

Annual Report

2017–2018



FEDERATION OF
**MASTER
BUILDERS**
fmb.org.uk



FOREWORD



The Federation of Master Builders (FMB) has been through a period of development and change in recent years, building on our history, but adapting and overhauling what we do to fit the new realities of a professional trade association in the twenty-first century. We will never rest on our laurels, but this year's annual report shows very clearly that we are now setting new standards of excellence in terms of our profile, our influence and most importantly of all, the service we provide to our members.

We are first and foremost a growing organisation, with 2017 marking the second successive year of membership growth for the FMB. This is testament to the increased level of satisfaction among members, but also to the FMB's ever-growing presence and reach. In order to underpin this, we have continued to invest in raising the profile of our members and our brand through an expanded television advertising campaign. More members of the public than ever before now know the Master Builder brand and what it stands for.

This reach is further underpinned by the level of our media coverage. This year, mentions of the FMB in the UK media reached the equivalent of five times the population of the UK, a level of coverage unrivalled by other organisations in the industry. We will continue to use this position to profile our members and what they can do.

This was certainly the case with the highly successful 2017 Master Builder Awards in London, which was not only a glittering day out for all concerned – rightly described in *The Sun* newspaper as 'the Oscars' of the building industry – but reached 11 million people through media coverage that showcased Master Builders and the fantastic work they do.

We are also a more influential organisation than we have ever been. The positive changes the FMB is able to bring about in policies and regulations which affect our members would be the envy of any membership organisation. In the past year, we have developed new higher quality apprenticeship standards for bricklaying and plastering against strong pressure from large companies to reduce skill levels. Furthermore, in direct response to lobbying by the FMB, the Government has made available billions of pounds of funding to smaller house builders and proposed changes to national planning policy which will advantage smaller sites and smaller

builders. On top of this, we have led the industry in setting the agenda for higher standards in our sector, including speaking out in favour of a licensing system for UK construction. We are delighted that the strength of our policy and public affairs work was recognised by the award of 'In house team of the year' at the 2017 Public Affairs Awards.



At the same time, the FMB's financial position remains strong. Just as our membership numbers grow, a newly developed commercial offering, our 'FMB Connections' initiative, is diversifying and growing our non-subscription income. We continue to run financial surpluses and this, in addition to the FMB's well-managed property portfolio, means that, even in turbulent times, the FMB can be a beacon of stability and reliability for our members and the wider industry.

In this and all respects, the FMB and its members will continue to reach for excellence and the highest standards of professionalism in the year ahead. We are delighted

to introduce the FMB's Annual Report for the period June 2017 to May 2018 and we hope you enjoy reading about all these achievements and more. There are many to enjoy this year.



Brian Berry
FMB Chief Executive



Gary Lewis
FMB National President

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OUR STRATEGIC PLAN: BUILDING BETTER TOGETHER 2017 – 2020

Our strategy over the next three years will be to continue to build on the 'Agenda for Change 2014 – 2017' with a focus on evolution and not revolution. The emphasis is on recognition, growth and moving forward. In particular, we need to ensure that the FMB continues to develop its credibility and relevance.

FMB membership needs to have real meaning, not only for all those working in the construction sector, but also for clients and consumers who want to employ a builder. We also need to do more to promote and market the FMB – both to consumers, to increase their awareness so that they are more likely to employ a Master Builder, but also to potential members and other stakeholders.

Our focus on the need for greater recognition, coupled with improved marketing and promotion, will help ensure that the FMB is better positioned to not only withstand the changing political and economic landscape post-Brexit, but also to continue to grow and thrive.

FMB MISSION

The FMB's mission is for Master Builders to be recognised by clients and industry as the best in the building industry. This mission is underpinned by our commitment to:

Credibility – to ensure that membership has real meaning to clients when choosing a building company

Voice – to ensure that members' concerns can be heard and addressed at national and local government level

Business support – to provide a range of one-stop-shop services that help members run their businesses efficiently and profitably.

Protecting the public – raising standards and professionalism throughout the building industry to help protect the public.

