation, with key stakeholders and within our sector in the UK and internationally. These three areas totalled some £289k.

These costs, set against the increase in revenue, therefore resulted in a loss in the financial year 2016/17 of £52,142. You will also note from page 13 of the accounts that the profit for the accounting year 2015/16 has been restated from a profit of £6k to £134k due to income relating to activities in that year having been originally posted to 2016/17. Processes have now been reviewed and revised to ensure that this does not happen in future accounting periods.

In line with this move to increased financial controls and improved processes, you will note that the accounts go into significantly more detail this year on the breakdown of BESA's expenditure in key areas. Aligned with this, BESA's Executive Council also approved and strengthened BESA's internal finance capability and has now appointed an experienced Financial Controller to the organisation's secretariat.

I would like to thank Richardsons, our auditor, for their support in providing BESA's audit services for some 40 years. I am however recommending that BESA adopts good financial practice and appoints new auditors to continue to provide independent scrutiny to BESA's

accounts. Following a tendering process, BESA has identified Gerald Edelman Chartered Accountants as their preferred supplier for the FY 2017/18 as per Resolution B, which has been approved by the Executive Council.

While it is impossible to predict the future, I expect as a result of clear planning that during the financial year 2017/18 the work of BESA's secretariat will continue to deliver an increasing number of new BESA members and increased membership revenue (which will be commendable given the current difficult financial market facing education companies). This is likely to be set against a challenging events and services landscape and some further business development costs that the association has planned for to continue its work future-proofing BESA's vital member support and service activities. However, it is for this reason that over many years BESA has built a reserve precisely for the association to be able to invest and support members during difficult trading times such as those we are experiencing now.

As Treasurer I put these accounts to the AGM for formal approval.

John Doherty,

Treasurer of BESA

**Minutes of the 2016 Annual General Meeting
of the British Educational Suppliers Association**

Date 1 November 2016
Venue Queen Elizabeth II centre, London

Minutes

1. **Start** – The meeting commenced at 2.00pm.
2. **Minutes** – Minutes of the 2015 AGM were approved.
3. **Introduction** – The Chair, Andrew Thraves, introduced the BESA Annual Report and Accounts for 2015/16, and read the Treasurer’s report from Jeremy Eves, Treasurer who had been delayed by a cancelled flight.
4. **Approval of resolutions**
 - The Chair introduced resolution A ‘That the Annual Report and Accounts for 2015/16 are approved’. Resolution A was agreed nem. con.
 - The Chair introduced resolution B ‘The Richardsons, Chartered Accountants, be appointed auditors for 2016/17’. Resolution B was agreed nem. con.
 - The Chair introduced resolution C ‘That Association subscriptions for 2017/18 remain the same as 2016/17’. Resolution C was agreed nem. con.
5. **New Council members** – The Director General, Caroline Wright, announced the results of the voting for five Executive Council positions. Stuart Abrahams, Groupcall, Lewis Bronze, Discovery, Jane Harley, OUP, Murray Hudson, Gratnells and Andrew Thraves, Prospects, were duly elected.
6. **Close** – The meeting closed at 2.15pm.

British Educational Suppliers Association (BESA) Annual General Meeting 2017

Proposed ordinary resolutions

Resolution A

“That the Annual Report and Accounts for 2016/17 are approved.”

Resolution B

“That Gerald Edelman, Chartered Accountants, be appointed auditors for 2017/18.”

Resolution C

“That Association subscriptions for 2018/19 be increased by 3%.”

Resolution D

“That the BESA Membership Renewal Rules be incorporated into the Articles of Association.”

BESA Membership Renewal Rules

1. Articles of Association

- 1.1. Membership shall be governed at all times by the Articles of Association.
- 1.2. These subscription rules will act as supplemental to the Articles of Association.

2. Membership

- 2.1. Membership will commence as provided for in the Articles of Association – that is “when the necessary membership documentation is completed, and Council accepts that candidate as a member”.

