



Trade Marks Patents and Designs Federation trading as IP Federation  
(Limited by Guarantee)

# Annual Report and Financial Statements

For the year ended 31 December 2010

# **Federation Officers December 2010**

## **President**

Mr J R Hayles

## **Vice-Presidents**

Dr R J Burt  
Mr T Frain  
Mr D A Lewis, OBE  
Dr M T Barlow, OBE  
Dr M Jewess  
Mr A Sugden

## **Auditors**

Richard Place Dobson Services Ltd  
1-7 Station Road, Crawley, West Sussex, RH10 1HT

## **Secretary and Registered Office**

Mr C D England (appointed 28/05/2010)  
Ms S Draper (resigned 28/05/2010)  
Fifth Floor, 63-66 Hatton Garden, London, EC1N 8LE

## Report of the Council for the year ended 31 December 2010

### Principal activity

The principal activity of the company continued to be that of improving the intellectual property framework to meet the needs of innovative industry.

### Federation activities

#### *Meetings and Services to Members*

The Council (2010 members are listed on the preceding page), held 11 meetings, several with external guest invitees, and the AGM was held in July at which James Hayles replaced Roger Burt as President. A number of physical and teleconferenced meetings of committees and specific issue sub-groups were held also throughout the year.

In 2010 the Secretariat sent out 400 electronic notices to members as to relevant proposed changes to UK and EU primary and secondary legislation; new and draft legislation and administrative changes; government consultations; reports and publications from governments, academia and other relevant bodies and professional institutes; and Federation meetings' notices, agendas, and minutes.

### Policy papers

In 2010 the Federation published 10 policy papers and 1 confidential paper; the former were made publicly available via its website and sent direct to members, policy makers, legislators, stakeholders and key influencers as relevant. Papers were written on the following: UK designs; the trade mark system in Europe; EPO procedural efficiency; amendments to the Implementing Regulations - Rule 71 EPC; a preliminary set of provisions for the Rules of Procedure of the European and EU Patents Court; privilege in the EEUPC; the draft Commission Regulation on R&D agreements and the guidelines on horizontal cooperation agreements; an Indian compulsory licensing consultation; and the proposed Council Regulation on the translation arrangements for the EU Patent.

### Representation on other bodies and external relationships

In the UK the Federation represented its interests with stakeholder, consultative and focus groups and other fora of the UK Intellectual Property Office; Users' Committees of the Patent Court and the Patents County Court; the IP Institute, SABIP (until its abolition towards the end of the year), the CBI IP committee, CIPA, ITMA and IPAN.

In the rest of Europe, the Federation continued as a strong contributor to BUSINESSEUROPE on pan-EU IP policy and continued to be represented on the Standing Advisory Committee before the European Patent Office (SACEPO) and EPO meetings via member representative of the Federation. It was regularly invited to send representatives to WIPO meetings and was represented through several of its members on the ICC Commission on Intellectual Property.

### Finance

	2009	2010
Subscription income	114,156	107,156
PAYE online Incentive	75	575
Less administrative expenses	(105,896)	(110,830)
Operating surplus/(deficit)	8,335	(3,099)
Investment income and other interest received	1,419	1,265
Amounts written off investments and Interest payable and similar charges	(295)	(405)
Surplus/(Deficit) on ordinary activities before taxation	9,459	(2,239)
Tax on (deficit)/surplus	622	(445)
Surplus/(Deficit) on ordinary activities after taxation	8,837	(2,684)

## **Federation management**

### *Operating Name*

The operating name is the IP Federation, although TMPDF continues as its UK registered company name.

### *Subscription Rates*

The subscription rates for 2010 remained unchanged over 2009 at £4050 for voting membership (£2660 for companies having 5 or fewer in-house IP professionals) and £1500 for committee membership.

### *Membership*

There was no significant change in membership numbers, with 37 ordinary members at 31 December 2010 (and 1 associate member).

### *Secretariat*

David England took over from Sheila Draper in June as Secretary. Connie Garrett continued her employment in the Secretariat as administrative assistant. Operating costs remained tightly controlled and in line with those of the preceding five years. The lease on the Secretariat premises was renewed to the end of June 2011.

