

Registered number: 01182734

BRITISH BEER & PUB ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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BRITISH BEER & PUB ASSOCIATION
REGISTERED NUMBER: 01182734

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

			2021 £	2020 £
Fixed assets				
Tangible assets	5		217,835	263,654
Investments	6		9,507,490	9,724,283
			<u>9,725,325</u>	<u>9,987,937</u>
Current assets				
Debtors: amounts falling due within one year	7	1,796,034	539,396	
Cash at bank and in hand	8	1,518,922	933,529	
		<u>3,314,956</u>	<u>1,472,925</u>	
Creditors: amounts falling due within one year	9	(2,599,566)	(2,317,482)	
Net current assets/(liabilities)			<u>715,390</u>	<u>(844,557)</u>
Total assets less current liabilities			<u>10,440,715</u>	<u>9,143,380</u>
Pension liability	10		(339,000)	(774,000)
Net assets			<u><u>10,101,715</u></u>	<u><u>8,369,380</u></u>
Capital and reserves				
Profit and loss account			10,101,715	8,369,380
			<u><u>10,101,715</u></u>	<u><u>8,369,380</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Association has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Emma McClarkin
Director

Date: 8 December 2021

The notes on pages 2 to 8 form part of these financial statements.

BRITISH BEER & PUB ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

British Beer & Pub Association ('the Company') is a private company limited by guarantee and is incorporated and domiciled in England. The address of its registered office is 61 Queen Street, London, England, EC4R 1EB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Association is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Association as an individual undertaking and not its group.

The Director's report was prepared in connection with the audit of the full accounts and directors' report and has not been filed.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue comprises subscriptions from members and other receipts, and is earned in the United Kingdom.

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Association operates and generates income.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

BRITISH BEER & PUB ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvement	- 10 years straight line
Plant & machinery	- 4 years straight line
Fixtures & fittings	- 3 - 4 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are recorded at market value at each Balance Sheet date. Gains and losses on sale of shares are recognised in profit or loss for the period.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.9 Pensions

The Association operates a defined benefit pension scheme which is funded, and the Association is the Principal Employer of the Fund. It was agreed that the scheme would be closed as at 30 November 2011. The participating employers have agreed to continue to make contributions if required, in order to reduce the liability.

The Association did make shortfall contributions in the year to 30 September 2021 of £59,000 because the fund was in deficit at the 30 September 2020 triennial valuation and scheme expenses of £64,000. The Trustees and the Employers have agreed that the Employers will meet certain administrative expenses for running the Fund and Pension Protection Fund levies direct.

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Association's policy for similarly held assets. This includes the use of appropriate valuation techniques.

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.

BRITISH BEER & PUB ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.10 Going concern

On the basis of cashflow forecasts, the company will be able to meet liabilities for a period of at least 12 months from the date of signing and therefore the accounts have been prepared on a going concern basis.

2.11 Creditors

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

3. Auditor's remuneration

Fees payable to the Association's auditor for the audit of the Association's annual financial statements totalled £12,800 (2020 - £11,716).

4. Employees

The average monthly number of employees, including directors, during the year was 11 (2020 - 15).

5. Tangible fixed assets

	Leasehold improvement £	Plant & machinery £	Fixtures & fittings £	Total £
Cost				
At 1 October 2020	185,197	128,127	2,771	316,095
Additions	4,107	-	-	4,107
At 30 September 2021	189,304	128,127	2,771	320,202
Depreciation				
At 1 October 2020	2,575	47,134	2,732	52,441
Charge for the year on owned assets	18,519	31,368	39	49,926
At 30 September 2021	21,094	78,502	2,771	102,367
Net book value				
At 30 September 2021	168,210	49,625	-	217,835
At 30 September 2020	182,622	80,993	39	263,654

BRITISH BEER & PUB ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

6. Fixed asset investments

	2021 £	2020 £
Investment in subsidiaries	106	106
Listed investments	9,376,373	8,241,097
Cash held for investment	131,011	1,483,080
	<u>9,507,490</u>	<u>9,724,283</u>

