

FEDERATION OF SMALL BUSINESSES

ANNUAL REPORT AND FINANCIAL STATEMENTS

2021-22

1,083 EVENTS DELIVERED

COMMUNITY
MINDS
CONNECTING

MEMBER STORIES

INVESTING
INFLUENCING

DISABLED ENTREPRENEURSHIP

COVERAGE

LET'S GROW BUSINESSES

CREATING

5,471

MENOPAUSAL WORKPL

 @fsb_policy

fsb⁸⁸
Federation of
Small Businesses

FSB Member | **JIMMY BUCHAN**



FSB Member | **ABDUL SHIL**



FSB Member | **SUSAN WHEATCROFT**



FSB Member | **ANGELA LANGTON**

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OUR MISSION

Our mission is to help smaller businesses survive through these difficult times and ultimately achieve their ambitions.

Our vision is to be recognised as the most influential and trusted organisation representing the voice of all small businesses, in every region and nation of the UK. FSB is the UK's biggest business membership organisation, established in 1974, offering our members a powerful voice, which is heard in governments at all levels, as well as vital business services and products.

The UK's 5.5 million small businesses and self-employed make up more than 99 per cent of all private sector businesses. They contribute a staggering amount to the UK's economy as well as being a major source of employment; more than 16.4 million people are employed by smaller firms.

Our local, national and international activism helps shape policy decisions that have a direct impact on the day-to-day running of smaller businesses. We work to drive their interests through research and engagement with our members and by effective campaigning, influencing those in power through policy analysis, media and public relations activity.

We support our members by providing them with vital business products and services, from legal advice to access to finance, and from debt recovery to health and medical advice, ensuring that these remain relevant and competitive.

Our members have opportunities to be an active part of the FSB community; by volunteering, by taking part in our Big Voice surveys, focus groups and roundtables and by joining FSB events held throughout the year.

OUR CORPORATE OBJECTIVES

- 1. To be fully representative of the whole UK small business community**
- 2. To provide support, advice and practical solutions to our community of members**
- 3. To advocate on behalf of small businesses and the self-employed, providing a powerful voice heard by governments and key decision makers**
- 4. To create a financial climate which ensures best value for members and safeguards FSB for the future**

5.5 million small and medium-sized enterprises (SMEs)

- **16.4 million** people are employed in SMEs, accounting for three-fifths of the employment in the UK private sector
- Turnover of SMEs estimated at **£2.1 trillion**, around half of all turnover in the UK private sector

• • •

5.47 million small businesses (0-49 employees)

- Employment in small businesses **12.9 million** and turnover of **£1.4 trillion**

• • •

35,900 medium-sized businesses (50-249 employees)

- Employment in medium-sized businesses **3.5 million** and turnover of **£0.7 trillion**

MESSAGE FROM THE NATIONAL CHAIR AND VICE CHAIRS

Supporting the UK's 5.5 million small businesses and self-employed was crucial during this financial year, as we emerged from the on-off restrictions of the pandemic straight into the headwinds of a cost-of-doing-business crisis.

Giving a voice to small business owners heard by political decision-makers and influencers was at the forefront of FSB's work and mission. This was essential as our members faced a growing storm of high taxation, rising inflation, soaring energy bills, and shortages of workers and skills.

Through highly effective political engagement and strategic media relations, FSB changed the narrative of a 'cost-of-living crisis' affecting households to a recognition that a cost-of-doing-business crisis was also sweeping through the economy and causing hardship for small business owners.

Our campaigning secured an important win in a reversal of the National Insurance hike for employers, the self-employed and employees. We successfully made the case that this tax rise would negatively hit jobs, growth, enterprise, and, ultimately, economic recovery; and we also called for this cut to be expanded to limited company directors. We also secured an increase in the Employment Allowance, from £4,000 to £5,000 per year.

As the energy price crisis developed, we worked hard to ensure the focus was not just on the impact on domestic consumers, but also on small businesses which, unlike households, previously had no protection from a price cap. This resulted in us securing from the Government the Energy Bill Relief Scheme to help small firms.

For those small businesses able to take steps towards alternative, greener, forms of energy supply, our campaigning ensured a change to Business Rates rules which meant small business owners would no longer be penalised with higher rates bills for these improvements to premises. The Chancellor accepted the proposal and credited FSB for it, which had been one of the headline asks in our policy report *Accelerating Progress on the Path to Net Zero*, launched to coincide with the COP26 environmental summit in Glasgow. Alongside this, we launched an online sustainability hub, with a wealth of practical guidance and resources.

Paving the way to economic recovery required pro-growth policies from Government, including addressing skills gaps and skills opportunities, both in the workforce and among small business owners. Our *Scaling Up Skills* report included several recommendations around apprenticeships and technical education which landed well with both political decision-makers and stakeholders. We also secured a change in the Office for Students' definition of a 'good outcome' for graduates to include those starting their own business.

A flagship of this year was our *Business without Barriers* policy report on health and disability which was followed by a Business Without Barriers digital hub, campaign and events providing information and inspiration both from a business-owner and employer perspective. In response to member demand, FSB also launched the UK's first ever online LGBT+ business hub, featuring member stories, videos and employer resources.

Our members, their needs and experiences underpin our role as the leading advocate for small businesses and the self-employed, and our Big Voice survey programme continued to be instrumental in providing hard evidence to influence our campaigning and external affairs activity.

The business itself made significant investments to ensure it remains the go-to organisation for business support and expertise long into the future. Our business support services continued to be a key part of how our members ran their businesses through these challenging times, providing value for money when it was most needed. This was complemented by an extensive programme of networking and learning events both locally and nationally.

Our volunteers also play a pivotal part in giving small businesses a voice, as well as being champions for our business and our community of entrepreneurs. Some of our volunteer structures were enhanced to ensure that FSB continues to effectively represent the millions of small business owners in all parts of the UK. The Board itself is subject to a scrutiny body.

In the last year, the Board established a new ESG Committee to give prominence to environmental, social and governance matters and, in the wake of the war in Ukraine, and after consultation, FSB designated the Disasters Emergency Committee (DEC) as this year’s official Chair’s Charity.



M. McTague

Martin McTague

National Chair



Tina McKenzie

Tina McKenzie

Chair, Policy and Advocacy
and National Vice Chair



Melanie Ulyatt

Melanie Ulyatt

Chair, Internal Affairs and
National Vice Chair



CHIEF EXECUTIVE'S REPORT

The financial year October 2021 to September 2022 has been challenging for all businesses, including our members. Despite this, FSB delivered on creating a financial climate which ensures best value for members and safeguards FSB for the future.

During the year, income from subscriptions and joining fees remained FSB's most significant source of revenue, and member retention rates were high. Recognising how difficult the economic climate has been for members there was no rise in subscription rates in this our second year without an increase.

Administrative costs increased in the year, mainly because of a large-scale programme to develop FSB's operating systems to support the continuing modernisation of the business.

We also moved our Westminster teams into new office facilities and invested in development of our previous office building to house a managed flexible workspace operation. The investment property was revalued in the year, creating a revaluation gain of circa £1.9m. Overall, FSB has generated a surplus in the year, and reserves increased by £0.7m.

Considerable investment in management information and business intelligence solutions were made to facilitate improved data-driven decision making. As implementation continues, the business will be able to develop reports and visual analytics based on new operational data sources, sales and retention performance data and member survey results.

New contact centre technology strengthened our delivery of more than 285,000 interactions with members and prospective members across voice, email, live chat and social media. Customer satisfaction met a consistent score of 97 per cent.

Creating strong relationships with small business owners and the self-employed is at the heart of FSB's business model. Our market is made up of a diverse group of people in almost every sector and from almost every background imaginable. Each has a unique personal story, circumstance, and ambition but they, like all our members, have one thing in common – they are small business owners or self-employed. It is this common ground that is apparent when we function as one collective. It is delightful to observe how our community share their passions and experiences with one another at our many hundreds of networking, learning and awards events as well as at our roundtables and focus groups.

The new members that join us each year, as well as the tens of thousands that are proud to stay part of FSB, do so in no small part because of the very personal relationships that are formed with FSB through our membership advisors, all of whom are themselves small business owners. This puts them in a unique position to illuminate the benefits of FSB membership to their contemporaries.

The B2B market is a competitive space, and our brand needs to work hard to be distinctive. The cost-of-living and 'cost-of-doing-business crisis', a term that was coined by our Westminster media and communications team, has meant that small businesses have had to make difficult and measured decisions on what they invested their money in over the last year.

Never has it been more important for our business to offer unequalled value to our members, so they see some tangible outcomes to investing in FSB membership. FSB Legal remained

the most used member service in the last financial year, with over 100,000 calls to the legal helpline and more than 200,000 downloads. Many find our employment advice and support invaluable. Small firms in the UK employ more than 16 million people, but lots of them, especially microbusinesses, do not have an in-house human resources function and so having expertise through FSB membership is vital to them. FSB Debt Recovery, which we introduced in June 2020, had recovered £1,621,160 for our members by the end of September 2022. One member alone recovered £149,000 of debt from the service.