3. Renewals

- 3.1. Membership will automatically continue unless a member provides written notice to BESA of their wish to cancel their membership and this notice is received by BESA on or before 28 February of the year in which membership is to be discontinued.
- 3.2. If a member does not provide BESA with notice that they wish to cancel their membership on or before 28 February, the member will be contractually bound to pay the yearly membership fee for the next annual period.

4. Membership Category

- 4.1. In order to confirm the relevant membership category each member is required to provide BESA with a statement of business turnover (“Turnover Statement”) as requested by BESA and in such format as BESA shall from time to time require.
- 4.2. If any member fails to provide BESA with its Turnover Statement by the date BESA requires, it will automatically be assumed that their turnover has increased by 3% compared to the previous recorded turnover figure.

5. Membership Fees

- 5.1. Membership fees become payable on 1 April each year unless notice was served to BESA to resign membership by 28 February.
- 5.2. If BESA receive a member’s fee in full into the bank account nominated by BESA on or before 1 April, that member will be entitled to a discount of £100 as a reduction on the annual fee for that year only.
- 5.3. If the discounted fee is not received on or before 1 April, the member will be reinviced by BESA to reinstate the £100 discount that would otherwise have applied.

6. Duration of these Subscription Rules

- 6.1. These rules shall apply and be binding on all members until such time as they are revoked or amended, or substitute rules approved in all cases through the adoption of a resolution to this effect by the Council.

Adopted by the Council of the British Education Suppliers Association on: November 2, 2017.

Company Registration No. 01097059 (England and Wales)

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

COMPANY INFORMATION

Directors	S J Abrahams	
	L R Bronze	
	N J Canin	(Appointed 2 March 2017)
	A F Carr	
	J W Doherty	
	J F Garner	
	P Gray	(Appointed 5 January 2017)
	J E Harley	(Appointed 1 November 2016)
	S C Hill	
	G W C Hinks	
	M M Hudson	
	C Jeffrey	
	J G C Kershaw	
	C Mills	
	S J Nutt	(Appointed 31 March 2017)
	C P Ratcliffe	
C D Stone		
A Thraves		
S F Whitley		
S J Francis	(Appointed 9 June 2017)	
Secretary	C J P Wright	
Company number	01097059	
Registered office	20 Beaufort Court Admirals Way London E14 9XL	
Auditor	Richardsons 30 Upper High Street Thame Oxfordshire OX9 3EZ	

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

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BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their annual report and financial statements for the year ended 31 March 2017.

Principal activities

The principal activity of the company continued to be that of activities of business and employers membership organisations.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S J Abrahams	
L R Bronze	
N J Canin	(Appointed 2 March 2017)
A F Carr	
J W Doherty	
J F Garner	
P Gray	(Appointed 5 January 2017)
J E Harley	(Appointed 1 November 2016)
S C Hill	
G W C Hinks	
M M Hudson	
C Jeffrey	
J G C Kershaw	
C Mills	
S J Nutt	(Appointed 31 March 2017)
C P Ratcliffe	
C D Stone	
A Thraves	
S F Whitley	
L E Benstead	(Appointed 15 September 2016 and resigned 31 March 2017)
M C Brosnan	(Resigned 27 April 2017)
T J Chell	(Resigned 15 June 2016)
S P Emery	(Resigned 5 January 2017)
J R F Eves	(Resigned 1 November 2016)
A J L Kleinman	(Appointed 22 June 2016 and resigned 1 November 2016)
M K J Shelton	(Resigned 1 April 2016)
S J Francis	(Appointed 9 June 2017)

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

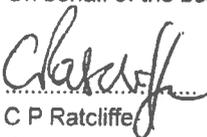
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

On behalf of the board



C P Ratcliffe

Director

20th October 2017

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2017

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit 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.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

We have audited the financial statements of British Educational Suppliers Association for the year ended 31 March 2017 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 (United Kingdom Generally Accepted Accounting Practice), 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2017 and of its deficit 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 matters prescribed by the Companies Act 2006

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

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

Matters on which we are required to report by exception

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 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 in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Simon Husband (Senior Statutory Auditor)
for and on behalf of Richardsons