FMB VALUES

The four key values of the FMB and its staff are:

Professional – to do everything to the highest standard possible

Commercial – to be business focused and maximise commercial value

Positive – to actively engage and to be solutions focused

Collaborative – to work together based on respect and honesty.

LOOKING AHEAD: STRATEGIC PRIORITIES

Over the next three years, we have identified nine strategic priorities of equal importance and they are:

1. Recognition as the mark of quality approved builders
2. Customer focus
3. The Master Builder offer
4. Membership
5. Promotion
6. Invest in FMB staff
7. Modern governance
8. FMB Insurance Services
9. Representation and profile

WHAT HAS THE FMB ACHIEVED?

TOP 10 ACHIEVEMENTS IN 2017-18

1

MEMBERSHIP GROWTH

FMB **membership numbers grew** for the second successive year.

5

MASTER BUILDER AWARDS

The thirteenth **Master Builder Awards** were the biggest and best yet, with more nominations and more media coverage than ever before.

8

RAISING APPRENTICESHIP STANDARDS

The FMB and its members successfully brought through new **higher quality standards** for bricklaying and plastering apprenticeships

2

FMB WINS PUBLIC AFFAIRS AWARD

The FMB won the '**In house team of the year**' award at the 2017 Public Affairs Awards with the judges recognising the consistent impact the FMB has on Government policy.

6

WEBSITE TRAFFIC UP

Visits to the FMB's '**Find a Builder**' service increased by a massive 300%

9

STAFF SATISFACTION HIGH

Based on the FMB Staff Survey, we ranked **8th out of 68 organisations** in the Survey Solutions benchmark database on **employee satisfaction**.

3

FMB AND FMB INSURANCE IN PROFIT

Both parts of the FMB Group **turned a profit** in 2017 underlining the FMB's financial strength and stability.

7

EXCELLENT MEDIA COVERAGE

The FMB's media profile continued to set the standard for the industry with a **reach equivalent to five times the population of the UK**.

10

ELECTRONIC VOTING INTRODUCED

All FMB Area Boards were for the first time **elected by online voting** with a corresponding increase in participation and new members.

4

SUCCESSFUL ADVERTISING CAMPAIGN

The FMB's latest TV advertising campaign has **now reached 55% of adults** in the UK, an average of more than four times.

ES NEVER BEEN A
ER TIME TO JOIN

a Master Builder to help grow,
and protect your business.



FEDERATION OF
**MASTER
BUILDERS**

fmb.org.uk

WIN WORK

Find a Builder

Create

Protect

glasses

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MARKETING MASTERS

TV advertising campaign

The FMB continues to advertise on television to promote its members. A new advert was launched in 2018 as part of an integrated campaign that will increase the recognition and understanding of the Master Builder brand. The campaign aired on Channel 4, More 4, Sky News, ITVBe, Dave and many more channels. FMB's TV campaign has now reached 55% of adults in the UK 4.2 times, equating to 143 million adult impacts.

Growing website traffic

Traffic to the FMB website – www.fmb.org.uk – continues to increase. The first half of 2018 saw strong growth compared to the same period last year, with views up 9%. Visits to the 'Find a Builder' search feature have also increased by a massive 294%. This means that more consumers than ever are searching for Master Builders to undertake their building projects.

Exhibitions

Over the past year, the FMB has promoted its members at 19 exhibitions throughout the UK. These have included five trade shows and 14 consumer exhibitions. At these shows, Master Builders gave presentations to home owners about the benefits of using a Master Builder and how to work positively with their builder. Members also featured in the 'Ask the Expert' centre at all of the Home Building & Renovating exhibitions, answering queries and giving tailored advice to home owners about their specific projects.

Radio advertising

The FMB is working with Fix Radio which is a DAB radio station, targeting tradespeople. The FMB sponsors 'The Tool Box' show which is aired once a week and covers industry news, developments and topical issues.

Social media

The FMB continues to have a strong presence on social media utilising social channels to effectively engage with home owners, builders and industry stakeholders. Facebook likes have increased by 18% over the past year and followers on Twitter have increased to 21,000 which is a 14% increase on last year.

'How to' videos

The FMB has produced a series of 'How to' videos to raise awareness of the Master Builder brand and provide useful information for home owners and builders alike. These videos can be viewed on FMB's YouTube channel.