Policy and advocacy remain at the core of FSB. We are the trusted voice of 5.5 million small business owners and the self-employed, heard by those in power. The wins we secure from politicians and other key decision-makers at every level rely upon evidence from our members, and expert policy analysis of issues and new ideas. A smart public affairs and media strategy, within a fast-changing political environment, builds on our trusted reputation to achieve public policy change.

Independent benchmarking research conducted with primary political audiences finds that 94 per cent are familiar with FSB – more than any of our competitors. Brand awareness is equally high across the major political parties and MPs are most likely to be favourable towards FSB in comparison to any competitors.

FSB itself has needed to be competitive in attracting and retaining skilled staff and we improved our equality diversity and inclusion (EDI) footprint to recruit from the widest pool. We signed the Menopause Workplace Pledge, continued employee mental health first aid training and launched a new employee package for staff that serve in the British Reserve Forces – gaining an award from the Defence Employer Recognition Scheme (ERS), and we enhanced our maternity, paternity and adoption leave package for staff.

Over the year, we proactively reduced our energy consumption, and investment in robust digital communication technology has allowed a noticeable reduction in travel whilst increasing efficiency. We improved waste management and recycling and introduced new processes that factor in carbon foot printing when sourcing goods and services. We're committed to upgrading lighting, heating and ventilation systems to maximise energy efficiency and we look towards best practice energy saving for refurbishment projects on our property.



A handwritten signature in black ink that reads "Julie Lilley".

.....
Julie Lilley
 Chief Executive

MEMBER STORY

JIMMY BUCHAN, AMITY FISH COMPANY LTD., ABERDEENSHIRE

“Staff shortages in the supply chain and rising costs have given us extra challenges. I’m a great believer that nothing is permanent - and therefore be ready to pounce.”

Jimmy Buchan, the owner of Amity Fish Company Ltd., grew up in Peterhead watching the local fishermen catch wild salmon and harvest brown crab and lobster. From an early age, he dreamt of being skipper of his own fishing boat, and after leaving school, he served a tough apprenticeship as a crew member.

In 1986, Jimmy bought his first boat and two have followed. He has survived many a violent storm and the mixed fortunes of the Scottish fishing industry to become a respected and successful skipper and businessperson. He became an FSB member after the company won the FSB UK Small Business of the Year award in 2022.

The business’s work in sustainable fishing led to a visit by the then-Duke of Rothesay (now HRH King Charles) in October 2021, and it was chosen as the official seafood supplier at COP26 in November. Growth continued for the trade and wholesale side of the business through 2022. However, the impact of the war in Ukraine and the rising costs of resources and energy slowed sales on the e-commerce side.

Jimmy says the biggest obstacle in 2022 was the knock-on effect of staff shortages in the supply chain in the fishing industry as well as rising costs: “Staff shortages slow down the supply chain and provide extra challenges for us. External factors such as Brexit and the war in Ukraine have also resulted in our resources becoming far more expensive – packaging, such as dry ice, has hugely increased in price, as has fuel which affects our fulfilment costs. I’m sure it’s a familiar tale with many other FSB businesses.”

Although the business itself is “doing ok” with staffing levels, staff shortages within suppliers is reducing supplies and limiting sale opportunities and staffing issues in restaurants are also reducing sales. The business has been braced for an ongoing cost-of-living crisis having an adverse effect of sales as people are affected by energy costs and interest rate rises in mortgages which will mean a reduced disposable income both in home eating and eating out.

However, the business remains optimistic there will be opportunities too, including an export market and an increased B2B market.



FSB Member Jimmy Buchan

“External factors such as Brexit and the war in Ukraine have also resulted in our resources becoming far more expensive – packaging, such as dry ice, has hugely increased in price, as has fuel which affects our fulfilment costs.”



FSB Member Jimmy Buchan with First Minister of Scotland, Nicola Sturgeon, 2022

INFLUENCING

Through effective political engagement and strategic communications, underpinned by specialist policy insights, we led on securing policies and changes that helped our members to achieve their ambitions, including:

WHAT WE ACHIEVED	HOW THIS IMPACTED OUR MEMBERS
Exemption from business rates for net zero investments	Small businesses who invest in net zero improvements won't be charged and penalised for doing so in their business rates bills for every future year.
Reintroduction of Small Business Covid Statutory Sick Pay (SSP) Rebate	A million small employers were eligible to recoup two weeks of SSP costs, via a simple online portal, just as millions of workers fell sick from the Omicron variant of COVID-19.
Increase in the Employment Allowance from £4,000 to £5,000	Hundreds of thousands of small businesses are now removed from paying employers' National Insurance Contributions (NICs); 670,000 small employers would now not have to pay it, up from 620,000 the previous year. The establishment of the Employment Allowance was an FSB concept and over the years we have managed to both maintain and expand it.
£1.5bn Covid Additional Relief Fund	Thousands of supply chain small businesses that were not included in the two years of COVID Business Rates Relief were able to receive money to help them. These were small businesses in the supply chains of other affected sectors, such as hospitality, which received help due to being locked down. These supply chain businesses had a downturn due to lockdown closures of the businesses they supplied to but had not been given any support themselves. For example, a small seafood business that supplies to a restaurant, where the restaurant was closed by Government lockdown and so was eligible for grant help, but the seafood supplier was not eligible for any help prior to this new fund.
National Insurance Contributions (NICs) reduction for employers, the self-employed and employees	Reversing NICs hikes helped millions of small businesses and the self-employed, their employees and their customers with the cost-of-living and cost-of-doing-business crises. It would come into effect in November 2022.
Energy Bill Relief Scheme (EBRS) for small businesses	This scheme subsidised energy costs for all small businesses with premises, helping them to stay open amid an unprecedented energy cost crisis. FSB had campaigned for Government to help small businesses, matching the help being given to households. It would come into effect in November 2022.

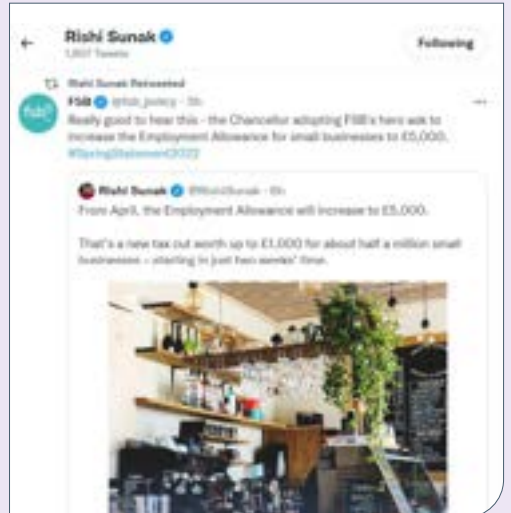
Across the year our **national media coverage** reached more than nine-in-ten adults in the UK. FSB featured on national broadcast outlets the equivalent of every weekday of the year



Our national digital advocacy to stakeholders achieved **2,351,000** Twitter impressions



FSB National Chair Martin McTague attends B5 meeting with Shadow Chancellor Rachel Reeves and Shadow Business Secretary Jonathan Reynolds, 2022



Rishi Sunak
1,817 tweets
Following

World Sunak Retweeted
FSB @fsb_jury · 10h
Really good to hear this - the Chancellor adopting FSB's here ask to increase the Employment Allowance for small businesses to £5,000. #TheBigIdeaNewsC322

Rishi Sunak @RishiSunak · 10h
From April, the Employment Allowance will increase to £5,000.
That's a new tax cut worth up to £1,000 for about half a million small businesses - starting in just two weeks' time.



FSB Policy and Advocacy Chair Tina McKenzie with then-Business Secretary Jacob Rees Mogg, 2022



FSB's Martin McTague and Tina McKenzie with Shadow Chancellor Rachel Reeves, 2022



Martin McTague @MartinMcTagueFSB
This is an extremely welcome move - the incoming Government heard FSB's campaign to reverse April's National Insurance and Dividend Tax hike, that damaged economic growth and worsened the cost of living crisis. We're glad to see the back of it.

Kwasi Kwarteng @KwasiKwarteng · 22/05/2022
I can confirm that this year's 1.25% joint rise in National Insurance will be reversed on 6th November.
No replacement - the Health and Social Care Levy planned for April 23 - will be cancelled.
A tax cut for workers. More cash for businesses to invest, employ and grow.
Show this thread



10:49 · 22/05/2022 · Twitter Web App
Retweets · Quote Tweet · Like



FSB Policy and Advocacy Chair Tina McKenzie with Leader of His Majesty's Opposition Sir Keir Starmer, 2022



FSB Policy and Advocacy Chair Tina McKenzie with José Luis Cancela, Permanent Representative of Uruguay, at the WTO Forum, Geneva, 2022



FSB Policy and Advocacy Chair Tina McKenzie with then-Chancellor Kwasi Kwarteng, 2022



FSB Policy and Advocacy Chair Tina McKenzie on BBC Newsnight from Labour Party Conference, 2022

MEMBER STORY

ANGELA LANGTON, NORTH YORKSHIRE

“A life-changing accident turned a hobby into a business. Like many small retail businesses, I’ve struggled with rising costs this year but to mitigate this, expanded online and into exporting.”