Listed investments

Balance brought forward	8,241,097
Additions	4,258,448
Disposals	(4,014,781)
Gains/(losses)	891,609
Balance carried forward	<u><u>9,376,373</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the Association:

Name	Class of shares	Holding
Brewing Publications Limited	Ordinary shares	100%
BBPA Environmental Limited	Ordinary shares	100%

The aggregate of the share capital and reserves as at 30 September 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	Profit £	Capital & Reserves £
Brewing Publications Limited	5,146	856,073
BBPA Environmental Limited	6,765	2,491

BRITISH BEER & PUB ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	134,334	130,774
Other debtors	1,590,710	349,958
Prepayments and accrued income	64,224	51,898
Tax recoverable	6,766	6,766
	<u>1,796,034</u>	<u>539,396</u>

Included within debtors is an amount of £1,000,000 in relation to a loan balance accruing interest at 5.25% per annum, which is due in more than one year.

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,518,922	933,529
	<u>1,518,922</u>	<u>933,529</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Payments received on account	-	91,049
Amounts owed to group undertakings	748,530	747,988
Other taxation and social security	64,242	35,505
Other creditors	1,538,750	1,090,531
Accruals and deferred income	248,044	352,409
	<u>2,599,566</u>	<u>2,317,482</u>

BRITISH BEER & PUB ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

10. Pension commitments

The Association operates a defined benefits plan for the benefit of its employees. The company's obligations under the plan are recognised net of plan assets. The change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial variations are obtained at least triennially and are updated at each balance sheet date. At the review date there was a surplus of £1,529,000. The Association is only allowed to recognise the surplus as an asset in its balance sheet if it can use that surplus to generate a future economic benefit. However, a deficit of £339,000 (2020: £332,000) has been recognised in the financial statements in respect of the equalisation provision.

The amounts recognised in the balance sheet were determined as follows:

	2021 £	2020 £
Group Pension Fund deficit	-	(442,000)
Provision for GMP equalisation	(339,000)	(332,000)
	<u>(339,000)</u>	<u>(774,000)</u>

The following information is provided in respect of the British Beer and Pub Association, as set out in the annual valuation statement provided by Barnett Waddingham. The last triennial review of the fund was at 30 September 2020.

The amounts recognised in the income statement were as follows:

	2021 £	2020 £
Administration costs	85,000	87,000
Interest on liabilities	278,000	319,000
Interest on assets	(271,000)	(320,000)
Past service cost (GMP equalisation)	7,000	-
Interest on effect of asset ceiling	-	1,000
	<u>99,000</u>	<u>87,000</u>

BRITISH BEER & PUB ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

Amounts included in the Statement of Comprehensive Income:

	2021 £	2020 £
(Loss)/gain on assets in excess of interest	(604,000)	41,000
Changes to financial assumptions	(299,000)	527,000
Loss/(gain) from changes in effect of asset ceiling	1,529,000	(39,000)
Experience (gain) on liabilities	(1,177,000)	-
Changes to demographic assumptions	137,000	-
Miscellaneous	(4,000)	-
	<u>(418,000)</u>	<u>529,000</u>

The principal actuarial assumptions were as follows:

	2021	2020
Discount rate	2.00%	1.60%
Inflation (RPI)	3.40%	2.90%
Inflation (CPI)	2.80%	2.10%
Fixed pension increases	5.00%	5.00%
Life expectancy at age 65 of male aged 45	25.4	25.3
Life expectancy at age 65 of male aged 65	23.8	23.6
Life expectancy at age 65 of female aged 45	27.0	26.5
Life expectancy at age 65 of female aged 65	25.3	24.7

11. Auditor's information

The auditor's report on the financial statements for the year ended 30 September 2021 was unqualified.

The audit report was signed on 8 December 2021 by Alastair Duke (Senior Statutory Auditor) on behalf of PKF Littlejohn LLP.

12. Controlling party

It is the view of the Directors that there is no one controlling party.