Registered Number: 01182734

BRITISH BEER & PUB ASSOCIATION

Report and Accounts

30 September 2009

The directors present the report and accounts for the year ended 30 September 2009.

Principal Activities

The principal activities of the Association are to promote the Brewing Industry and Licensed Trade generally and to consider and take action upon matters which may affect or concern the Brewing Industry and Licensed Trade. No change in the activities of the Association is currently forseen.

Review of Developments

The group income and expenditure account discloses that total income of the Association and its subsidiaries for the year was £2,632,597 (2008 - £2,905,283). The deficit before taxation was £378,974 (2008 surplus - £276,040). The retained deficit after tax was £378,974 (2008 surplus - £307,620) and has been transferred from/to reserves.

Business Review and Risks and Uncertainties

The income of the Association is derived largely from subscriptions from its member companies. The Association's members are responsible for about 98% of the beer brewed in the UK and about 60% of the country's pubs.

Monthly management accounts are prepared where performance against budget is reviewed and monitored. As part of the annual budget process a reforecast for the year to 30 September is presented to the Council each July. Annual accounts are submitted to the board for approval in December of each year.

The principal risk to the Association would arise from any member or members, who are responsible for a significant proportion of the subscription income, taking a decision to leave membership of the Association. This is mitigated against by the requirement for twelve months' notice of the termination of membership to be given by any company wishing to leave. Also, the Association's board and council is made up of representatives of member companies and as such they are fully involved in all major decisions affecting the business of the Association.

In addition, the level of risk is managed by the retention of reserves by the Association which currently amount to 3.4 times the annual income from subscriptions.

The Association has an investment portfolio which is managed by Brown Shipley & Co Ltd which is authorised and regulated by the Financial Services Authority and is a member of the London Stock Exchange. Brown Shipley's parent company is KBL (Kreditietbank Luxembourg), a major European private banking group and part of the Belgium based KBC Group NV. This is a discretionary portfolio and the investments are spread over a number of asset classes including UK equities, UK Government Stock, corporate bonds, cash and property. Exposure to overseas equities is through collective investment vehicles such as Unit and Investment Trusts. The portfolio has a medium attitude to risk. The portfolio performance is monitored on a quarterly basis against a composite benchmark and regular performance review meetings are held with Brown Shipley.

Directors

Membership of the Management Board, as directors, was as follows:

R. Findlay
R.A. Hayward (resigned 9/3/09)
M. Hunter
J. Neame
B.M. Simmonds (appointed 14/10/09)
W.S. Townsend
M. Turner (Chairman)

Beneficial Interests

None of the members had a beneficial interest in any contract with the Association.

Chief Executive

The Chief Executive of the Association is B M Simmonds, OBE.

Relevant Audit Information

The directors who held office at the date of approval of this report confirm that, as far as they are individually aware, there is no relevant audit information of which the Association's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Auditors

Our independent auditors, Littlejohn, have transferred their business to Littlejohn LLP, a limited liability partnership. In accordance with section 1216(5) of the Companies Act 2006 the directors have consented to the extension of the audit engagement of Littlejohn to its successor firm, Littlejohn LLP. Littlejohn LLP has signified its willingness to continue in office as auditors.

This report was approved by the board on 23 November 2009 and signed on its behalf.

W S Bridgens
Secretary
23 November 2009

Registered Number: 1182734

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

Company law requires the directors to prepare the Group and Association financial statements for each financial year. Under that law the directors have elected to prepare these financial statements in accordance with United Kingdom Genewrally 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 are give a true and fair view of the state of affairs of the Group and Association and of the surplus or deficit of the Group and Association for that year. In preparing these financial statements the directors are required to:

(a) select suitable accounting policies and then apply them consistently;

(b) make judgements and accounting estimates that are reasonable and prudent;

(c) state whether applicable UK Acounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

(d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Association will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Association's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Association and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We have audited the Financial Statements of the British Beer & Pub Association for the year ended 30 September 2009 which comprise the Group's and Association's Income and Expenditure Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with Sections 495-497 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Association'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 responsinility to anyone, other than the Association and the Association's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether accounting policies are appropriate to the Group's and the Association's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Association's affairs as at 30 September 2009 and of the Group's and Association's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practce; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

The Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Association or returns adequate for our visit have not been received from branches not visited by us; or
- the Association's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of drectors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the above matters.