Angela Langton is an importer, designer, manufacturer and retailer of shoes, bags and clothing which started out as a “Facebook hobby from boredom during illness” following a serious accident in 2013. Angela, who comes from a family of shoemakers in Napoli, Italy, has a passion for finding quirky independent designs, and went on to grow her side hustle into a thriving small business, named Angela Bare.

“I started with corsets so the ‘Bare’ comes from taking your clothes off!” explains Angela. The first premises was established in 2014 and there followed two shops in North Yorkshire, as well as a growing online offer. A key focus for the business is sustainability, and it has reduced the environmental impact of its packaging and shipping.

As many from the small business community do, Angela also makes time to give back to society; a cancer survivor herself, she supplies mastectomy bras all over the UK, offering support and fitting via her shops, and helps charities to supply them to those in need.

Like countless small businesses in the retail sector, the business struggled with rising costs, difficult landlord negotiations and parking challenges. Train strikes and flooding over the year also had an impact, as well as a shortage of tourists on the east coast for the Bridlington shop during the pandemic. To mitigate these challenges, the business substantially expanded its online offer, moved into exporting, and now has a growing international fan base.

Overcoming ill health and difficult economic forces by putting customers first, Angela works long hours managing all different aspects of the business. Overcoming dyslexia, she has also written a book about the rollercoaster of her life and business to share her inspirational journey with other small business owners.

Angela says she has been grateful to have access to FSB Legal services to help protect her business. She worked with her local accountant, also an FSB member, and FSB Legal to sort some ongoing tax queries.



FSB Member Angela Langton



Image: © Paul Banks

“I’d say to anyone, if you’re thinking about starting your own business, don’t be put off by the risk and difficulties. I don’t think I could work for anyone else; being self-employed has been so rewarding. Every day you learn from your mistakes and grow stronger and when you achieve you must learn to celebrate, before overcoming the next challenge. I’m very grateful for my business, which keeps me going.”

CONNECTING

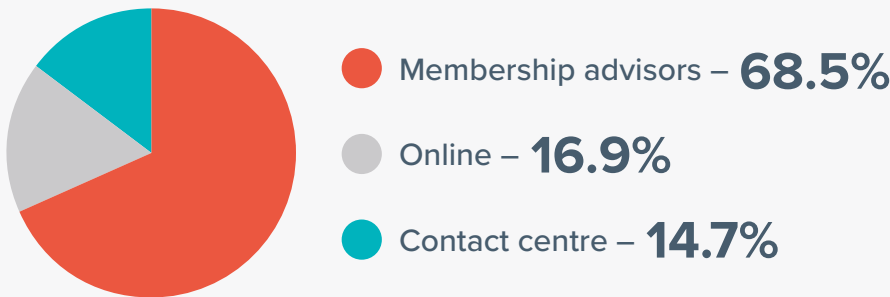
Creating strong relationships with our members is at the heart of FSB’s business model. Our market is made up of a diverse group, each with a unique personal story but they have one thing in common – they are all small business owners or self-employed.

Our membership advisors are all themselves small business owners, putting them in a unique position to illuminate the benefits of FSB membership to their contemporaries; a strong part of our USP.



National Chair Martin McTague visits member Lucy Danger from EMERGE in Manchester, 2022. This small business provides recycling services in the Greater Manchester city region using environmentally sound practices. It upskills and engages with the local community, contributing to a sustainable future.

New members joining by channel October 2021 – September 2022



ANECDOTE

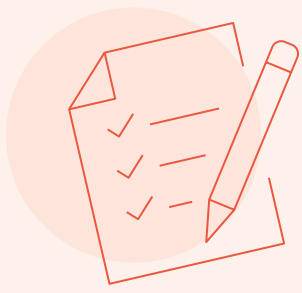
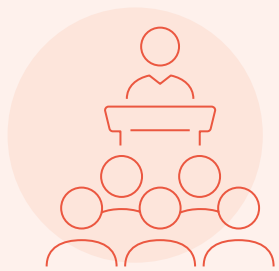
“We’ve had some great new members joining us whose businesses have grown unintentionally larger than expected. One of these is Louise Swindlehurst, owner of the Natural Canine Pet Shop in Redditch, who from humble beginnings in a tiny retail shop has now expanded into two larger shops employing four people. As part of this expansion, her accountants are now taking the business from sole trader to limited company status, alongside this they recommended that Louise be protected by FSB membership so that she has the benefit of legal cover and employment protection. However, the FSB benefit Louise got really excited about was FSB Care as she needs physiotherapy from time to time and this allows her to receive £250.00 worth of physio (per injury type) that all members get for free to allow them to keep working. This is more than she paid for membership, and so she is delighted! She’s now going to look at the free business banking members get and explore getting insurance through FSB Insurance Service.”

FSB Membership Advisor



Membership Advisors Vaseem Gill (left) and Trevor Brown (right)

Our events programme brings small business owners and the self-employed together, to network, to share, to support and to learn.



Events delivered: **1,083**

Event registrations: **49,889**

FSB NETWORKING



MEMBER STORY

SUSAN WHEATCROFT, VIRTUAL RUNNER UK, NOTTINGHAM

“Evolving the right products for shifting market conditions is key. I joined FSB during the pandemic as I was drawn to the networking opportunities and support available.”

Virtual Runner UK, founded by Susan Wheatcroft, is an online fitness platform which aims to motivate people to move more while raising money for charity. Now in its ninth year, it has raised over £700,000 for causes. Susan hadn't set out to start a global multi award-winning business – instead she was looking to improve her new-found hobby – running. However, Virtual Runner quickly turned into a limited company.

As a fundamentally online business, the biggest investments have been in the app and website. Outsourcing development and regularly making improvements helped the business's marketing strategy. On developing an app, Susan says: “It's not been an easy process, but by picking the right partners, I'm happy with how things are shaping.”

COVID-19 and the government lockdown restrictions helped the business grow, gaining thousands of new customers as people looked to keep fit during that time. Susan said: “I was on the edge of my seat every time there was an update to restrictions in case exercise outdoors was restricted but I remain thankful that it wasn't. At times during lockdown there was very little else to do, so many people turned to Virtual Runner to motivate them to exercise - mainly running, walking and cycling.”

As a 'one-woman band' trading under a limited company, Susan wasn't eligible for any furlough schemes or grants, so she was appreciative for an upturn in sales, working to seize any opportunities that the situation presented. Like many of our members, Susan looked at the opportunities available to the business. Coming out of lockdowns and the pandemic, the business saw people returning to pre-COVID habits and its numbers went back to 2019 figures.

The business adapted to the cost-of-living crisis facing the market, and, in 2022, introduced a new affordable 'monthly challenge' product. While profits on this are significantly lower, Susan sees it as a longer-term strategy and therefore essentially a marketing cost. With an appreciation that things are tough with rising energy prices and general living costs, the business plans to focus on consistent marketing messaging as well as products for this changing market.



FSB Member Susan Wheatcroft



“I was on the edge of my seat every time there was an update to restrictions in case exercise outdoors was restricted but I remain thankful that it wasn’t. At times during lockdown there was very little else to do, so many people turned to Virtual Runner to motivate them to exercise - mainly running, walking and cycling.”

INCLUDING

The strength of FSB, and its future, rests on the diversity of our members who reflect the whole of the UK small business population. It's critical to us that we are inclusive so that all feel welcomed and a part of the FSB community.

FSB has encouraged the creation of more small businesses and self-employed by people of all backgrounds through policy change to overcome specific issues being faces or by providing spaces for these entrepreneurs to share their stories. We have also run positive, campaigns, centred on our members in different communities. While every member has access to all our services, events and resources, we have included hubs and reports and other initiatives with a focus on communities that some members identify as being a part of.

We've encouraged shared learning, wider conversations and a collective responsibility to inclusivity through allyship, where marginalised groups are supported by others. It's important to us that everyone is able to bring their whole self to any employment or volunteering role they undertake with us.



BUSINESS WITHOUT BARRIERS: ENCOURAGING DISABLED PEOPLE INTO SMALL BUSINESS

Disabled entrepreneurship

“Despite the prevalence of disabled people and those with a health condition entering self-employment, support available for them to start and grow their business has been lacking.”

Entrepreneurs face many hurdles - disability shouldn't be one of them. Disabled people in work are more likely to go into self-employment than non-disabled people. Whilst sometimes the decision to go into self-employment may be because of a lack of appropriate employment prospects, there are many disabled entrepreneurs who have chosen self-employment to fill a gap in the market; to disrupt a sector or simply to have control over their own time.