MASTER BUILDER AWARDS

The Master Builder Awards celebrate the fantastic work of Master Builders across the UK. The 2016-17 Awards had a record number of nominations with fantastic entries from across the UK. The glittering national awards ceremony was held at the InterContinental Hotel, Park Lane, London. The event was hosted by TV star Nick Knowles and attended by more than 450 guests. The Awards were a great success, with associated media coverage reaching more than 11 million people. The Awards were even described by *The Sun* newspaper as 'The Oscars' of the building industry!



**"The Oscars of
the building trade –
the Master Builders
Awards..."**

9th September 2017

**THE
Sun**



THE VOICE OF MASTER BUILDERS: INFLUENCING THE POLITICAL AGENDA



The FMB never stops working to make sure that the views of Master Builders are represented to the very highest levels of Government. At the end of last year, the FMB was officially recognised for just how good it is at lobbying on behalf of its members. At the 2017 Public Affairs Awards, we were crowned 'In house team of the year' with the judges noting the FMB's consistent ability to change public policy. The FMB's profile and influence has never been higher than it is now and the major achievements of 2017-18 show just what the FMB is able to achieve for its members on a limited budget.

Tackling the skills crisis

- After three years of work by the FMB and its members, the Government signed-off new apprenticeship standards for bricklaying and plastering. These will ensure new apprentices taking these courses will now be trained to a higher standard, against the wishes of some larger companies to lower standards.
- The FMB brought together the leading trade bodies in construction to agree and publish the 'Construction Industry Brexit Manifesto', which set out the industry's position on skills and migration in a post-Brexit Britain.

Leading the agenda on quality and standards

- The FMB published an agenda-setting report 'Raising the bar' in May 2018, setting out three recommendations for increasing quality and professionalism in the construction industry. This agenda, and its headline idea of a licensing system for UK construction, has been well-received by industry and policy makers and this campaign will now be the main focus of the FMB's public affairs activity over the next year.

Supporting SME house builders

- As a direct result of FMB lobbying, the new National Planning Policy Framework (NPPF), consulted on in early 2018, will take a radical and positive approach to small sites, including a requirement for local authorities to identify enough sites of one hectare or less to deliver at least 10% of planned-for housing.
- Following FMB lobbying, the Government committed a further £1.5 billion to the Home Building Fund, a loan finance scheme aimed at SME house builders in England. It has also pledged to go further and invest billions in loan guarantees to encourage banks to lend more to SME builders.

Supporting town centre refurbishments

- The FMB's flagship 2017 report 'Homes on our high streets', which set out how more empty space above shops could be converted into housing, again proved the FMB's ability to set the agenda. The new NPPF now requires local authorities to promote the development of under-utilised buildings, including spaces above shops.

Better procurement and fairer payment

- The FMB led the industry in calling for an overhaul in the approach to public procurement following the collapse of Carillion, and Brian Berry helped deliver a petition to No. 10, calling on the Government to legislate to stop the abuse of retentions.



MASTER BUILDERS IN THE NEWS



Why media coverage is important for the FMB

The FMB's mission is for Master Builders to be recognised by consumers, industry and policy makers as the best in the building industry. Raising the FMB's profile by securing a high level of media coverage is key to meeting this objective. Interviews and mentions in respected outlets helps to increase our reputation as a professional organisation and a brand that consumers can trust. Ultimately, raising the profile of Master Builders to consumers via the media helps Master Builders win more work.

How have we fared?

The FMB's media profile continues to grow, with ever more appearances in national newspapers, on the radio and on television.

This year we reached the equivalent of 358 million people through our media work. That's the same as five times the population of the UK.

We consistently achieve significantly higher levels of media coverage than any other construction trade body.

You may have seen or heard us in



"This year we reached the equivalent of 358 million people through our media work. That's the same as five times the population of the UK."

5x

FMB EVENTS

This year the FMB has invested further resources in FMB events and conferences with the creation of the role of Events Manager within the Public Affairs team. The Events Manager has been working with the regional and devolved directors to develop and deliver a portfolio of business-focused events for FMB members, non-members, commercial partners and industry stakeholders. These events aim to meet the needs of our members, while also enhancing the reputation, profile and influence of the FMB. Over time, the events should also provide a growing and sustainable source of non-subscription revenue.