## **Audit and Auditors**

Companies such as the Federation need not have their accounts audited but the Council unanimously resolved that the accounts should continue to be audited and notice to this effect in respect of the accounts for 2010 was given to the Federation by the requisite number of members. Richard Place Dobson Services Ltd expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment and authorising the Council to fix their remuneration was agreed at the Annual General Meeting.

## **Small Company Disclosure**

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

June 2011

By Order of the Council,  
David England, Secretary

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION**

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We have audited the financial statements of Trade Marks Patents and Designs Federation trading as IP Federation for the year ended 31 December 2010 set out on pages 3 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement in the Report of the Council, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE MEMBERS OF TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION**

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

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

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

Maurice Frost (Senior Statutory Auditor)  
for and on behalf of Richard Place Dobson Services Limited .....

Chartered Accountants  
Statutory Auditor

1-7 Station Road  
Crawley  
West Sussex  
RH10 1HT

TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
 IP FEDERATION  
 (LIMITED BY GUARANTEE)  
 INCOME AND EXPENDITURE ACCOUNT  
 FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
Income		107,156	114,156
Administrative expenses		(110,830)	(105,896)
Other operating income		575	75
Operating (deficit)/surplus	2	(3,099)	8,335
Investment income	3	992	989
Other interest receivable and similar income	3	273	430
Amounts written off investments	4	(405)	(295)
(Deficit)/surplus on ordinary activities before taxation		(2,239)	9,459
Tax on (deficit)/surplus on ordinary activities	5	(445)	(622)
(Deficit)/surplus on ordinary activities after taxation	12	(2,684)	8,837

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
BALANCE SHEET**

*AS AT 31 DECEMBER 2010*

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Intangible assets	6		3,010		2,598
Tangible assets	7		1,656		1,978
Investments	8		32,548		32,953
			<u>37,214</u>		<u>37,529</u>
Current assets					
Debtors	9	5,310		5,806	
Cash at bank and in hand		167,660		150,591	
		<u>172,970</u>		<u>156,397</u>	
Creditors: amounts falling due within one year	10	(57,052)		(38,270)	
Net current assets			<u>115,918</u>		<u>118,127</u>
Total assets less current liabilities			153,132		155,656
Provisions for liabilities	11		(160)		-
			<u>152,972</u>		<u>155,656</u>
Capital and reserves					
Accumulated fund	12		152,972		155,656
Members' funds	13		152,972		155,656

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on .....

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Member

Member

Company Registration No. 00166772



**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

3	Income from investments, other interest receivable and similar income	2010 £	2009 £
	Income from unlisted investments	514	511
	Income from listed investments	478	478
	Bank interest	273	430
		1,265	1,419
		1,265	1,419
4	Amounts written off investments	2010 £	2009 £
	Amounts written off fixed asset investments:		
	- temporary diminution in value	405	295
		405	295
		405	295
5	Taxation	2010 £	2009 £
	Domestic current year tax		
	U.K. corporation tax	140	298
	Total current tax	140	298
	Deferred tax		
	Deferred tax charge	305	324
		445	622
		445	622

The company has estimated losses of £ 4,434 (2009 - £ 1,232) available for carry forward against future trading profits.

However, these will not be used as the Federation has been given approval by H.M. Revenue & Customs that it will only be liable to Corporation Tax on any investment/bank interest received, with effect from 22 June 2010.

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

6	Intangible fixed assets	Website £
	Cost	
	At 1 January 2010	3,464
	Additions	1,704
	At 31 December 2010	5,168
	Amortisation	
	At 1 January 2010	866
	Charge for the year	1,292
	At 31 December 2010	2,158
	Net book value	
	At 31 December 2010	3,010
	At 31 December 2009	2,598
7	Tangible fixed assets	Plant and machinery etc  £
	Cost	
	At 1 January 2010	10,246
	Additions	733
	Disposals	(2,945)
	At 31 December 2010	8,034
	Depreciation	
	At 1 January 2010	8,268
	On disposals	(2,442)
	Charge for the year	552
	At 31 December 2010	6,378
	Net book value	
	At 31 December 2010	1,656
	At 31 December 2009	1,978

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
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(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**8 Fixed asset investments**