2021 - 2022

EDI strategy is developed

Inclusive staff recruitment process improved

Diversity and inclusion statements for volunteer nominations

Equality and diversity monitoring for national volunteer nominations

Staff 'Lunch and Learn' sessions on diversity

Black History Month member roundtable with ministers

Women in hospitality and tourism roundtable

Disability in small business research project

Disability in small business policy report *Business without Barriers*

Business without Barriers website hub and campaign

Enhanced maternity, paternity and adoption pay for FSB staff is introduced

Direct Access Group to improve services for members with a sensory impairment

LGBT+ Let's Grow Business Together website hub

Ethnic minority small business owners customer service research

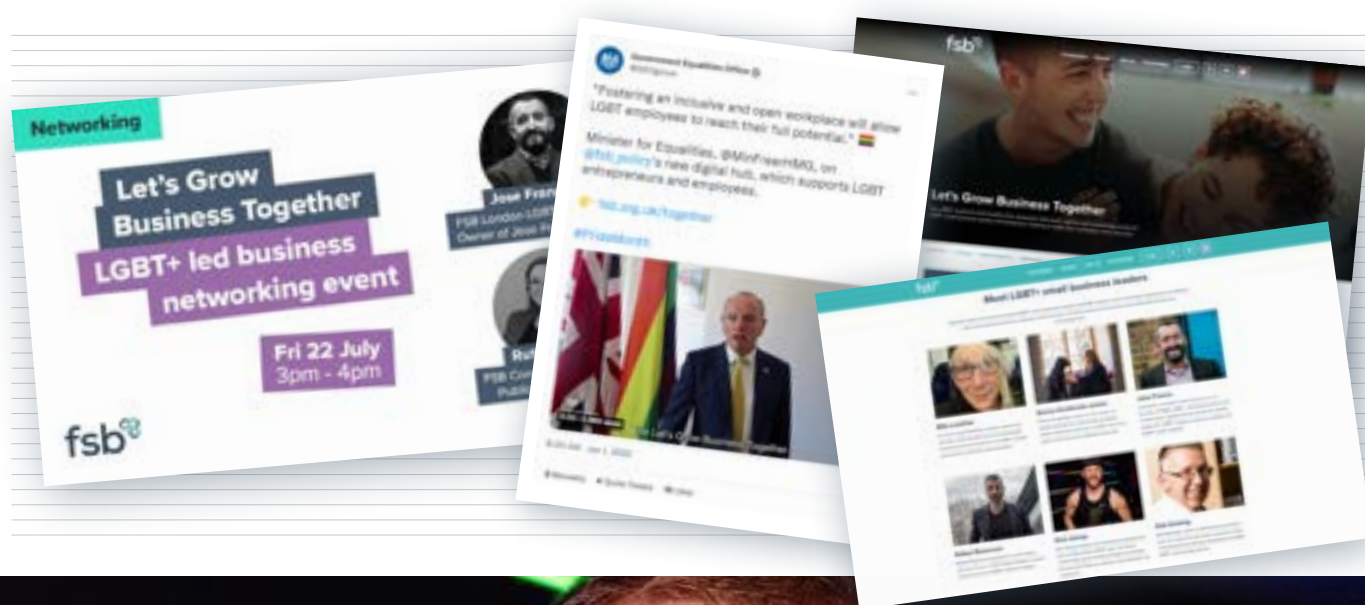
Inclusive online software introduced on FSB website

Menopause Workplace Pledge signed

Armed Forces Covenant Employment Recognition Bronze award

LET'S GROW BUSINESS TOGETHER: SUPPORTING LGBT+ ENTREPRENEURS AND EMPLOYEES

FSB's Let's Grow Business Together support hub for LGBT+ entrepreneurs, launching in May 2022, is the first of its kind, encouraging LGBT+ inclusivity within the small business community.



“To be honest, I would struggle to go back into the corporate environment, especially if it meant that I had to stifle myself in some way, hide my true self. I wanted to feel that work I did – as a gay man, and but also individually – had an impact. I wasn’t truly myself until I made a career switch and had the freedom to express who I was. My top tip to small business owners is to put LGBT+ inclusivity at the heart of your workplace – don’t make it an afterthought or a box ticking exercise.”

Rich Allsop - FSB member and founder of Spinder, an LGBT+ spin and social community in London.

MEMBER STORY

ABDUL SHIIL, SAHAN CARES, WEST LONDON

“By investing in our people, we’ve had exceptionally low staff turnover in an industry with a notoriously low retention rate.”

Sahan Cares is a family-run social enterprise providing care services to older people and training people from marginalised backgrounds to be professional carers. Founded in 2012 by Abdul Shiil as a start-up with three staff, it soon became a high-growth business. By 2022 the enterprise had a team of 90 carers operating across three London boroughs, and an annual revenue of more than £1.8 million.

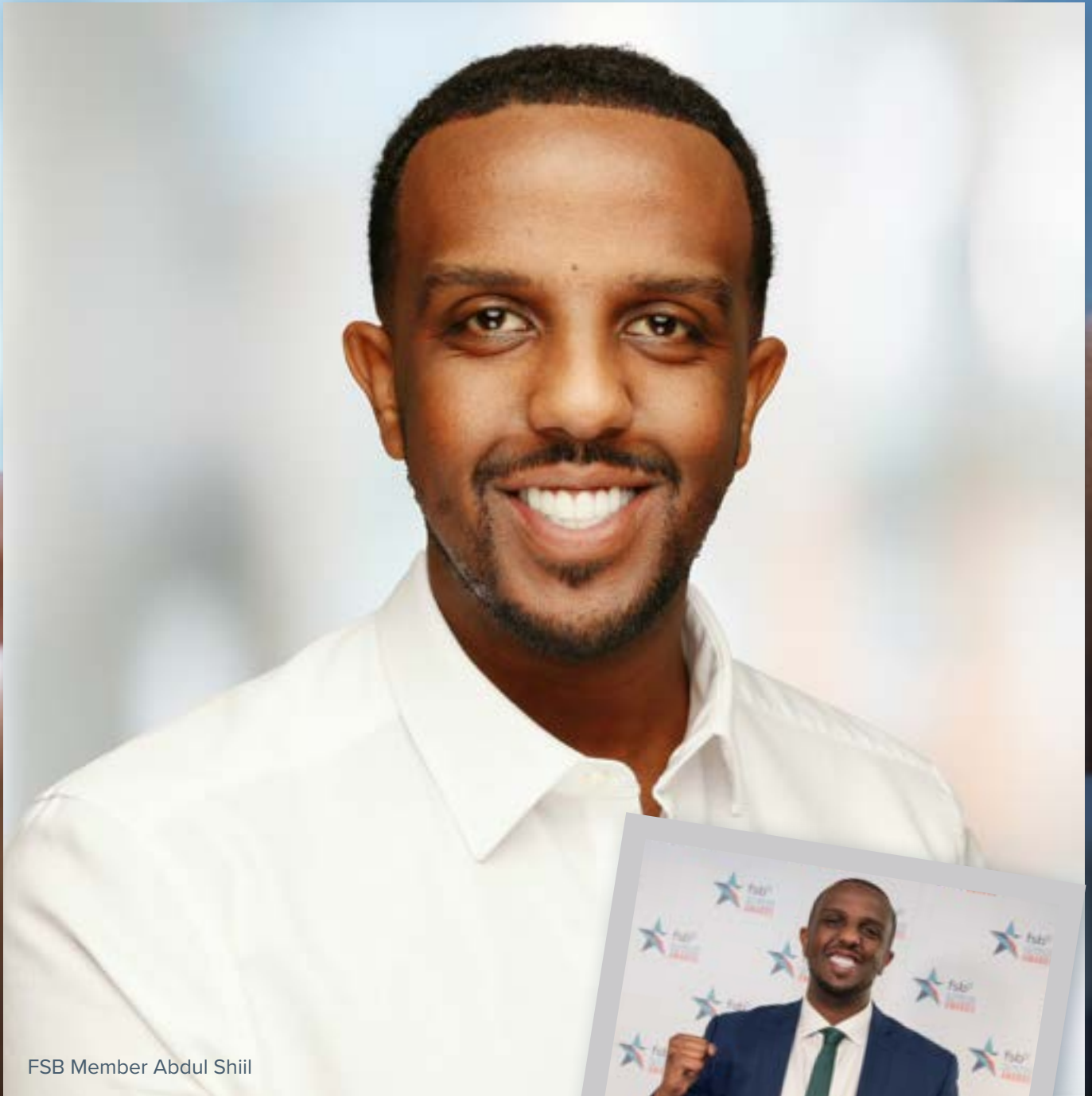
Abdul first came to the UK from Somalia as a child, with his family, under asylum seeker status in 2001. Settling in London, he had a vision to give back to the community who had welcomed and supported him.

Abdul’s personal experience as a refugee is integral to the enterprise: “Having gone through my own experience as a member of a disadvantaged group, I’m committed to empowering people with similar backgrounds and providing support to those in need.”

“Over the last year, like many industries, the health and social care sector has been through an overwhelming period. Despite the challenges of the past year, our business has grown by around 12 per cent. We’ve seen our organisation build in resilience and double down on what we believe in - care and the empowerment of refugees. We’re more motivated than ever to play an active role within our community by creating jobs and social mobility.”

