

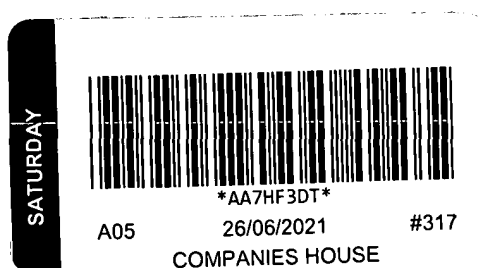
Registered number: 01182734

## **BRITISH BEER & PUB ASSOCIATION**

### **FINANCIAL STATEMENTS**

### **INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**



**BRITISH BEER & PUB ASSOCIATION**  
**REGISTERED NUMBER: 01182734**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	5	263,654	56,079
Investments	6	9,724,283	10,298,335
		<u>9,987,937</u>	<u>10,354,414</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	539,396	761,742
Cash at bank and in hand	8	933,530	1,859,814
		<u>1,472,926</u>	<u>2,621,556</u>
Creditors: amounts falling due within one year	9	(2,317,483)	(3,655,437)
<b>Net current liabilities</b>		<u>(844,557)</u>	<u>(1,033,881)</u>
<b>Total assets less current liabilities</b>		<u>9,143,380</u>	<u>9,320,533</u>
Pension liability		(774,000)	(332,000)
<b>Net assets</b>		<u>8,369,380</u>	<u>8,988,533</u>
<b>Capital and reserves</b>			
Profit and loss account		8,369,380	8,988,533
		<u>8,369,380</u>	<u>8,988,533</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 on 9 December 2020.

  
**Emma McClarkin**  
**Director**

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 2020**

#### **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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**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 2020 of £48,000 because the fund was in deficit at the 30 September 2017 triennial valuation and scheme expenses of £123,000. 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 2020

#### 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 (2019 - £11,716).

#### 4. Employees

The average monthly number of employees, including directors, during the year was 15 (2019 - 16).

#### 5. Tangible fixed assets

	Leasehold improvements £	Plant & machinery £	Fixtures & fittings £	Total £
<b>Cost</b>				
At 1 October 2019	191,786	83,365	5,791	280,942
Additions	185,197	50,684	-	235,881
Disposals	(191,786)	(5,922)	(3,020)	(200,728)
At 30 September 2020	185,197	128,127	2,771	316,095
<b>Depreciation</b>				
At 1 October 2019	191,786	28,517	4,560	224,863
Charge for the year on owned assets	2,575	24,539	1,192	28,306
Disposals	(191,786)	(5,922)	(3,020)	(200,728)
At 30 September 2020	2,575	47,134	2,732	52,441
<b>Net book value</b>				
At 30 September 2020	182,622	80,993	39	263,654
At 30 September 2019	-	54,848	1,231	56,079

# BRITISH BEER & PUB ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 6. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Other fixed asset investments £	Total £
<b>Cost or valuation</b>				
At 1 October 2019	106	9,927,725	370,504	10,298,335
Additions	-	3,170,110	1,102,928	4,273,038
Disposals	-	(4,553,978)	-	(4,553,978)
Revaluations	-	(302,760)	9,648	(293,112)
At 30 September 2020	<u>106</u>	<u>8,241,097</u>	<u>1,483,080</u>	<u>9,724,283</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 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	2020 £	2019 £
Brewing Publications Limited	850,927	842,388
BBPA Environmental Limited	(4,274)	(27,767)

### Listed investments

The market value of the listed investments at 30 September 2020 was £8,241,097 (2019- £9,927,725).

## BRITISH BEER & PUB ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

#### 7. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	130,774	69,547
Other debtors	349,958	557,311
Prepayments and accrued income	51,898	128,118
Tax recoverable	6,766	6,766
	<u>539,396</u>	<u>761,742</u>

#### 8. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	933,529	1,859,814
	<u>933,529</u>	<u>1,859,814</u>

#### 9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Payments received on account	91,049	-
Amounts owed to group undertakings	747,988	749,688
Other taxation and social security	35,505	33,349
Other creditors	1,090,532	2,098,988
Accruals and deferred income	352,409	773,412
	<u>2,317,483</u>	<u>3,655,437</u>

# BRITISH BEER & PUB ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 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 deficit of £442,000. 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. A provision of £774,000 has been made in the financial statements.

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

	2020 £	2019 £
Group Pension Fund deficit	(442,000)	-
Provision for GMP equalisation	(332,000)	(332,000)
	<u>(774,000)</u>	<u>(332,000)</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 2017.

	2020 £	2019 £
Fair value of assets	17,059,000	16,945,000
Present value of unfunded obligations	(17,501,000)	(16,907,000)
<b>(Deficit)/surplus in scheme</b>	<u><b>(442,000)</b></u>	<u><b>38,000</b></u>

In the prior year, the pension asset was not recognised as not deemed recoverable.

The amounts recognised in the income statement were as follows:

	2020 £	2019 £
Administration costs	87,000	81,000
Interest on liabilities	319,000	401,000
Interest on assets	(320,000)	(442,000)
Past service cost (GMP equalisation)	-	332,000
Interest on effect of asset ceiling	1,000	39,000
	<u><b>87,000</b></u>	<u><b>411,000</b></u>



## BRITISH BEER & PUB ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

Amounts included in the Statement of Comprehensive Income:

	2020 £	2019 £
Loss/(gain) on assets in excess of interest	41,000	(1,412,000)
Losses from changes to financial assumptions	527,000	2,516,000
Losses from changes in effect of asset ceiling	(39,000)	(1,353,000)
	<u>529,000</u>	<u>(249,000)</u>

The principal actuarial assumptions were as follows:

	2020	2019
Discount rate	1.60%	1.90%
Inflation (RPI)	2.90%	3.20%
Inflation (CPI)	2.10%	2.20%
Fixed pension increases	5.00%	5.00%
Life expectancy at age 60 of male aged 45	29.8	29.7
Life expectancy at age 60 of male aged 60	28.5	28.4
Life expectancy at age 60 of female aged 45	30.9	30.8
Life expectancy at age 60 of female aged 60	29.5	29.4

#### 11. Controlling party

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

#### 12. Auditor's opinion

The auditors report was unqualified.

Mr Alastair Duke (Senior Statutory Auditor)  
for and on behalf of PKF Littlejohn LLP