	Listed investments £	Unlisted investments £	Total £
<b>Cost</b>			
At 1 January 2010 & at 31 December 2010	7,000	27,000	34,000
<b>Provisions for diminution in value</b>			
At 1 January 2010	1,047	-	1,047
Charge for the year	405	-	405
At 31 December 2010	1,452	-	1,452
<b>Net book value</b>			
At 31 December 2010	5,548	27,000	32,548
At 31 December 2009	5,953	27,000	32,953
	<b>Market value</b>	<b>Directors'</b>	<b>Total</b>
	£	£	£
At 31 December 2010	5,548	27,000	32,548
At 31 December 2009	5,953	27,000	32,953

<b>9 Debtors</b>	<b>2010</b>	<b>2009</b>
	£	£
Other debtors	5,310	5,661
Deferred tax asset (see note 11)	-	145
	<u>5,310</u>	<u>5,806</u>

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
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(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

10 Creditors: amounts falling due within one year	2010	2009
	£	£
Taxation and social security	(226)	298
Other creditors	57,278	37,972
	<u>57,052</u>	<u>38,270</u>

11 Provisions for liabilities	Deferred tax liability
	£
Balance at 1 January 2010	(145)
Profit and loss account	305
	<u>160</u>
Balance at 31 December 2010	<u>160</u>

The deferred tax liability is made up as follows:

	2010	2009
	£	£
Accelerated capital allowances	160	114
Tax losses available	-	(259)
	<u>160</u>	<u>(145)</u>

12 Accumulated fund	Accumulated fund
	£
Balance at 1 January 2010	155,656
Retained deficit for the year	(2,684)
	<u>152,972</u>
Balance at 31 December 2010	<u>152,972</u>

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

13 Reconciliation of movements in members' funds	2010	2009
	£	£
(Deficit)/surplus for the financial year	(2,684)	8,837
Opening members' funds	155,656	146,819
Closing members' funds	<u>152,972</u>	<u>155,656</u>

**14 Financial commitments**

At 31 December 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2011:

	2010	2009
	£	£
Operating leases which expire:		
Within one year	<u>9,900</u>	<u>9,900</u>

**15 Control**

The company was under the control of the Board of Council members and directors throughout the period.

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION**

**(LIMITED BY GUARANTEE)**

**MANAGEMENT INFORMATION**

**FOR THE YEAR ENDED 31 DECEMBER 2010**

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

		2010		2009
	£	£	£	£
<b>Income</b>				
Membership subscriptions		107,156		114,120
Donations received		-		36
		<u>107,156</u>		<u>114,156</u>
<b>Administrative expenses</b>		(110,830)		(105,896)
		<u>(3,674)</u>		<u>8,260</u>
<b>Other operating income</b>				
Sundry income		575		75
		<u>(3,099)</u>		<u>8,335</u>
<b>Operating (deficit)/surplus</b>				
<b>Other interest receivable and similar income</b>				
Bank interest		273		430
<b>Income from investments</b>				
Listed investment interest	478		478	
Unlisted investment interest	514		511	
		<u>992</u>		<u>989</u>
<b>Amounts written off investments</b>				
Temporary diminution in value of listed investments		(405)		(295)
<b>(Deficit)/surplus before taxation</b>	2.09%	<u>(2,239)</u>	8.29%	<u>9,459</u>

**TRADE MARKS PATENTS AND DESIGNS FEDERATION TRADING AS  
IP FEDERATION  
(LIMITED BY GUARANTEE)  
SCHEDULE OF ADMINISTRATIVE EXPENSES  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010	2009
	£	£
<b>Administrative expenses</b>		
Secretarial costs	53,544	36,389
Employer's N.I. contributions	5,267	3,146
Consultancy fees	14,800	24,670
Rent	11,758	11,385
Rates	3,482	3,194
Insurance	833	819
Light and heat	373	264
Cleaning	660	660
Storage costs	525	(40)
Repairs and maintenance	424	984
Service charge	2,308	2,258
Printing, stationery and publications	263	910
Telephone and postage	433	3,437
Computer running costs	2,049	3,208
Travelling expenses	211	983
Audit fees	2,809	2,477
Bank charges	201	197
Meeting costs	124	1,105
Sundry expenses	48	27
Subscriptions	8,688	8,206
Amortisation on intangible assets	1,292	866
Depreciation on tangible fixed assets	552	659
Loss on sale of tangible fixed assets	186	92
	<u>110,830</u>	<u>105,896</u>