

CAMPAIGN FOR REAL ALE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021

Company Registration Number: 01270286



CAMPAIGN FOR REAL ALE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2021**

DIRECTORS	N Antona	(Chair)
	N Boley	
	A Corbett-Collins	
	S Crawford	
	I Garner	
	H Gieschen	(Resigned 18 April 2021)
	G Hough	
	N Jones	(Appointed 18 April 2021)
	J Kemp	
	A S Newton	
	G Timmins	
SECRETARY	C Tonry	
	B T Wilkinson	
REGISTERED OFFICE	230 Hatfield Road St Albans Hertfordshire AL1 4LW	
REGISTERED NO.	01270286	
LEGAL STATUS	The company is limited by guarantee and incorporated in England & Wales	
INDEPENDENT AUDITORS	RSM UK Audit LLP	
	Chartered Accountants	
	25 Farringdon Street	
	London	
	EC4A 4AB	

CAMPAIGN FOR REAL ALE LIMITED

CHAIRMAN'S REVIEW FOR THE YEAR ENDED 30 NOVEMBER 2021

The year ended 30 November 2021 saw CAMRA celebrate its 50th Anniversary, though not in the way we had hoped to do so. It was again a difficult year that saw the Campaign rise to meet the challenges that the Covid pandemic inflicted on the world. As reported last year, we were hampered by the ability of our members to physically meet and enjoy the social benefits of good company with real ale, cider and perry. It has been a very difficult year for branches with government restrictions being in place for most of the year prohibiting branch meetings and physical campaigning. Some branches have adapted amazingly well and there have been benefits in improving on-line communications across the Campaign. But the lack of physical meetings has meant that some of the enthusiasm for branch activity has declined. I pay tribute to all who have continued to work in the branches, fulfilling roles for the Campaign in these difficult times and thank you all for your commitment.

During the year significant work has been undertaken throughout the organisation mostly by remote video-conferencing and I thank the many contributors to this important work. The five strategic committees worked hard to take forward their objectives of Campaigns, Commercial & Communications, Events, Finance & General Purposes and People. The policies of the organisation continue to be reviewed and refined and much work has been undertaken by working groups to take forward targeted initiatives. One major piece of work was undertaken on identifying the potential opportunities for innovation and initiatives for CAMRA. This resulted in a new project called Digital Futures being given budget approval with a significant sum included in the plans for 2022. At the end of the year the National Executive met to consider in detail the key strategic issues facing CAMRA, with a new 5-Year Plan due to be finalised in 2022. Thank you to all who have been and continue to be committed to improving our effectiveness.

Very early in 2021 it was very apparent that the Great British Beer Festival Winter would be cancelled due to the pandemic. Though the organising committee did a sterling job to arrange CAMRA's first on-line festival supported by a beer box, which was very well received. We had anticipated that festivals would be able to restart from before the half year and we planned for a physical members weekend in Sheffield. But it was not to be. We even had to cancel the Great British Beer Festival at Olympia for the second year in a row along with the Great Welsh Beer and Cider Festival. Again, many thanks go to those members of national organising committees who put in significant effort and yet were unable to stage a physical event. Many more festivals were cancelled after a great deal of hard work had been put in by many organising committees and I am grateful to them for trying to hold festivals, which ultimately were cancelled. Eventually our first festival of 2021 took place in St Neots in August, with others following. But unfortunately, we have only been able to hold a few festivals in the year, though reports from all of them were very positive with enthusiasm from members and the public to get back to socialising and supporting CAMRA. To all those who work to host festivals and have been enthusiastic to do so, I thank you and share your frustrations that Covid continues to disrupt our activities.

As expected, due to the lack of opportunity for social interaction and few CAMRA beer festivals, the membership has continued to decline. In the previous year, our membership numbers decreased during the first nine months of the pandemic to finish 2020 with 177,407 members. With the continued impact of Covid during the past 12 months, as at year-end 30 November 2021 there were 161,668 members. Regrettably, for a large part of the year the lack of festivals and being unable to meet in pubs limited our engagement with the public. As a result, we have been unable to recruit new members in the way we have always done in previous years. Despite this we are grateful to a strong loyal membership that continues to support CAMRA. Towards the end of the year with festivals beginning to restart we noted a slowing in the rate of decline in members. It is hoped that 2022 will see membership numbers increasing.

With the country ravaged by Covid, the need for CAMRA to fight to maintain our pubs, clubs and brewing heritage has never been more relevant. Regrettably campaigning through the period has had to be primarily undertaken by electronic means. With the cancellation of GBBF at Olympia we undertook a national campaign to support pubs with "The Great British Beer Festival at Your Local". We are committed to the major initiative of saving our pubs, and clubs and supporting the industry. We have encouraged members to lobby their MPs a number of times in the year to ensure that there is a strong voice trying to protect our community assets for future generations. In this we have partnered with other key stakeholders in the brewing and hospitality industries to achieve objectives. This campaigning resulted in a major success at the government budget in November with the chancellor introducing a differential rate of duty for draught beer and cider for the first time in more than a century. It has been the continued impact of members lobbying MPs that has brought about this dramatic shift. CAMRA must stay strong to secure a vibrant pub and brewery sector for us all to enjoy as we emerge from the awful impact of Covid.