Chartered Accountants
Statutory Auditor



30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2017

		2017	2016
	Notes	£	as restated £
Income		1,862,250	1,763,134
Cost of sales		(1,063,957)	(834,247)
Gross surplus		<u>798,293</u>	<u>928,887</u>
Administrative expenses		(850,686)	(795,065)
Operating (deficit)/surplus		<u>(52,393)</u>	<u>133,822</u>
Interest receivable and similar income		314	633
(Deficit)/surplus before taxation		<u>(52,079)</u>	<u>134,455</u>
Taxation		(63)	(127)
(Deficit)/surplus for the financial year	8	<u>(52,142)</u>	<u>134,328</u>
Retained earnings at 1 April 2016 as previously reported		982,166	975,603
Effect of prior period adjustments	13	127,765	-
As restated		<u>1,109,931</u>	<u>975,603</u>
Retained earnings at 31 March 2017		<u>1,057,789</u>	<u>1,109,931</u>

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

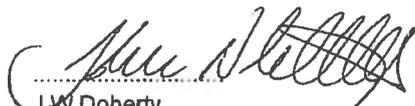
BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	4		1,831		3,822
Current assets					
Debtors	5	1,097,463		526,734	
Cash at bank and in hand		763,320		1,374,998	
		<u>1,860,783</u>		<u>1,901,732</u>	
Creditors: amounts falling due within one year	6	<u>(804,825)</u>		<u>(795,623)</u>	
Net current assets			<u>1,055,958</u>		<u>1,106,109</u>
Total assets less current liabilities			<u><u>1,057,789</u></u>		<u><u>1,109,931</u></u>
Reserves					
Income and expenditure account	8		<u><u>1,057,789</u></u>		<u><u>1,109,931</u></u>

These financial statements have been prepared 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 20/10/2017 and are signed on its behalf by:


LW Doherty
Director


C P Ratcliffe
Director

Company Registration No. 01097059

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

British Educational Suppliers Association is a private company limited by guarantee incorporated in England and Wales. The registered office is 20 Beaufort Court, Admirals Way, London, E14 9XL.

1.1 Accounting convention

These financial statements have been prepared in accordance with 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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of British Educational Suppliers Association prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Income and expenditure

Event/service turnover consists of charges (excluding VAT) invoiced to participating members for space and services at exhibitions, missions, seminars and other non-subscription services and is included within the financial statements for the period in which the event has been concluded.

Membership subscriptions are recognised in the year to which they relate. Admission fees are charged at a time a member joins the Association and are recognised in the year of admission.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional 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.

1.3 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:

Fixtures and fittings	Straight line over 10 years
Office equipment	Straight line over 4 years

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

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 surplus or deficit.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in surplus or deficit immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in surplus or deficit depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

The company has obtained exemption from the Revenue Commissioners in respect of corporation tax, it being a company not carrying on a business for the purposes of making a profit. DIRT tax is payable on any interest income received in excess of £32.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

1.9 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.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

2 Turnover

An analysis of the company's turnover is as follows:

	2017 £	2016 £
Subscriptions	432,504	421,647
Admission fees	3,000	2,000
Event/service turnover	1,426,746	1,339,487
	<u>1,862,250</u>	<u>1,763,134</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 10 (2016 - 10).

4 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 April 2016	30,927	77,316	108,243
Additions	1,080	-	1,080
	<u>32,007</u>	<u>77,316</u>	<u>109,323</u>
At 31 March 2017	32,007	77,316	109,323
Depreciation and impairment			
At 1 April 2016	30,706	73,717	104,423
Depreciation charged in the year	356	2,713	3,069
	<u>31,062</u>	<u>76,430</u>	<u>107,492</u>
At 31 March 2017	31,062	76,430	107,492
Carrying amount			
At 31 March 2017	<u>945</u>	<u>886</u>	<u>1,831</u>
At 31 March 2016	<u>221</u>	<u>3,601</u>	<u>3,822</u>

5 Debtors

	2017 £	2016 as restated £
Amounts falling due within one year:		
Trade debtors	242,636	100,539
Prepayments and accrued income	854,827	426,195
	<u>1,097,463</u>	<u>526,734</u>

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	104,905	17,895
Corporation tax	63	126
Other taxation and social security	36,140	99,191
Other creditors	1,555	37,655
Accruals and deferred income	662,162	640,756
	<u>804,825</u>	<u>795,623</u>

7 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £10.