Our events programme is already proving itself, with over 1,000 attendees at FMB events this year. The programme has included a wide range of events throughout the UK including:

- **AGM weekends;**
- **Business conferences;**
- **Annual dinners;**
- **Trade show partnerships;**
- **Workshops;**
- **New member seminars;**
- **Roundtables;**
- **Awards dinners.**

In addition, the FMB secured a number of influential keynote speakers for our conference programme this year, including the Shadow Planning Minister, Roberta Blackman-Woods MP; Labour MP for Slough Tan Dhesi; and Chair of the Business, Energy and Industrial Strategy Select Committee Rachel Reeves MP.

The creation of the role of Events Manager.

Over 1,000 attendees at FMB events this year.

"Found the sessions interesting and the speakers were good. Well organised and useful that it was only a couple of hours out of the day - felt like quite a bit of value in a short period of time."

FMB conference attendee

90%
of attendees rated our events as either excellent or good.

"Very professional, great chair and speakers. Would attend future FMB events based on the quality of this one."

FMB conference attendee



MEMBERSHIP SERVICES: SUPPORTING MASTER BUILDERS

FMB legal support for members

Our legal advisors have continued to provide sterling service to members this year. As well as the regularly-asked questions about employment matters, debt recovery and contract queries, a new source of calls has emerged this year with a number of members calling about data protection in the wake of the GDPR regulations that came in in May. We also supplied members with a guidance document and an e-learning module to help them to comply with the new regulations.

FMB standards

The FMB Standards Committee continues to meet regularly to monitor members' compliance with the FMB Code of Practice. An important part of the work of the Membership Team is to apply the FMB's high standards to each and every application to join the FMB. We have introduced new checks this year to make sure that only the UK's best builders are able to be Master Builders, and this is an ongoing process of continuous improvement, alongside the rolling out of regular independent three-yearly inspections across the entire membership. This is very important to ensure that membership of the FMB carries real credibility with consumers and builders alike.

"We have introduced new checks to make sure that only the best builders are able to be Master Builders."

FMB dispute resolution service

Another important way that the FMB supports its members is through our Chartered Trading Standards Institute (CTSI) approved Alternative Dispute Resolution (ADR) Service. In the first six months of 2018, we have assisted over 240 members in reaching an agreement with their clients. This is an invaluable service to both our members and their clients, who have avoided expensive litigation. We refer some cases to the Centre for Effective Dispute Resolution (CEDR) for mediation. The CEDR mediators have dealt with 121 cases over the past 12 months, with a total project value of £7 million.

FMB Membership Team: There for you

The Membership Team is always there to assist members with a wide variety of enquiries and requests for help. This year we have taken on a new surveyor, so we now have a team of two who are able to offer technical assistance to members, in addition to the health and safety and taxation advisory services that we offer. The Membership Team has also been trained to assist members in creating and updating their profiles on the 'Find a Builder' website, and in uploading testimonials from happy clients. All new members receive a call from the Team shortly after being approved for membership and this is one of the key topics of conversation with new members. We hope that this helps to get their membership off to a flying start and the Team enjoy having the chance to find out more about our members.



FMB INSURANCE: PROTECTING MEMBERS, PROMOTING QUALITY

Over the past twelve months, FMB Insurance has continued to grow and expand what it does for the benefit of the FMB and its members.

FMB Insurance joined the Consumer Code for New Homes (CCNH) in 2017, and we were delighted to attend the launch of the Code in November, where guest speakers included Maria Miller MP, a member of the All-Party Parliamentary Group for Excellence in the Built Environment. The CCNH has been designed to maintain excellent standards and high levels of customer satisfaction in the new build homes market and it fits well with the ethos and values of the FMB and FMB Insurance.