Towards the end of 2020 the National Executive took some major decisions to try to protect the finances of the organisation from the worst of the pandemic. One of those decisions resulted in a staffing restructure with some redundancies. This enabled our wage costs to be carefully managed. CAMRA also maximised the opportunity to benefit from the government's Coronavirus Job Retention Scheme when it was available with £51,409 being recovered from furloughing staff, compared to £189,323 in 2020. The curtailing of sending out paper copies of What's Brewing from April, even though not considered a popular decision by all, saved the Campaign in excess of £100,000 per annum. Also, the introduction of the new in-house membership system again saved in excess of £100,000 on expenses and is providing greater benefits from data usage.

As noted earlier, the pandemic curtailed our meetings and festivals and as a result had a major adverse impact on our income as shown within these Report and Accounts. Festival income and contribution being even below the previous years and significantly below pre-pandemic levels. Yet the Campaign responded positively to celebrate the 50 years of CAMRA with sales of merchandise, books and beer boxes reaching new levels. Despite the lack of festivals, our members' responded very positively by conserving resources and where available returning funds to help maintain the cash resources of the organisation.

Further detail on the financial performance of CAMRA is contained within the following Report and Accounts. Also, more information on the aims of CAMRA can be found in the Strategic Report on subsequent pages.

As your Chairman, I and the National Executive shared members' frustration in that we were unable to meet in person for the AGM and Conference in Sheffield despite considerable planning for the event and I do thank the organising committee for all their valiant efforts to stage the Members' Weekend. The on-line AGM and Conference held on the 17 April 2021 was only made possible by the commitment of staff and volunteers.

The pressure on the staff team through the year has been significant, yet they have all coped well and we have again during 2021 had a relatively settled team supporting the volunteers. With the decisions taken we have every confidence that we will be able to emerge from this epidemic as a stronger organisation. I would like to thank them all for their hard work and commitment to CAMRA.

I would also like to thank my fellow Directors for all their hard work in serving CAMRA, particularly noting the contributions of Nick Boley, Ian Garner and Jonathan Kemp who come to the end of their term on the National Executive in April 2022. At the time of writing, I do not know if they will opt to stand for re-election. Looking back on 2021, I am proud of what we have achieved as CAMRA has celebrated its 50th year. I have really enjoyed and appreciated working with so many enthusiastic people. There is much still to do, and I thank all members for their continued support for the Campaign, despite the pandemic, it is with optimism that I look to the future.



N Antona
National Chairman
5 February 2022

CAMPAIGN FOR REAL ALE LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 NOVEMBER 2021

The Directors present their annual report and the audited financial statements for the year to 30 November 2021, which was CAMRA's 50th year in existence. These financial statements show a comparable accounting period of 12 months, though it is difficult to draw exact comparisons of performance particularly due to the impact of Covid-19 with the lack of festivals and lack of opportunity to recruit new members. However, despite a significant fall in income for the second year running it is noticeable that the difficult decisions taken and careful cost management produced a positive financial performance.

PRINCIPAL ACTIVITIES

The Campaign for Real Ale (CAMRA) is an independent, voluntary, not-for-profit company limited by guarantee. The organisation is a Public Benefit Entity that campaigns for consumer rights promoting real ales and ciders and for the benefits of community pubs in our society.

DIRECTORS

The Directors who served during the year and to the date of this report are listed on Page 1. In accordance with the Articles of Association, Nick Boley, Ian Garner and Jonathan Kemp will retire at the forthcoming Annual General Meeting on 9 April 2022 with three directors to be appointed, they are eligible to offer themselves for re-election.

Directors' and Officers' insurance was purchased by the Campaign during the period. No Director receives any remuneration for their work for the company.

On election, directors join the National Executive (NE), which is the board of directors of Campaign for Real Ale Limited. The NE conducts its business through a number of committees. Each committee has a remit which has been approved by the NE. These include the key strategic committees for Campaigns, Commercial & Communications, Events, Finance & General Purposes and People.

RESULTS

Despite income falling by more than £1.6m, predominantly due to lack of festivals, the surplus before taxation for the 12-month period is £269,373 which is a positive variance of more than £550,000 on the previous year (2020: deficit (£286,920)), a very creditable result in the circumstances. After the calculation of tax provision, the surplus after taxation for the year is £265,770 (2020: deficit (£218,689)). Total reserves at year-end 30 November 2021 are £3,336,124 (30 November 2020: £3,070,354) which is in line with the Reserves Policy objectives to maintain reserves for emergency campaigns, potential future property acquisition and to withstand adverse economic and operational conditions. A review of the results for the period and CAMRA's financial position is included in the Strategic Report.