Nicholas Light

Nicholas Light (Senior statutory auditor)
For and on behalf of Littlejohn LLP
Statutory auditor
23 November 2009

1 Westferry Circus
London, E14 4HD

	Notes	*Group* *2009* £	*Group* *2008* £	*BBPA* *2009* £	*BBPA* *2008* £
Turnover	2	**2,632,597**	2,905,283	**2,607,737**	2,889,548
Operating costs	3	**(3,213,970)**	(3,338,483)	**(3,197,795)**	(3,327,919)
Operating deficit before exceptional costs		**(581,373)**	(433,200)	**(590,058)**	(438,371)
Reorganisation costs		**(238,092)**	0	**(238,092)**	0
Operating deficit		**(819,465)**	(433,200)	**(828,150)**	(438,371)
Profit on sale of tangible assets	6	**2,250**	1,500	**2,250**	1,500
(Loss)/profit on sale of investments	6	**(17,256)**	122,869	**(17,256)**	122,869
Deficit before interest and taxation		**(834,471)**	(308,831)	**(843,156)**	(314,002)
Defined benefit pension scheme - net finance (costs)/income		**(36,002)**	42,775	**(36,002)**	42,775
Net investment income	6	**491,499**	542,096	**483,935**	512,311
(Deficit)/surplus on ordinary activities before taxation		**(378,974)**	276,040	**(395,223)**	241,084
Taxation on ordinary activities	7	**0**	31,580	**0**	31,580
Retained (deficit)/surplus for the financial year	14	**(378,974)**	307,620	**(395,223)**	272,664

The results were derived entirely from continuing operations

There is no difference between the deficit on ordinary activities before taxation and the retained deficit for the year stated above and their historical cost equivalents

Movement in reserves is set out in note 14.

British Beer & Pub Association (A company limited by guarantee) Balance Sheet

Company number: 1182734 at 30 September 2009

	Notes	Group 2009 £	Group 2008 £	BBPA 2009 £	BBPA 2008 £
Fixed assets					
Tangible assets	8	**36,247**	71,896	**36,247**	71,896
Investments	9	**10,362,913**	11,115,765	**10,362,919**	11,115,771
		10,399,160	11,187,661	**10,399,166**	11,187,667
Current assets					
Stocks		**9,846**	9,469	**0**	0
Debtors	10	**471,757**	216,093	**476,600**	227,199
Cash at bank and in hand	11	**368,803**	383,211	**(431,348)**	(413,329)
		850,406	608,773	**45,252**	(186,130)
Current liabilities					
Creditors	12	**689,118**	391,470	**687,651**	384,005
Net current assets/(liabilities)		**161,288**	217,303	**(642,399)**	(570,135)
Total assets less curent liabilities		**10,560,449**	11,404,964	**9,756,768**	10,617,532
Defined benefit scheme pension liability	18	**1,675,242**	1,107,800	**1,675,242**	1,107,800
Net assets including pension liability		**8,885,207**	10,297,164	**8,081,526**	9,509,732
Reserves	14	**8,885,207**	10,297,164	**8,081,526**	9,509,732

The financial statements were approved and authorised by the Board and were signed on their behalf on

M Turner Michael Turner)
)
) Directors
B M Simmonds Brigid Simmonds)
)

23 November 2009

	Notes	*Group 2009 £*	*Group 2008 £*	*BBPA 2009 £*	*BBPA 2008 £*
(Deficit)/surplus for the financial year		**(378,974)**	307,620	**(395,223)**	272,664
Actuarial loss on defined benefit pension scheme	18	**(1,032,983)**	(1,329,338)	**(1,032,983)**	(1,329,338)
Total recognised losses for the year		**(1,411,957)**	(1,021,718)	**(1,428,206)**	(1,056,674)