In April 2018, FMB Insurance moved its underwriting to Everest, Syndicate 2786 at Lloyd's. Everest are supportive of our desire to

grow the business in line with the aspirations of members and are proactive in their approach to new and innovative methods of construction as well as more complex Contractor's Liability risks. This means that we can continue to shape insurances to meet the individual needs of our members. At the same time, our New Homes Latent Defects policy is supported by the major mortgage lenders and we will tailor member policies to suit the requirements of the individual build.

Master Builders are able to offer a warranty for every job they do and FMB Insurance can provide a premium indication and help members and their clients through the process of purchasing a policy to protect their investment for 2, 6 or 10 years post completion of work. The Contractor's Liability policy continues to go from

strength to strength, with retention rates at 80%, significantly above an industry average of 20-25%. This means we are providing our customers with the protection they need at good value.

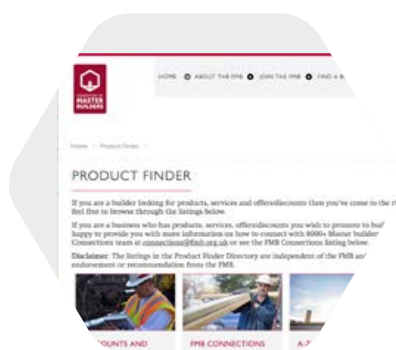
Furthermore, FMB Insurance has continued to invest in digital and has started to use rating software to gather reviews and testimonials from customers. FMB Insurance has also produced video content to inform and advise consumers and members about the benefits of taking out insurance that can provide peace of mind and ensure businesses are adequately protected. Our relationships with partner brokers have enabled us to expand our product portfolio to include van and fleet insurance as well as professional indemnity, property owners and now cyber liability insurance to protect your business against system hacking.



FMB COMMERCIAL ACTIVITY

In 2017, the FMB developed and introduced a flexible and innovative new range of commercial products to provide additional services to members and help to diversify and grow income streams. FMB Connections enables companies to build connections with Master Builders, their clients and the wider building industry via a range of targeted marketing channels, whether through online, publications or events. Suppliers can choose to build connections nationally or locally and can now decide which marketing channels, or mix of channels, best suit their business objectives.

The results of the new Connections package put in place, and the team which supports it, speak for themselves. Our Connections offer achieved invoiced sales of £239,021.00 over the reporting period June 2017 to May 2018. In



addition, advertising sales for *Master Builder* magazine, as part of the Connections package is now dealt with in-house. This has enabled increased control of advertising sales and content with each edition now producing a significant surplus.

FMB's 'product finder' is a popular product within Connections that enables suppliers to promote their products and services to Master Builders. The offers and discounts provide additional benefits to Master Builders, which we know are valued by members. Visits to the Connections webpage have increased by 128% in eight

months. The Connections team have introduced several well-known brands to their clientele, including among others: Construction Week; Festool; Hitachi; Hotpoint/Whirlpool; Jewson; Sage; Travelodge Velux; and VictoriaPlum.com.

The FMB places great value on strong, long-term partnerships and the Master Builder Partners offer provides this option for companies who want to maximise their engagement and relationship with the FMB and its members. The FMB's Partners are: B&CE; CITB; JCB; TradePoint; Utilitywise; and Vauxhall.

"FMB Connections enables companies to build connections with Master Builders, their clients and the wider building industry."

UK-WIDE: BACKING MASTER BUILDERS ACROSS THE UK

FMB Scotland

FMB Scotland's profile and reputation has continued to surge forward over the past year, driven by a wide-ranging programme of work. FMB Scotland broke new ground by running a joint seminar with Local Authority Building Standards Scotland (LABSS) on building standards and compliance with Kevin Stewart MSP, Minister for Local Government and Housing, delivering the keynote speech. Over 150 delegates joined us on the day. We also hosted a roundtable discussion with MSPs and stakeholders at the Scottish Parliament on the opportunities to refurbish existing buildings to help address housing need. Our Scotland Director gave evidence on the Planning Bill to the Local Government and Communities Committee at the Scottish Parliament. FMB Scotland continued to promote Master Builders to clients throughout the year by advertising in local publications and exhibiting at events in Glasgow, Edinburgh and Aberdeen. Our media profile has remained high with our Scotland Director appearing on BBC Scotland, STV and Radio Scotland a number of times. We continued to be regularly quoted in The Scotsman, The Herald and The Sun (Scotland). Finally, the Scotland Area Board was strengthened with four new members being joining the ranks at the 2017 AGM.