In 2022, the business won a tender that will create more jobs in the community and secure organisation’s future for the next five years.

Staff retention has always been one of the enterprises priorities: “We’ve been lucky with our exceptionally low staff turnover in an industry with a notoriously low retention rate. We’re flexible, mother-friendly and treat our staff like family – this focus has helped us avoid shortages. We’re especially grateful for the commitment and dedication of our staff in difficult times, which inspires us even further to invest in them and their job satisfaction. The increased cost of living and high inflation has meant the business has been paying more for everything - PPE, staff uniforms, energy: we’ve had to absorb that cost as an organisation.”



FSB Member Abdul Shiil

“Being an FSB member brings Sahan Cares innumerable benefits. We recently had to renew our business insurance and through FSB Insurance Service, we were able to find a new, more affordable insurance provider, which helped us to save some money.”

INVESTING

Investing in our people is important to us and attracting and retaining the best employees is crucial to us delivering our goals. Over the last financial year the market has become more competitive. We want a diverse and inclusive team and have taken steps to meet EDI best practice in recruitment and have improved our support for staff from different backgrounds and with different needs.



Menopause Workplace Pledge

In June, FSB signed the Menopause Workplace Pledge as it was revealed that employers and the economy were missing out on huge numbers of exceptionally talented women employees and FSB wants to do what it can to not miss out on that amazing pool of talent.

Mental Health First Aid

The business has trained Mental Health First Aiders (MHFA) across its staff teams, some of whom undertook refresher training in this financial year. Recognising that the workplace has changed for people and organisations in the last few years - a pandemic, economic downturns, cost-of-living pressures, adaptation to hybrid working, the great resignation and a recruitment crisis, it is a priority to support our staff's health.



Employer Recognition Scheme Bronze Award

On Reserves Day 2022, FSB launched a new package of support for its employees who serve in the British Reserve Forces to aid the business's drive to recruit and retain the best talent. Employees who are trained by the Reserve Forces bring added skills to our business, including planning, teamwork and leadership. The improved package of support includes paid release to attend Reserve Forces training events that take place on normal working days, and for mobilisation for Reservist duties. Reservist employees also have access to specific health and wellbeing support.

Enhanced maternity, paternity and adoption pay

With our focus on equality, diversity and inclusion, as well employee retention, in February, we were pleased to enhance our maternity, paternity and adoption pay for all staff.

FINANCIAL STATEMENTS

Group Strategic Report, Report of the Directors and Consolidated
Financial Statements for the Year Ended 30 September 2022

for

**National Federation of Self Employed
and Small Businesses Limited**

COMPANY INFORMATION

For the Year Ended 30 September 2022

DIRECTORS:

M G McTague

P B C Davys

G Lovatt

A L Lay

M D Ulyatt

S J T Askew

A North

M E McKenzie

S Garlick

REGISTERED OFFICE:

Sir Frank Whittle Way
Blackpool Business Park
Blackpool
Lancashire
FY4 2FE

REGISTERED NUMBER: 01263540

AUDITORS:

Haines Watts
Statutory Auditor
3rd Floor Pacific Chambers
11-13 Victoria Street
Liverpool
Merseyside
L2 5QQ

GROUP STRATEGIC REPORT

For the Year Ended 30 September 2022

The directors present their strategic report of the company and the group for the year ended 30 September 2022.

REVIEW OF BUSINESS

The principal activity of the National Federation of Self Employed and Small Businesses Limited (the Federation) continues to be that of the promotion and furtherance of the interests of persons who are self-employed, direct or control small businesses, and the provision of a national voice and platform for such persons.

The results for the group (FSB) show a surplus for the financial year of £0.7m (2021: surplus £1.7m). This is after accounting for an unrealised loss of £0.18m resulting from a decrease in the carrying value of investments (2021: unrealised gain of £0.45m), and an unrealised valuation gain of £1.94m resulting from an increase in the carrying value of investment property (2021: nil). Income from subscriptions and joining fees, which provided 97% of the group's income (2021: 97%) amounted to £25.5m (2021: £25.9m). General reserves increased to £19.0m (2021: £18.3m) and the net cash outflow from operating activities was £1.1m (2021: cash inflow of £1.6m).

The consolidated financial statements include the results of its three subsidiary companies; FSB Publications Limited, the principal activity of which is the publication of First Voice magazine, F.S.B. (Member Services) Limited, which arranges additional benefits on behalf of FSB members and FSB Recruitment Limited, which provides recruitment services for FSB.

FSB is organised across the UK through geographical areas in the devolved nations and English regions. As well as UK-wide events and campaigns, local events and campaigns are delivered throughout these regions and nations to engage with members and create a real small business community.

FSB members are provided with access to business support services and advice, some of which are available at no additional cost and others which are provided to them at favourable rates. This portfolio of products for the support and protection of members' businesses is constantly reviewed for relevance and effectiveness and is regularly enhanced with new services.

Throughout the year, FSB also produces and publishes policy reports, including the quarterly FSB Small Business Index (SBI), and digital advocacy content that raises awareness of issues that affect small businesses and the self-employed along with policy change recommendations. Policy reports are founded on robust research of its members' opinions and experiences through the FSB Big Voice survey programme, and often result in successfully influencing government policy.

A crucial aim of FSB's advocacy work is to engage with policymakers through effective public affairs and public relations work, underpinned by policy specialists' insights and analysis. Over the last financial year, FSB's advocacy campaigning on numerous important issues that affect its members resulted in positive outcomes, including the important Energy Bill Relief Scheme for small businesses; a reversal of National Insurance Contributions increases; a change in the Government's Help to Grow (Digital) scheme - which allowed employers with fewer than five employees, who had previously been excluded, to benefit from it; the permanent removal of pavement licensing rules to help smaller hospitality businesses; and a £6.4 million boost for small business employers to support disabled workers.

FSB's marketing campaigns serve to drive the business forward, focusing on specific themes. Campaigns around sustainability, accessibility and inclusion, including disability and LGBT+ issues were delivered to engage with members and prospects, offering advice and resources. Each are outlined below:

Sustainability

FSB ran a sustainability campaign in October 2021, with the aim of supporting small businesses on their journey to net zero. A website hub contained advice and guidance on what net zero looks like, broke down terminology and signposted to resources such as grants and groups. The campaign also included a series of FSB webinars. The hub was promoted by radio, print and digital advertising and four FSB members, who are all sustainability experts, were used as the faces of the campaign.

Business without Barriers

FSB launched a dedicated online hub to support disabled entrepreneurs and encourage small businesses to be more inclusive and accessible in March 2022. Entrepreneurs face many hurdles – disability shouldn't be one of them. Businesses Without Barriers brought together a wealth of information, interviews and resources from leading experts and organisations. From starting a business to inclusive employment, the hub has curated guidance, advice, and grant opportunities. The hub launched in response to an FSB policy report, Business without Barriers, which found that 52 per cent of small business owners said they had experienced a barrier due to their disability or health condition. The hub, which also gave small businesses access to a free accessibility audit, was promoted through key publications including the disability press. A related series of FSB webinars covered accessibility, employing people with disabilities, and starting and growing your business. Following the campaign, FSB began a monthly disabled entrepreneurs networking event.

Group Strategic Report

For the Year Ended 30 September 2022

LGBT+ - Let's Grow Business Together

The Let's Grow Business Together: New support hub for LGBT+ entrepreneurs launched in May 2022. The aim was to promote LGBT+ inclusivity within the workplace and the wider small business community. An attempt to fill the gap for LGBT+ entrepreneurs, the hub featured free resources and new dedicated national networking events. Additionally, it featured LGBT+ small business owners telling their stories and sharing advice. There was also the opportunity for small business owners and the self-employed to make a pledge and request their personal FSB LGBT+ badge, as well as download posters to show their workplace is an inclusive one. The hub was promoted through various targeted advertising channels.

PRINCIPAL RISKS AND UNCERTAINTIES

The responsibility for risk management and the internal control environment resides with the Board of Directors. FSB has a senior management team, subsidiary companies and various committees reporting to the Board of Directors, that control and manage various activities, identifying on an on-going basis any potential risks faced by the organisation and proposing solutions to mitigate these.

The list below includes the principal risks that may impact the company achieving its strategic objectives. The list does not include all of the risks faced by the company, nor does it list the risks in order of priority.

STRATEGY

FSB's purpose is to help smaller businesses survive through these difficult times and ultimately achieve their ambitions. The group's vision is to be recognised as the most influential and trusted organisation representing the voice of all small businesses, in every region and nation of the UK. FSB's strategy is to continue to pursue the corporate objectives (to be fully representative of the whole UK small business community; to provide support, advice and practical solutions to our community of members; to advocate on behalf of small businesses and the self-employed, providing a powerful voice heard by governments and key decision makers; and to create a financial climate which ensures best value for members and safeguards FSB for the future).