for the twelve months ended 30 September 2009

	Notes	*Group 2009* £	*Group 2008* £	*BBPA 2009* £	*BBPA 2008* £
Cash flow from operating activities					
Net operating deficit		**(819,465)**	(433,200)	**(828,150)**	(438,371)
Difference between pension charge and cash contributions		**(501,543)**	(418,738)	**(501,543)**	(418,738)
Depreciation charge	8	**36,721**	31,601	**36,721**	31,601
Increase in stocks		**(377)**	(1,218)	**0**	0
(Increase)/decrease in debtors		**(255,664)**	30,454	**(249,401)**	32,269
Increase in creditors		**270,440**	19,565	**270,455**	12,697
Net cash outflow from operating activities		**(1,269,888)**	(771,536)	**(1,271,918)**	(780,542)
Returns on investments and servicing of finance					
Interest income		**350,922**	380,943	**343,358**	351,158
Dividend income		**140,577**	161,153	**140,577**	161,153
Net cash inflow from returns on investments and servicing of finance		**491,499**	542,096	**483,935**	512,311
Taxation					
Corporation tax refunded/(paid)		**27,207**	(38,565)	**33,190**	(32,582)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		**(1,072)**	(27,167)	**(1,072)**	(27,167)
Sale of tangible fixed assets		**2,250**	1,500	**2,250**	1,500
Sale less purchase/(purchase less sale) of investments		**735,596**	(976,990)	**735,596**	(976,990)
Net cash inflow/(outflow) from investing activities		**736,774**	(1,002,657)	**736,774**	(1,002,657)
Decrease in cash in the period	11	**(14,408)**	(1,270,662)	**(18,019)**	(1,303,470)
Reconciliation of net cash flow to movement in debt					
Decrease in cash in the period		**(14,408)**	(1,270,662)	**(18,019)**	(1,303,470)
Net cash at 1 October 2008		**383,211**	1,653,873	**(413,329)**	890,141
Net cash at 30 September 2009	11	**368,803**	383,211	**(431,348)**	(413,329)

1 Accounting Policies

Accounting convention

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards.

Basis of consolidation

The group financial statements consolidate the accounts of the Association and all the subsidiaries.

Investments

Investments are stated at cost less any provision for impairment.

Stocks

Stocks, which comprise goods held for resale, are valued at the lower of cost and net realisable value.

Tangible Fixed Assets

Tangible fixed assets are held at historical cost, net of depreciation and provisions for impairment.

The cost of fixed assets is depreciated by equal in	4 - 5 years
Leasehold Improvements	3 - 4 years
Fixtures, fittings, tools and equipment	4 years
Plant, machinery and motor vehicles	

Operating Leases

Rental costs under operating leases are charged to the profit and loss account over the period of the lease.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or subsequently enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only when the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The group operates a defined benefit pension scheme which requires contributions to be made to a separately administered fund. Contributions to the fund are charged to the income and expenditure account so as to spread the cost of pensions over the employees' working lives within the group. This scheme was closed to new employees as at 1 July 2000.

For employees joining the Association after 1 July 2000 the defined benefit pension scheme has been replaced by a defined contribution scheme. The Association charges contributions it makes to the defined contribution scheme to the profit and loss account. The Association's liability is limited to the amount of its contributions.

2 Turnover

Turnover comprises subscriptions from members and other receipts, and is earned in the United Kingdom.

3 Operating Costs	Group 2009	Group 2008	BBPA 2009	BBPA 2008
Staff costs:	£	£	£	£
- Salaries	**1,029,274**	1,173,392	**1,029,274**	1,173,392
- Social security costs	**115,954**	125,940	**115,954**	125,940
- Pension costs	**321,394**	317,625	**321,394**	317,625
- Other staff costs	**94,631**	114,118	**94,631**	114,118
Depreciation	**36,721**	31,601	**36,721**	31,601
Other operating charges	**1,615,996**	1,575,807	**1,599,821**	1,881,277
	3,213,970	3,338,483	**3,197,795**	3,327,919

4 Operating Deficit

This is stated after charging:				
Hire of plant and machinery	**5,014**	5,014	**5,014**	5,014
Leasehold property rents	**102,144**	101,582	**102,144**	101,582
Auditors' remuneration - audit services	**9,500**	9,500	**9,250**	9,250
Auditors' remuneration - non audit services	**750**	2,000	**750**	2,000
	117,408	118,096	**117,158**	117,846

5 Management Board and Employees

Only one member of the Management Board received remuneration in the year. Amount paid to:

One Director	**295,253**	168,433

The amount above includes £157,000 in respect of compensation for loss of office.

The number of directors to whom retirement benefits are accruing under a defined benefit scheme was 1 (2008: 1)

The Association and its subsidiaries employed an average of 19 persons during the period (2008 - 21).