8 Income and expenditure account

	2017	2016
	£	as restated £
At the beginning of the year	1,109,931	975,603
(Deficit)/surplus for the year	(52,142)	134,328
At the end of the year	<u>1,057,789</u>	<u>1,109,931</u>

Members Funds, previously referred to as "Reserves", are accumulated funds held as a contingency.

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
	<u>200,791</u>	<u>231,291</u>

The operating leases above are currently within a break notice period, the lease can be terminated by serving a break notice not less than six months.

10 Key management

During the year, key management emoluments amounted to £262,333 (2016: £321,622).

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

11 Related party transactions

During the year the association had related party transactions, all of which were entered into on an arm's length basis.

12 Ultimate controlling party

The Association is not under the control of an individual party.

13 Prior period adjustment

During the year to 31 March 2017 income relating to activities occurring in the previous financial year was identified totalling £127,765. The prior period has therefore been restated.

Changes to the balance sheet

	At 31 March 2016		
	As previously reported	Adjustment	As restated
	£	£	£
Current assets			
Debtors due within one year	398,969	127,765	526,734
	<u> </u>	<u> </u>	<u> </u>
Capital and reserves			
Profit and loss	982,166	127,765	1,109,931
	<u> </u>	<u> </u>	<u> </u>

Changes to the profit and loss account

	Period ended 31 March 2016		
	As previously reported	Adjustment	As restated
	£	£	£
Turnover	1,635,369	127,765	1,763,134
	<u> </u>	<u> </u>	<u> </u>
Profit for the financial period	6,563	127,765	134,328
	<u> </u>	<u> </u>	<u> </u>

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

		2017		2016
	£	£	£	£
Income				
Subscriptions		432,504		421,647
Admission fees		3,000		2,000
Event/service turnover		1,426,746		1,339,487
		<u>1,862,250</u>		<u>1,763,134</u>
Cost of sales				
Event/service costs	740,847		803,921	
Functions	73,691		-	
Trade subscriptions and information	17,100		-	
Travelling expenses	132,546		1,027	
Postage, courier and delivery charges	741		2,721	
Printing and stationery	19,202		7,297	
Promotions and exhibitions	64,594		-	
Telecommunications	15,236		19,281	
		<u>(1,063,957)</u>		<u>(834,247)</u>
Gross surplus	42.87%	798,293	52.68%	928,887
Administrative expenses				
Wages and salaries	660,835		632,639	
Staff recruitment costs	4,611		21,550	
Staff training	12,170		-	
Rent and rates	89,542		66,735	
Power, light and heat	3,835		3,770	
Repairs, maintenance and cleaning	15,464		20,508	
Legal and professional fees	32,450		11,544	
Consultancy fees	16,921		10,347	
Audit fees	8,500		9,000	
Bank charges	1,897		-	
Bad and doubtful debts	4,968		5,773	
Insurances (not premises)	8,668		8,843	
IT support costs	8,275		-	
Sundry expenses	6,582		1,307	
Depreciation	3,069		3,049	
Profit or loss on foreign exchange	(27,101)		-	
		<u>(850,686)</u>		<u>(795,065)</u>
Operating (deficit)/surplus		(52,393)		133,822
Investment revenues				
Bank interest received	314		633	
		<u>314</u>		<u>633</u>
(Deficit)/surplus before taxation	2.80%	<u>(52,079)</u>	7.63%	<u>134,455</u>

Caroline Wright
Director General



Patrick Hayes
Director



William Prieto-Parra
Head of Events (UK & Intl)



Mark Rosser
Web & Comms Manager



Nina Iles
Head of EdTech



Abi Ross-Jackson
Events Manager



Cleo Fatoorehchi
Comms Coordinator



Robert Harries
Membership Coordinator



Yasmin Barrett
Events Coordinator



Lois Mills
Events Executive



Roisin McHugh
Events & Comms Executive



Maxine Hoffland
PA to the Directors



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