The organisation's strategy for growth is underpinned by excellence in representation and service, and ongoing development of relevant products and services to enhance the experience of members, improve retention levels and attract growing numbers of new members.

ENVIRONMENTAL FACTORS

Lack of action to ensure FSB meets its responsibilities to protect the environment may present a risk to the organisation. FSB takes seriously all issues with regard to

the environment and there is an active focus on reduction in energy consumption, improved waste management and reducing travel. Internally there has been a move to reduce the use of paper and aim for a paperless office environment, together with investment in virtual meeting technology to reduce overall travel requirements. FSB also offers a cycle to work scheme to its employees.

Communications with members, including membership renewal and publications, are also now being distributed digitally. FSB is continuing to increase digital consumption of its First Voice magazine content whilst reducing print circulation. FSB takes account of environmental factors such as carbon footprint when sourcing goods and services and seeks to maximise recycling opportunities. We also look towards best practise in terms of refurbishment projects on our property and adopting energy saving options wherever possible. The organisation has recently committed to upgrading lighting systems across its estate to maximise energy efficiency and has embarked on a programme of improvement to heating and ventilation systems and appliances. The Board has established a new ESG Committee to give prominence to Environmental, Social and Governance Matters.

DIVERSITY AND INCLUSION

FSB is committed to, and values, diversity and inclusion in everything we do, recognising that it is fundamental to success. The strength of FSB rests on the diversity of our self-employed and small business owners who reflect the whole of the UK small business population, both as members and volunteers. With this, we want to ensure all small business owners and the self-employed, from whichever communities they belong, feel welcome and a part of FSB. We do not condone discrimination of any kind and we aspire to have a diverse and inclusive environment, where everyone is able to bring their whole self to any volunteering role they undertake.

The organisation has adopted an Equality Diversity and Inclusion (EDI) strategy to cover all aspects of operations.

As an equal opportunities employer, FSB is committed to the equal treatment of all current and prospective employees. We celebrate equality, diversity and inclusion and this is reflected in our diverse and inclusive workplace, where all employees can bring their whole self to work. We strongly encourage suitably qualified applicants from a range of backgrounds to apply and join FSB and are happy to make adjustments for candidates with disabilities. In the event of employees becoming disabled, every effort is made to retain them in order that the employment with the group may continue.

It is the policy of the group that training, career development and promotion opportunities should be available to all employees.

Group Strategic Report

For the Year Ended 30 September 2022

EMPLOYEE RELATED MATTERS

The success of the organisation relies on the availability of suitably skilled and motivated employees, benefitting from excellent training and support, working within a supportive environment and with appropriate HR strategies and policies in place. Failure to deliver these conditions may impact on the ability of the organisation to deliver the necessary support and solutions to its members.

FSB places significant focus on its people, ensuring that processes to recruit, develop and retain them are robust. It regularly reviews compensation and benefits packages and continually develops its working environment and practices in order to attract and retain staff, ensure appropriate succession planning and support productivity.

The organisation is committed to the wellbeing of its employees and has policies in place to support this in practice, as well as a wellbeing hub on the intranet providing access to a range of support mechanisms. Recent developments have included FSB signing the Menopause Workplace Pledge and introducing and training mental health first-aiders.

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the group. This is achieved through quarterly Joint Consultative Forum meetings, departmental meetings, question and answer sessions with the Chief Executive and Chair, and presentations to all employees.

ECONOMIC CONDITIONS

The company operates in a competitive industry, and its ability to attract and retain members may be impacted by economic conditions, business confidence and the behaviour of competitors. The Board of Directors reviews performance and ensures that management is focused on key priorities to mitigate this risk, including enhancing the range of services offered to members, maintaining excellence in service and ensuring prices are competitive.

BRAND AND REPUTATION

The organisation is non-political, engaged in representing and promoting the interests of its members. Failure to meet the expectations of members may impact on the brand and reputation and member loyalty. The Board of Directors determine that procedures are in place to ensure that its non-political position and service level expectations are not compromised.

TREASURY MEASUREMENT

The Group has £21.1m cash and £4.2m investment balances as at 30 September 2022 and changes in investment

conditions may expose the company to risks of poor returns. The company invests its funds for a combination of liquidity and returns, ensuring that cash is deposited on varying terms and with various financial institutions, and that investments are made into mixed portfolios with long term rather than short term growth aims. The group undertakes regular financial planning, including cash flow forecasting to reflect a range of scenarios.

KEY PERFORMANCE INDICATORS

The directors consider the surplus or deficit on ordinary activities before taxation to be the main financial KPI for the business, and monitor a range of non-financial KPIs, the principal ones being as follows:

- Membership numbers
- New member numbers
- Member retention

ON BEHALF OF THE BOARD:

M G McTague

Director

Date: 1 December 2022

REPORT OF THE DIRECTORS

For the Year Ended 30 September 2022

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2022.

DIRECTORS

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

M G McTague

P B C Davys

G Lovatt

A L Lay

M D Ulyatt

S J T Askew

A North

M E McKenzie

Other changes in directors holding office are as follows:

M H Cherry – resigned 07.03.22

O A Odeniyi – resigned 07.03.22

T Lockwood – resigned 07.03.22

S Garlick – appointed 08.03.22

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company has in place professional indemnity and management liability insurance which covers the directors during the year and up to the date of signing the financial statements.

FUTURE DEVELOPMENTS

The Board of Directors continues to progress a programme of modernisation to enable the group to continue to provide excellent representation and service to members from the whole UK smaller business community. This programme involves continuous improvement in all areas of the group's operations, including enhancements to services offered and developments in technology and communication.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, 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). 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 the group and of the surplus or deficit of the group 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; and
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M G McTague

Director

Date: 1 December 2022

REPORT OF THE INDEPENDENT AUDITORS

To the Members of National Federation of Self Employed and Small Businesses Limited

Opinion

We have audited the financial statements of National Federation of Self Employed and Small Businesses Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 September 2022 and of the group's surplus 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's

ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by

Report of the Independent Auditors

To the Members of National Federation of Self Employed and Small Businesses Limited

the parent company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 32, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

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:

We obtained an understanding of the legal and regulatory frameworks applicable to the group's financial statements or that had a fundamental effect on the operations of

the group. We determined that the most significant laws and regulations included, but were not limited to, United Kingdom Generally Accepted Accounting Practice, Companies Act 2006, distributable profits legislation and tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statements items. Our tests including agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and review of correspondence with external legal advisors.

We assessed the susceptibility of the group's financial statements to material misstatement including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Inquiring of management and those charged with governance about any known actual, suspected or alleged fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Identifying and testing journal entries, in particular any journal entries with unusual characteristics or posted by senior management.

Our audit did not identify any significant matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors and for no other purpose. To

Report of the Independent Auditors

To the Members of National Federation of Self Employed and Small Businesses Limited

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.

**Mr Michael Forshaw (Senior Statutory Auditor)
for and on behalf of Haines Watts**

Statutory Auditor
3rd Floor Pacific Chambers
11-13 Victoria Street
Liverpool
Merseyside
L2 5QQ

Date: 1 December 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 September 2022

	Notes	30.9.22 (£)	30.9.21 (£)
TURNOVER		25,479,118	25,859,398
Cost of sales		2,158,678	2,376,637
GROSS SURPLUS		23,320,440	23,482,761
Administrative expenses		25,489,410	22,986,554
		(2,168,970)	496,207
Other operating income		849,664	710,335
OPERATING SURPLUS	4	(1,319,306)	1,206,542
Unrealised (loss) / gain on investment	5	(178,081)	451,029
Unrealised valuation gain		1,936,058	-
Profit on sales of Fixed Assets		290,723	-
		729,394	1,657,571
Interest receivable and similar income		118,321	78,673
SURPLUS BEFORE TAXATION		847,715	1,736,244
Tax on surplus	6	(133,646)	(10,593)
SURPLUS FOR THE FINANCIAL YEAR		714,070	1,725,651
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		714,070	1,725,651
Surplus attributable to: Owners of the parent		714,070	1,725,651
Total comprehensive income attributable to: Owners of the parent		714,070	1,725,651

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET

30 September 2022

	Notes	30.9.22 (£)	30.9.21 (£)
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	2,579,907	5,040,994
Investment property	10	4,305,000	-
Investments	11	-	-
		6,884,907	5,040,994
CURRENT ASSETS			
Debtors	12	1,462,648	1,045,246
Investments	13	4,204,135	4,382,216
Cash at bank		21,053,458	21,891,465
		26,720,241	27,318,927
CREDITORS			
Amounts falling due within one year	14	14,197,824	13,777,832
		12,522,417	13,541,095
NET CURRENT ASSETS		19,407,324	18,582,089
TOTAL ASSETS LESS CURRENT LIABILITIES		19,407,324	18,582,089
PROVISIONS FOR LIABILITIES	17	373,786	262,621
NET ASSETS		19,033,538	18,319,468
RESERVES			
Profit and loss account	18	19,033,538	18,319,468
		19,033,538	18,319,468