6 Other Income

(Loss)/profit on sale of investments	**(17,256)**	122,869	**(17,256)**	122,869
Profit on sale of tangible assets	**2,250**	1,500	**2,250**	1,500
Dividends from listed investments	**140,577**	161,153	**140,577**	161,153
Interest income	**350,922**	329,944	**343,358**	351,158
	476,493	615,466	**468,929**	636,680

7 Taxation on ordinary activities	*Group 2009*	*Group 2008*	*BBPA 2009*	*BBPA 2008*
a) Analysis of charge in period	£	£	£	£
Current tax:				
UK Corporation tax	0	0	0	0
Losses caried back	0	(32,582)	0	(32,582)
Under provision in prior year	0	1,002	0	1,002
Total current tax	0	(31,580)	0	(31,580)
Deferred Tax	0	0	0	0
Taxation on ordinary activities	0	(31,580)	0	(31,580)

b) Factors affecting tax charge for the period

The tax charge for the period is lower than the standard rate of income tax in the UK of 30% (2008:30%).
The differences are explained below.

(Deficit)/surplus on ordinary activities before taxation	(378,974)	276,040	(395,223)	241,084
Expected tax charge at standard rate of UK corporation tax of 21% (2008:29%)	(79,585)	80,052	(82,997)	69,914
Effects of:				
Expenses not deductible for tax purposes	3,793	3,575	3,793	3,575
Depreciation for year less capital allowances	3,251	381	3,251	381
Untaxed dividends	(25,569)	(46,734)	(25,569)	(46,734)
Profit on disposal of fixed assets	(473)	(435)	(473)	(435)
Profit on the sale of investments	53,278	(36,743)	53,278	(36,743)
Effect of different tax rates	0	0	0	0
Losses group relieved	0	0	3,412	10,137
Marginal relief	0	0	0	0
Tax losses carried forward	143,067	133,744	143,067	133,744
Pension contribution relief in excess of net pension cost charge	(97,764)	(133,839)	(97,764)	(133,839)
Losses caried back	0	(32,582)	0	(32,582)
Underprovision in prior year	0	1,002	0	1,002
Tax charge	(0)	(31,580)	(0)	(31,580)

8 Tangible Assets	£	£	£	£
Group and Association	*Leasehold*	*Fixtures*	*Motor*	
Cost or valuation:	*Improvements*	*and plant*	*vehicles*	*Total*
At 1 October 2008	122,766	155,029	135,705	413,500
Additions	0	1,072	0	1,072
Disposals	0	0	(18,301)	(18,301)
At 30 September 2009	**122,766**	**156,101**	**117,404**	**396,271**
Depreciation:				
At 1 October 2008	122,766	142,881	75,957	341,604
Charge for the period	0	8,050	28,671	36,721
Disposals	0	0	(18,301)	(18,301)
At 30 September 2009	**122,766**	**150,931**	**86,327**	**360,024**
Net Book Value:				
At 30 September 2009	**0**	**5,170**	**31,077**	**36,247**
At 30 September 2008	0	12,148	59,748	71,896

9 Investments	***Group***	*Group*	***BBPA***	*BBPA*
	2009	*2008*	***2009***	*2008*
	£	*£*	***£***	*£*
Shares in subsidiaries	**0**	0	**6**	6
Listed in Great Britain and overseas	**10,220,631**	10,761,628	**10,220,631**	10,761,628
Cash on deposit	**142,282**	354,137	**142,282**	354,137
	10,362,913	11,115,765	**10,362,919**	11,115,771

The market value at 30 September 2009 of listed investments and cash held by the group and the Association was £10,856,832 (September 2008 - £10,890,652).

The wholly-owned subsidiary at 30 September 2009 was Brewing Publications Limited which publishes and sells brewing industry literature. This company is incorporated and operates principally in Great Britain. All shares held are ordinary shares.