FMB Northern Ireland

FMB NI has enjoyed another busy year, but two achievements stand out in particular. We have been working with the Department of Finance to see FMB's accreditation recognised as on a par with Construction Line. Once signed off, this will save FMB members time and hassle in applying for extra accreditation to undertake public work, and will further underpin the reputation of the FMB badge. We are also working with officials on plans to hold sessions to advertise opportunities for our members to participate in small works contracts. FMB NI has also led the industry in setting up a NI Construction Youth Forum, an initiative to engage with current industry employees under the age of 30. This has grown to include some nine federations, associations and groups. FMB NI and others have led the way by arranging Ambassador Programs to reach out to this younger generation. FMB NI have further training plans for the summer of 2018 for members and their employees who are keen to be involved. This has been a very rewarding project in which members have shown their strong desire to give something back and inspire those who are following in their footsteps.



FMB Northern Ireland



FMB North

FMB North saw a few changes this year after welcoming the new Director of FMB North, Caroline Meehan, in February 2018. We have strengthened all three of our regional area boards by welcoming eight new board members in total. These boards are now more diverse with more young people, women and representatives with a range of business types and backgrounds. To make sure that Master Builders in the North have their voice heard, our FMB North Director sits on several committees and working groups including Leeds City Region LEP Skills and Training Groups, Working Well Together (WWT) North East and WWT

North and West Yorkshire. FMB North has also cemented some strong relationships with LABC in the Yorkshire and Humber region and throughout the Northern Counties. Each of our regional presidents has had the opportunity to represent the FMB at their local LABC awards and present a trophy. Member engagement is a major priority for FMB North so this year, we introduced 'New member meetings' at the Leeds office, where we could meet new members face-to-face and help ensure they understand the range of member benefits and can make the most of being a Master Builder.

FMB Scotland

FMB North





FMB Cymru

FMB Cymru enjoyed successes on a number of fronts this year. We continue to be the 'go-to' organisation for policy makers on matters that affect small building firms. We met regularly with high-level politicians and represented our members on a number of Welsh Government business engagement groups. These include the Council for Economic Development, the EU Exit Working Group and the Help to Buy Wales Advisory Group. We submitted written responses to a number of industry-related Welsh Government consultations and our Director gave oral evidence to a Welsh Assembly Committee on low carbon housing. A highlight for the year in terms of policy

work was the signing of the Housing Pact between FMB Cymru and the Welsh Government, which signified a commitment by industry and the Government to work closer together to increase housing supply. Our media coverage also remained high and our Cymru Director was frequently interviewed and quoted on TV and radio, and in print, in both English and Welsh. Member engagement is something we value highly and we were pleased that members continued to engage with us, and each other, through branch meetings that span the whole of Wales – from Caernarfon to Cardiff.

FMB Cymru

FMB South

FMB South

FMB South's activities over the past year have reflected the key objectives of the FMB with a clear focus on raising standards, facilitating opportunities for small building firms and attracting the next generation of construction professionals. Electronic voting has invigorated both area boards in the South, bringing in new members with fresh ideas. Throughout the year, we have continued to work with key influencers in our regions to improve construction procurement, remove the barriers to house building for small builders, and flag up the potential to convert town centre buildings into new homes. FMB South is a

core member of the Working Well Together initiative backed by the HSE and has encouraged members in the region to attend half-day safety awareness sessions. FMB South has also maintained a strong presence at consumer exhibitions, helping to highlight our Find a Builder service and help home owners understand how to find and work with quality professional builders in their area. FMB South has also had an active presence on local radio and in the regional press, helping to raise awareness of what Master Builders have to offer and the FMB's role as a driver of excellence in our industry.