The financial statements were approved by the Board of Directors on 1 December 2022 and were signed on its behalf by:

M G McTague

Director

The notes form part of these financial statements

COMPANY BALANCE SHEET

30 September 2022

	Notes	30.9.22 (£)	30.9.21 (£)
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	2,579,907	5,040,994
Investment property	10	4,305,000	-
Investments	11	2,101	2,101
		6,887,008	5,043,095
CURRENT ASSETS			
Debtors	12	3,853,968	3,395,992
Investments	13	4,204,135	4,382,216
Cash at bank		20,746,475	21,605,553
		28,804,578	29,383,761
CREDITORS			
Amounts falling due within one year	14	16,573,870	16,134,375
		12,230,708	13,249,386
NET CURRENT ASSETS			
		19,117,716	18,292,481
TOTAL ASSETS LESS CURRENT LIABILITIES			
PROVISIONS FOR LIABILITIES		17	
		373,786	262,621
NET ASSETS		18,743,930	18,029,860
RESERVES			
Profit and loss account		18,743,930	18,029,860
		18,743,930	18,029,860
Company's profit for the financial year		714,070	1,691,551

The financial statements were approved by the Board of Directors on 1 December 2022 and were signed on its behalf by:

M G McTague

Director

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 September 2022

	Retained earnings (£)	Total equity (£)
Balance at 1 October 2020	16,593,817	16,593,817
Changes in equity		
Total comprehensive income	1,725,651	1,725,651
Balance at 30 September 2021	18,319,468	18,319,468
Changes in equity		
Total comprehensive income	714,070	714,070
Balance at 30 September 2022	19,033,538	19,033,538

COMPANY STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 September 2022

	Retained earnings (£)	Total equity (£)
Balance at 1 October 2020	16,338,309	16,338,309
Changes in equity		
Total comprehensive income	1,691,551	1,691,551
Balance at 30 September 2021	18,029,860	18,029,860
Changes in equity		
Total comprehensive income	714,070	714,070
Balance at 30 September 2022	18,743,930	18,743,930

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 30 September 2022

	Notes	30.9.22 (£)	30.9.21 (£)
Cash flows from operating activities			
Cash generated from operations	1	(1,111,378)	1,566,053
Tax (paid)/received		(10,370)	60,405
		<hr/>	<hr/>
Net cash from operating activities		(1,121,748)	1,626,458
Cash flows from investing activities			
Purchase of tangible fixed assets		(250,525)	(574,666)
Sale of tangible fixed assets		415,945	870
Interest received		118,321	78,673
		<hr/>	<hr/>
Net cash from investing activities		283,741	(495,123)
(Decrease)/Increase in cash and cash equivalents			
		(838,007)	1,131,335
Cash and cash equivalents at beginning of year	2	21,891,465	20,760,130
		<hr/>	<hr/>
Cash and cash equivalents at end of year	2	21,053,458	21,891,465
		<hr/>	<hr/>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 30 September 2022

1. RECONCILIATION OF SURPLUS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	30.9.22 (£)	30.9.21 (£)
Surplus - before taxation	847,715	1,736,244
Depreciation charges	217,448	278,201
Profit on disposal of fixed assets	(290,723)	-
Amortisation charges	-	16,638
Unrealised (gain)/loss on investment	178,081	(451,029)
Unrealised valuation gain	(1,936,058)	-
Finance income	(118,321)	(78,673)
	(1,101,858)	1,501,381
(Increase)/Decrease in trade and other debtors	(417,400)	1,050
Increase in trade and other creditors	407,880	63,622
Cash (outflow)/inflow from operations	(1,111,378)	1,566,053

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

	30.9.22 (£)	1.10.21 (£)
Year ended 30 September 2022		
Cash and cash equivalents	21,053,458	21,891,465
	30.9.21 (£)	1.10.20 (£)
Year ended 30 September 2021		
Cash and cash equivalents	21,891,465	20,760,130

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 30 September 2022

1. GENERAL INFORMATION

The company is a private company limited by guarantee without share capital (Co No 01263540) and is incorporated in England and Wales. The address of the registered office is Sir Frank Whittle Way, Blackpool Business Park, Blackpool, Lancashire, FY4 2FE.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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.

The accounts of the subsidiaries FSB Publications Limited, F.S.B. (Member Services) Limited and FSB Recruitment Limited have been prepared on a going concern basis. This has only been possible as a result of the Federation’s continued contractual arrangements with these businesses.

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

Basis of consolidation

The consolidated financial statements of the Federation (which include Federation offices, regions and committees) include the financial statements of FSB Publications Limited, F.S.B. (Member Services) Limited and FSB Recruitment Limited, all being 100% owned subsidiaries of the Federation.

Critical accounting judgements and key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Turnover

Turnover comprises membership subscriptions.

Membership subscriptions, on receipt, are deferred and released to income over the period to which the membership relates.

Other operating income

Other operating income relates to commissions received from service providers which are recognised in the period in which they are earned.

Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives.

Freehold and long leasehold buildings	50 years	Straight line basis
Motor vehicles	4 years	Straight line basis
Fixtures, fittings and office equipment	5 years	Straight line basis
Computer equipment	3 years	Straight line basis

Investments

The company has investments, in discretionary managed portfolio funds, and as these are considered by the directors to be readily convertible into cash in the short term, they are held under current assets in the financial statements.

The unrealised gains and losses on these investments are included in the consolidated income statement.

Debtors

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

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 12 months.

Creditors

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

Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Notes to the Consolidated Financial Statements - continuedFor the Year Ended 30 September 2022

2. ACCOUNTING POLICIES - continued**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profit on a straight line basis over the period of the lease.

Going concern

The Directors have reviewed and considered relevant information, including the annual budget and future cash flows for the group in making their assessment. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Continued...

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

3. EMPLOYEES AND DIRECTORS**Staff costs, excluding directors' remuneration, were as follows:**

	30.9.22 (£)	30.9.21 (£)
Wages and salaries	8,885,643	8,715,348
Social security costs	991,493	899,978
Other pension costs	460,581	479,640
	10,337,717	10,094,966

The average monthly number of employees excluding directors during the year was as follows:

	30.9.22	30.9.21
Head office	50	55
Press and parliamentary offices	39	41
Regions	59	56
Recruitment	50	54
Member Services	9	7
	207	213

	30.9.22 (£)	30.9.21 (£)
Directors' remuneration	302,130	317,171

Information regarding the highest paid director is as follows:

	30.9.22 (£)	30.9.21 (£)
Emoluments etc.	58,795	65,000

No retirement benefits were accruing for directors (2021 – nil) in respect of defined contribution pension schemes.

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the group are considered to be key management personnel. Total remuneration in respect of these individuals is £1,694,708 (2021 – £1,650,049).

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

4. OPERATING SURPLUS**The operating surplus (2021 - operating surplus) is stated after charging:**

	30.9.22 (£)	30.9.21 (£)
Depreciation – owned assets	217,448	278,201
Profit on disposal of fixed assets	290,723	-
Computer software amortisation	-	16,638
Auditors' remuneration – company	23,877	24,865
Auditors' remuneration – subsidiaries	11,550	14,891
Non-audit services – other services	35,278	819

5. GAIN ON INVESTMENTS

	30.9.22 (£)	30.9.21 (£)
Unrealised (loss)/gain on investment	(178,081)	451,029

6. TAXATION**Analysis of the tax charge**

The tax charge on the surplus for the year was as follows:

	30.9.22 (£)	30.9.21 (£)
Current tax:		
UK corporation tax	22,481	14,948
R&D tax reclaim	-	(90,051)
Deferred tax	111,165	85,696
Tax on surplus	133,646	10,593

UK corporation tax was charged at 19% in 2022 (2021 – 19%).

The company is taxable on interest received in the year. The company received interest of £118,321 (2021 - £78,673).

7. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

Continued...