10 Debtors	***Group***	*Group*	***BBPA***	*BBPA*
	2009	*2008*	***2009***	*2008*
Amounts due within one year	***£***	*£*	***£***	*£*
Trade debtors	**14,654**	5,970	**0**	0
Amounts owed by group undertakings	**0**	0	**19,497**	19,975
VAT debtor	**59,395**	17,339	**59,395**	14,440
Other debtors	**342,714**	155,879	**342,714**	155,879
Prepayments and accrued income	**54,994**	36,905	**54,994**	36,905
	471,757	216,093	**476,600**	227,199

11 Cash and Cash Equivalents				
Cash at bank and in hand				
At 1 October 2008	**383,211**	1,653,873	**(413,329)**	890,141
Net cash outflow	**(14,408)**	(1,270,662)	**(18,019)**	(1,303,470)
At 30 September 2009	**368,803**	383,211	**(431,348)**	(413,329)

12 Creditors

	Group 2009 £	Group 2008 £	BBPA 2009 £	BBPA 2008 £
Amounts falling due within one year				
Trade creditors	**109**	149	**0**	0
Taxation and social security	**34,880**	47,782	**34,022**	40,966
Other creditors	**344,001**	138,411	**344,001**	138,411
Accruals	**310,128**	205,128	**309,628**	204,628
	689,118	391,470	**687,651**	384,005

13 Deferred Taxation

The potential amount of deferred tax not provided for the Association is:		
Capital Allowances in excess of depreciation	**(11,112)**	(11,130)
Trading Losses	**(493,257)**	(510,163)
	(504,369)	(521,293)

The potential tax asset of the Group and Association arising from tax losses carried forward and excess depreciation over capital allowances are set out above. As the recoverability of these amounts in the foreseeable future is uncertain, the potential deferred tax assets have not been recognised.

14 Reserves

(Deficit)/surplus for the period	**(378,974)**	307,620	**(395,223)**	272,664
Actuarial loss on defined benefit pension scheme	**(1,032,983)**	(1,329,338)	**(1,032,983)**	(1,329,338)
Net addition to reserves	**(1,411,957)**	(1,021,718)	**(1,428,206)**	(1,056,674)
Opening reserves as previously reported	**10,297,164**	11,318,882	**9,509,732**	10,566,406
At 30 September 2009	**8,885,207**	10,297,164	**8,081,526**	9,509,732

Each member of the Association is guarantor for £1.

15 Financial Commitments

There are no amounts authorised but not contracted for by the group and the Association (2008 - £nil).

The Association has commitments under non-cancellable operating leases as set out below:

	Land & buildings		*Plant & machinery*	
	2009 £	*2008* £	*2009* £	*2008* £
Leases expiring:				
Within one year	**0**	0	**0**	5,014
Within two to five years	**100,340**	100,340	**4,270**	0
Thereafter	**0**	0	**0**	0
	100,340	100,340	**4,270**	5,014

16 Related Party Transactions

No details are shown of related party transactions with companies in which the ultimate parent company holds 90% or more of the voting rights in line with the exemptions stated in Financial Reporting Standard 8.

17 Ultimate controlling party

There is no ultimate controlling party.

18 Pension Commitments

Defined Benefit Scheme

The Association maintains a defined benefit pension scheme which was set up to enable a number of automous but related employers to operate a pension scheme among a wider membership base. As such it is not possible for individual employers to identify its share of the movement in the reserves and gains and losses of the fund. In such cases, paragraph 9(b) of FRS17 requires the Association to account on the basis of its active and deferred membership liabilities as at the last full actuarial valuation which was 30 September 2008. At this date the valuation showed a deficit of £3.12m. The Association's share of this deficit was £2.39m (76.6%). The deficit is being funded by the participating employers over 4 years and the Association's contribution towards this deficit in the year beginning 1 October 2009 will be £563,649. No deferred tax liability has been accounted for on the FRS17 liability.

Based on the percentage of 76.6% above and the available information about the deficit in the fund as at 30 September 2008, the implications of that deficit on the Association and the principal assumptions at 30 September are as follows:

Financial Assumptions	At year end 30/09/2009	At year end 30/09/2008
Discount rate	5.50%	6.50%
Expected return on plan assets	6.47%	6.47%
Rate of increase in salaries	3.50%	4.40%
Rate of increase of pensions		
- Pre 2001 pension for pre 1994 joiners in Scheme A	5.00%	5.00%
- All other pensions	3.20%	3.50%
Rate of revaluation of deferred pensions in excess of the GMP	3.20%	3.50%
Inflation Assumption	3.20%	3.50%
Expected return on the scheme assets	6.87%	6.47%