FMB Central

FMB London

FMB London

FMB London has adopted a number of fresh approaches as we have sought to significantly raise the FMB's profile and influence in London, with notable success. The London Director gave evidence to the Greater London Assembly (GLA) on the Mayor of London's housing and economic development strategies. In addition, numerous meetings were held with London Assembly members, the Mayor's officials, and Hackney, Enfield, Hillingdon and Merton borough councils to make sure that the interests of Master Builders in London are represented. Written evidence was submitted to the CBI on construction in London and the Raynsford Review on planning. A presentation was made to the heads of LABC for London's 32 boroughs. The London Director also chaired a panel discussion



on house building at the Housing Forum and presented to the London meeting of the Builders Merchants Federation. Our London Director appeared on the Vanessa Feltz *BBC Radio London* show to discuss housing and had an opinion piece published in *The Guardian*. FMB London has also been representing SMEs on the Retrofit Standards Task Group. Finally, London held the FMB's first competitive election using e-voting with a record 27 candidates competing for the 12 places available on the London Board.



FMB Central

FMB Central had another productive year representing members in the Eastern and Midland regions. We were proud to sponsor the LABC regional awards and attend numerous award ceremonies throughout the region. This gave us an invaluable opportunity to engage with building control professionals and to enhance our already strong local links with LABC. Our relationships with local builders' merchants were also strengthened through our increased engagement with the Builders Merchants Federation. We continued to engage with a number of local authorities including Birmingham, Solihull, Wolverhampton and Shropshire, to push our policy objectives, including tackling the barriers faced by members in tendering for public sector work. The skills crisis is a major barrier to growth for many of our members. We engaged with a number of stakeholders and forums, including the CITB Training Groups, to understand the issues and search for solutions. We also participated in the Midlands Construction Summit where the potential impact of Brexit on the construction industry was discussed at length. We worked with a local firm of solicitors to put on a workshop on the contractor's legal responsibilities to his/her sub-contractors and feedback from members on the session was very positive.



FMB PROPERTIES

The past year has been a busy period for the FMB's property management with eight tenant lease terms ending and a major refit of the Leeds office. We are very pleased with the refit of the Leeds office. The creation of the new staff breakout area in particular is a great improvement to the property and has been well-received by the staff. FMB President Gary Lewis visited Leeds in April 2018 to open 'Café Rothwell' on the ground floor.

The property valuation undertaken in 2017 revealed an overall increase of 10.5% on the fair value of the property portfolio since the previous valuation in 2015. Rental activity remains stable with 23 tenants under lease. Rental income was down on forecast, due to the fact that one suite was removed from the letting pool to accommodate the expanding operations at FMB Leeds office. That said, an anticipated increase

in income of 10% is predicted for the next reporting period, with new tenants due to occupy the Cambridge property. After a number of years of significant investment in repairs and maintenance, expenditure on the upkeep of our properties has now returned to normal levels, with only a small number of projects planned for in 2018.

Demand for our meeting rooms has remained strong. External bookings achieved income of £13,650. Internal (i.e. FMB) bookings increased by 101%, providing a substantial saving-in-kind to the FMB. The use of video conference systems in the London and Leeds offices has also provided opportunities for savings on staff travel costs.



"The property valuation undertaken in 2017 revealed an overall increase of 10.5% on the fair value of the property portfolio since the previous valuation in 2015."



Sajid Javid MP at 'Homes on our high streets' report launch



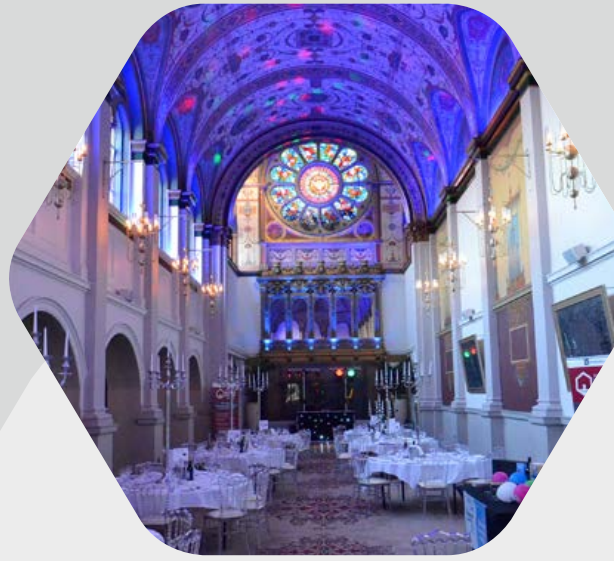
Aldous Bill petition at No.10 Downing Street