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

8. INTANGIBLE FIXED ASSETS

Group	Goodwill (£)	Computer software (£)	Totals (£)
COST			
At 1 October 2021	3,013,504	888,543	3,902,047
At 30 September 2022	3,013,504	888,543	3,902,047
AMORTISATION			
At 1 October 2021	3,013,504	888,543	3,902,047
At 30 September 2022	3,013,504	888,543	3,902,047
NET BOOK VALUE			
At 30 September 2022	-	-	-
At 30 September 2021	-	-	-

Company	Computer software (£)
COST	
At 1 October 2021	731,410
At 30 September 2022	731,410
AMORTISATION	
At 1 October 2021	731,410
At 30 September 2022	731,410
NET BOOK VALUE	
At 30 September 2022	-
At 30 September 2021	-

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

9. TANGIBLE FIXED ASSETS

Group	Freehold property (£)	Fixtures and fittings (£)	Motor vehicles (£)	Computer equipment (£)	Totals (£)
COST					
At 1 October 2021	7,169,429	1,071,781	29,339	784,696	9,055,245
Additions	-	141,806	-	108,719	250,525
Disposals	(4,010,275)	(58,055)	(14,299)	(22,771)	(4,105,400)
At 30 September 2022	3,159,154	1,155,532	15,040	870,644	5,200,370

DEPRECIATION

At 1 October 2021	2,284,282	1,063,489	26,177	640,303	4,014,251
Charge for year	101,870	4,525	2,300	108,753	217,448
Eliminated on disposal	(1,517,607)	(58,055)	(13,437)	(22,137)	(1,611,236)
At 30 September 2022	868,545	1,009,959	15,040	726,919	2,620,463

NET BOOK VALUE

At 30 September 2022	2,290,609	145,573	-	143,725	2,579,907
At 30 September 2021	4,885,147	8,292	3,162	144,393	5,040,994

Company	Freehold property (£)	Fixtures and fittings (£)	Motor vehicles (£)	Computer equipment (£)	Totals (£)
COST					
At 1 October 2021	7,169,429	1,049,860	29,339	780,077	9,028,705
Additions	-	141,806	-	108,719	250,525
Disposals	(4,010,275)	(58,055)	(14,299)	(22,771)	(4,105,400)
At 30 September 2022	3,159,154	1,133,611	15,040	866,025	5,173,830

DEPRECIATION

At 1 October 2021	2,284,282	1,041,568	26,177	635,684	3,987,711
Charge for year	101,870	4,525	2,300	108,753	217,448
Eliminated on disposal	(1,517,607)	(58,055)	(13,437)	(22,137)	(1,611,236)
At 30 September 2022	868,545	988,038	15,040	722,300	2,593,923

NET BOOK VALUE

At 30 September 2022	2,290,609	145,573	-	143,725	2,579,907
At 30 September 2021	4,885,147	8,292	3,162	144,393	5,040,994

Continued...

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

10. INVESTMENT PROPERTY

Group

	Investment property £
At 1 October 2021	-
Transferred from Freehold property	2,368,942
Revaluation in year	1,936,058
	<hr/>
Balance at 30 September 2022	4,305,000
	<hr/>

Company

	Investment property £
At 1 October 2021	-
Transferred from Freehold property	2,368,942
Revaluation in year	1,936,058
	<hr/>
Balance at 30 September 2022	4,305,000
	<hr/>

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

11. FIXED ASSET INVESTMENTS**Group**

On 21 December 2017, F.S.B. (Member Services) Limited acquired 30% of the share capital in FSB Insurance Service Limited (formerly Ruskin Square Limited), a company incorporated within England and Wales. Its registered office is 20 Fenchurch Street, London, EC3M 3AZ. The transaction acquired 100% of the B Ordinary shares.

Associate undertakings

The following is an associate of the company. The aggregate of the share capital and reserves and loss for the year has been taken at 31 December 2021.

	Ownership	Aggregate capital and reserves	Profit/(loss) for the year	Activity
FSB Insurance Service Limited	30%	281,195	(9,305)	Insurance services

Due to a non-recourse nature in the arrangement within the joint venture, the group does not take its share of FSB Insurance Service Limited's results into the group's accounts unless the Associate has positive reserves, excluding deferred share capital. As at 31st December 2021, FSB Insurance Service Limited had aggregate capital and reserves of £281,195 which consisted of ordinary share capital of £1, deferred share capital of £1,850,000 and accumulated retained losses of (£1,568,806).

Company**Unlisted investments £****COST**

At 1 October 2021 and 30 September 2022	2,101
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NET BOOK VALUE

At 30 September 2022	2,101
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At 30 September 2021	2,101
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	Aggregate capital and reserves	Profit/(Loss) for the year	Activity
FSB Publications Limited	1,212	-	Publication of magazine
F.S.B. (Member Services) Limited	22,469	-	Arrange member benefits
FSB Recruitment Limited	267,925	-	Recruitment
FSB Gold Club Limited	100	-	Dormant
Federation of Small Businesses Limited	-	-	Dormant
Real Life Entrepreneur Limited	1	-	Dormant
Keep Trade Local Ltd	1	-	Dormant
FSB Sales Ltd	1	-	Dormant

All subsidiaries are wholly owned and incorporated within England and Wales. All subsidiaries are registered at Sir Frank Whittle Way, Blackpool Business Park, Blackpool, Lancashire, FY4 2FE.

Continued...

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.9.22 (£)	30.9.21 (£)	30.9.22 (£)	30.9.21 (£)
Trade debtors	148,511	139,261	12,272	23,453
Amounts owed by group undertakings	-	-	3,010,593	2,904,536
Other debtors	239,153	7,461	239,152	7,461
VAT	14,223	-	21,912	1,804
Accrued income	157,976	199,273	35,740	21,980
Prepayments	902,785	699,251	534,299	436,758
	1,462,648	1,045,246	3,853,968	3,395,992

Amounts owed by group undertakings are repayable on demand and attract no interest.

13. CURRENT ASSET INVESTMENTS

	Group		Company	
	30.9.22 (£)	30.9.21 (£)	30.9.22 (£)	30.9.21 (£)
Listed investments	4,204,135	4,382,216	4,204,135	4,382,216

Market value of listed investments at 30 September 2022 held by the group and the company - £4,204,135.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.9.22 (£)	30.9.21 (£)	30.9.22 (£)	30.9.21 (£)
Trade creditors	465,144	269,124	331,256	167,450
Amounts owed to group undertakings	-	-	3,068,981	3,172,215
Social security and other taxes	283,051	268,359	283,051	268,359
VAT	-	24,497	-	-
Other creditors	148,426	4,794	148,427	4,794
Accrued expenses	2,041,736	1,652,071	1,482,688	962,570
Prepaid subscriptions	11,259,467	11,558,987	11,259,467	11,558,987
	14,197,824	13,777,832	16,573,870	16,134,375

Amounts owed to group undertakings are repayable on demand and attract no interest.

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	30.9.22 (£)	30.9.21 (£)
Within one year	16,391	16,391
Between one and five years	36,880	53,272
	53,271	69,663

Company	Non-cancellable operating leases	
	30.9.22 (£)	30.9.21 (£)
Within one year	16,391	16,391
Between one and five years	36,880	53,272
	53,271	69,663

16. FINANCIAL INSTRUMENTS**Group Financial Instruments**

	2022 (£)	2021 (£)
Financial assets		
Financial assets that are debt instruments measured at amortised cost	25,817,455	26,619,676
	25,817,455	26,619,676
Financial liabilities		
Financial liabilities measured at amortised cost	13,914,773	13,484,976
	13,914,773	13,484,976

Company Financial Instruments

	2022 (£)	2021 (£)
Financial assets		
Financial assets that are debt instruments measured at amortised cost	28,270,279	28,947,003
	28,270,279	28,947,003
Financial liabilities		
Financial liabilities measured at amortised cost	16,290,819	15,866,016
	16,290,819	15,866,016

Financial assets that are debt instruments measured at amortised cost comprise all current debtors (other than prepayments), cash at bank and in hand and deposits with financial institutions and investments.

Financial liabilities measured at amortised cost comprise all of the current liabilities other than tax liabilities.

[Continued...](#)

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	30.9.22 (£)	30.9.21 (£)	30.9.22 (£)	30.9.21 (£)
Deferred tax				
Other timing differences	373,786	262,621	373,786	262,621

Group	Deferred tax (£)
At 1 October 2021	262,621
On unrealised investment gains charged to profit and loss account	111,165
Balance at 30 September 2022	373,786

Company	Deferred tax (£)
At 1 October 2021	262,621
On unrealised investment gains charged to profit and loss account	111,165
Balance at 30 September 2022	373,786

18 RESERVES

Group	Profit and loss account (£)
At 1 October 2021	18,319,468
Surplus for the year	714,070
At 30 September 2022	19,033,538

Profit and loss account

Includes all current and prior period retained profits and losses.

19. PENSION COMMITMENTS

The National Federation of Self Employed and Small Businesses Limited operates a defined contribution scheme on behalf of its employees. The scheme is held in a separately administered fund independent from the group. Contributions in the year amounted to £460,617 (2021 - £479,640). There were NIL contributions outstanding at 30 September 2022 (2021 - NIL).

Continued...

Notes to the Consolidated Financial Statements - continued

For the Year Ended 30 September 2022

20. CAPITAL COMMITMENTS

	30.9.22 (£)	30.9.21 (£)
Contracted but not provided for in the financial statements	4,963	8,598

21. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

At the year end, F.S.B. (Member Services) Limited was owed NIL (2021 - NIL) by FSB Insurance Service Limited.

During the year, the Directors paid membership subscriptions totalling £1,973 (2021 - £2,277) to the National Federation of Self Employed and Small Businesses Limited.

22. ULTIMATE CONTROLLING PARTY

National Federation of Self Employed and Small Businesses Limited is a company limited by guarantee. The company is controlled by the Board of Directors.

23. MEMBERS LIABILITY

Every member of the Federation undertakes to contribute to the assets of the Federation, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Federation contracted before he ceased to be a member, and the costs, charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding £1.

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