Demographic Assumptions		
Mortality	PXA92 YOB MC 1% min imp (non - pensioners)	PXA92 YOB MC (non-pensioners)
	PXA92 YOB MC 1% min imp (pensioners)	PXA92 YOB MC (pensioners)
Life expectancy at 60 for someone currently 60 (pensioner)	Male = 27.6 years	Male = 26.8 years
	Female = 31.0 years	Female = 29.7 years
Life expectancy at 60 for someone currently 45 (non-pensioner)	Male = 29.2 years	Male = 27.7 years
	Female = 32.6 years	Female = 30.5 years
Cash commutation allowance	None	None
Withdrawal allowance	None	None

Fair Value of Assets	2009 £	2009 Proportion	2008 £	2008 Proportion
Equities	5,188,000	56%	4,597,000	61%
Bonds & Others	4,089,000	44%	2,939,000	39%
Total value of assets	9,277,000		7,536,000	

Expected long term rate of return (per annum)	Year beginning 1 October 2009	Year beginning 1 October 2008
Equities	6.75%	7.75%
Bonds & Others	4.50%	5.00%
Average Return	5.76%	6.87%

Note 18 continued

	2009	2008
Employee Benefit Obligations	**£**	**£**
Present value of funded obligations	**8,781,424**	6,571,400
Fair value of scheme assets	**(7,106,182)**	(5,463,600)
	1,675,242	1,107,800
Present value of unfunded obligations	**0**	0
Unrecognised past service cost	**0**	0
Unrecognised asset due to limitations on recognition of scheme surplus	**0**	0
Deficit	**1,675,242**	1,107,800
Related deferred tax asset	**0**	0
Net liability for the Association	**1,675,242**	1,107,800
Profit and Loss Impact		
Current service cost	**114,900**	188,500
Life assurance premium	**16,086**	18,850
Interest on obligation	**448,876**	378,450
Expected return on plan assets	**(412,874)**	(421,225)
Past service cost	**0**	0
	166,988	164,575
Analysis of the amount recognised in the statement of recognised gains and losses:		
Net actuarial losses recognised in the year	**(1,126,020)**	(1,359,375)
Other contributions	**93,037**	30,037
	(1,032,983)	(1,329,338)
Reconciliation of present value of plan liabilities and assets		
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation	**6,943,024**	7,120,950
Service cost	**114,900**	188,500
Interest cost	**448,876**	378,450
Employees' contributions	**45,960**	47,850
Past service benefits granted during the year	**0**	0
Actuarial losses/(gains)	**1,482,210**	275,500
Benefits paid	**(253,546)**	(1,439,850)
Closing defined benefit obligations	**8,781,424**	6,571,400
Change in the fair value of plan assets		
Opening fair value of plan assets	**5,772,576**	6,880,975
Expected return	**412,874**	421,225
Actuarial gains/(losses)	**356,190**	(1,083,875)
Contributions by employer	**772,128**	637,275
Contributions by plan participants	**45,960**	47,850
Benefits paid	**(253,546)**	(1,439,850)
Closing fair value of plan assets	**7,106,182**	5,463,600

As a result of the change in the Association's share of the pension fund deficit following the latest actuarial valuation at 30 September 2008 there has been an increase in its share of the pension liability of £62,648.

Note 18 continued

History of experience gains and losses	2009 £	2008 £	2007 £	2006 £	2005 £
Present value of the defined benefit obligation	**(8,781,424)**	(6,571,400)	(7,120,950)	(7,554,500)	(6,609,292)
Fair value of the scheme assets	**7,106,182**	5,463,600	6,880,975	5,731,850	4,450,944
Scheme deficit	**(1,675,242)**	(1,107,800)	(239,975)	(1,822,650)	(2,365,948)
Experience adjustments on scheme liabilities	**(5,362)**	(450,950)	(50,025)	117,450	(101,724)
Percentage of the present value of scheme liabilities	**0.1%**	6.9%	0.7%	1.6%	1.5%
Experience adjustments on scheme assets	**356,190**	(1,083,875)	10,150	159,500	483,016
Percentage of scheme assets	**5%**	19.80%	0.10%	2.80%	10.90%

Defined Contribution scheme

The cost of contributions to the defined contribution scheme amounts to £34,393 (2008 - £35,073).