OUR YEAR IN PICTURES

Meeting with Robert Courts MP



London and Southern Conference Dinner



Tan Dhesi MP at London and Southern Conference



Alok Sharma MP at House Builders' Survey launch



Master Builder Award winner Vauxhall van presentation



Meeting at No.10
Downing Street



Visit to JCB's HQ



Stars of FMB TV advert

Networking in
the House
of Commons



'Homes on our high streets' report
launch with Sajid Javid MP



FMB London and Southern Conference



Member site visit in Scotland



Master Builder Awards photo booth



'Raising the bar' report launch in House of Commons



Scottish Parliament oral evidence session



Launch event with Jeremy Corbyn MP



Conservative Party Conference fringe event



Lib Dem Conference with Vince Cable MP



UTV interview

GAVIN MCGUIRE
Federation of Master Builders

Financial Statements for year ending 31st December 2017

FEDERATION OF MASTER BUILDERS LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2017

(A Company Limited by Guarantee) Registered number: 00368163

		2017 £	2016 £
Fixed assets			
Intangible assets		341,545	55,759
Tangible assets		4,901,015	4,727,267
Investments		2,341,929	2,117,246
		<u>7,584,489</u>	<u>6,900,272</u>
Current assets			
Debtors: amounts falling due within one year	663,452	675,649	
Cash at bank and in hand	1,752,913	2,217,572	
	<u>2,416,365</u>	<u>2,893,221</u>	
Creditors: amounts falling due within one year	(1,484,849)	(1,517,029)	
	<u></u>	<u></u>	
Net current assets		931,516	1,376,192
Total assets less current liabilities		<u>8,516,005</u>	<u>8,276,464</u>
Provisions for liabilities			
Deferred taxation	(296,609)	(296,609)	(296,609)
		<u></u>	<u></u>
Net assets		<u>8,219,396</u>	<u>7,979,855</u>
Capital and reserves			
Profit and loss account		6,088,388	6,060,530
Revaluation reserve		2,131,008	1,919,325
		<u>8,219,396</u>	<u>7,979,855</u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements. The profit after tax of the parent Company for the year was £27,858 (2016 - £99,755).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11th June 2018.

G J Lewis Director

FEDERATION OF MASTER BUILDERS LIMITED

DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2017

	31-Dec-17	31-Dec-16
	£	£
REVENUE	4,092,881	4,038,358
COST OF SALES	827,229	695,298
GROSS PROFIT	3,265,652	3,343,060
ADMINISTRATIVE EXPENSES		
Total Admin Expenses	3,439,448	3,511,615
OPERATING LOSS	(173,796)	(168,555)
Income from other fixed asset investments	201,490	180,594
Interest receivable and similar income	164	2,435
Interest payable and expenses	-	-
Dividends received from group components	-	85,274
Unrealised surplus on revaluation of fixed asset investments	-	-
Profit before tax	27,858	99,748
Tax on profit	-	-
Profit for the year	27,858	99,748
Other comprehensive income		
Unrealised surplus on revaluation of tangible fixed assets	-	-
Total comprehensive income for the year	27,858	99,748

N.B. The full financial statements that this extract has been taken from have been audited



About the Federation of Master Builders

The Federation of Master Builders (FMB) is the largest trade association in the UK construction industry representing thousands of firms in England, Scotland, Wales and Northern Ireland. Established in 1941 to protect the interests of small and medium-sized (SME) construction firms, the FMB is independent and non-profit making, lobbying for members' interests at both the local and national level. The FMB is a source of knowledge, professional advice and support for its members, providing a range of modern and relevant services to help them succeed. The FMB is committed to raising quality in the construction industry and offers a free service to consumers called 'Find a Builder'.

For further information about the FMB, visit www.fmb.org.uk or follow us on Twitter [@fmbuilders](https://twitter.com/fmbuilders)

For further information about the FMB 2017-2018 Annual Report, email publicaffairs@fmb.org.uk or call **020 7025 2901**.