MEMBERSHIP

At the 30 November 2021 CAMRA had 161,668 members (30 November 2020: 177,407), a decrease of 8.9% on the previous period-end. Regrettably this shows, for a second year, the adverse impact of not being able to stage festivals and meet in person due to the impact of Covid.

VOLUNTEERS

The Directors would like to offer their appreciation to all those individuals who have given their time and expertise freely for the benefit of the Campaign. The invaluable efforts of members involved in planning for and where possible running beer festivals, local campaigning, lobbying government, branch, regional and national committees and other administrative roles are of inestimable worth. We give our thanks to each of our volunteers for their valued contribution.

The company has chosen, in accordance with Section 414 C (11) of The Companies Act 2006, to disclose information about its branches and its future developments in the Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report, Strategic Report, and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing these financial statements, Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that CAMRA will continue in business.

CAMPAIGN FOR REAL ALE LIMITED

**REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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

INVESTMENT POLICY

Reserves not immediately required for operating expenses are held in mixed equity and property fund investments. The overall investment policy is to invest in funds which offer capital growth but at low risk of loss. Investments are made after taking advice from an independent advisor, and the policy and level of investments are reviewed at least annually by an Investment Committee. Further information is disclosed in notes 7, 15 and 20 of the financial statements.

AUDIT INFORMATION

The Directors who were in office on the date of approval of these financial statements have confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which CAMRA's auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any information needed by the auditors in connection with preparing their report, and to establish that it has been communicated to the auditor.

RSM UK Audit LLP has indicated its willingness to continue in office and the Directors will seek authority to appoint the auditors at the AGM in accordance with Section 485 of the Companies Act 2006.

Approved and signed by order of the National Executive.



N Antona
Chairman
5 February 2022

CAMPAIGN FOR REAL ALE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

STRATEGIC OBJECTIVES

CAMRA is the independent campaigning voice of pub and club goers, encouraging real ale, cider and perry drinkers. We work to promote real ale, cider and perry and thriving pubs and clubs in every community. The Campaign organises its activities into strategic objectives as follows:

1. Secure the long-term future of real ale, real cider and real perry by increasing their quality, availability and popularity.
2. Promote and protect pubs and clubs as social centres and part of the UK's cultural heritage.
3. Increase recognition of the benefits of moderate social drinking.
4. Play a leading role in the provision of information, education and training to all those with an interest in beer, cider and perry of any type.
5. Develop products and services which promote the Campaign as widely as possible, grow and diversify the membership and activist base, and generate campaigning funds.
6. Develop and maintain the necessary ethos, governance, structure, capabilities and financial resources to deliver CAMRA's objectives.
7. Develop CAMRA's organisational systems, membership, infrastructure and staff to ensure financial and corporate sustainability.

FUTURE DEVELOPMENTS

In April 2020 CAMRA's membership voted by large majority to adopt all of the five changes to the organisation's Articles of Association, which were recommended as the outcome of a strategic review to improve the governance of the organisation.

The changes to the Articles reflect significant work by the organisation and followed consultation with the membership. They are congruent with actions embedded into the Strategic Plan (2018-22) which has been approved by the National Executive. Detailed business plans to implement this strategy have been and continue to be acted upon, reviewed and revised. Following several years of consultation on change, the organisation is now consolidating and building a stable platform to further develop its commercial and campaigning activities when the dangers caused by Covid are eased. A new Strategic Plan is being formulated to follow on for the next five years.

In order to ease the pressure on production of accounts prior to members' weekends, a decision was made in 2018 to change the accounting year end of the Company to 30 November with effect from 2019. It is difficult to draw a direct comparison of accounting performance due to the extraordinary impact of Covid. However, the full review of costs and tight controls during the year has made a significant step towards ensuring long-term financial sustainability. It is anticipated that 2022 will again prove to be a difficult year but there are encouraging signs that beer festivals will be possible in some form during the year. It will take time to recover from the significant adverse impact of the pandemic.

MEMBERS AND BRANCH NETWORK

The Campaign has continued to try to grow its membership, though in a year in which there has been little social interaction and no CAMRA beer festivals held for the first 8 months, sadly the membership has declined. Membership numbers decreased to a five year low at year-end of 161,668, which is an 8.9% decline from 177,407 members on 30 November 2020. CAMRA has more than 220 branches throughout the UK, the Channel Islands and the Isle of Man. Branch campaigning, including the organisation of local and regional beer festivals, is at the core of CAMRA's operational activity and remains crucial in the long-term to the organisation's continued success.

BUSINESS REVIEW

There have been many campaigning achievements in the period to 30 November 2021. The most notable of these were:

- We continued to work with the One Voice for Pubs informal industry grouping to maintain a constant lobbying pressure on Government during Covid restrictions. This joint working group successfully helped shape guidance for hospitality on reopening, influenced levels of support packages for hospitality and kept the sector high profile with decision makers and in the media.
- We worked with the One Voice for Brewers informal industry grouping to apply lobbying pressure on Government during lockdown restrictions, specifically with regard to the brewery sector. The joint working group identified aligned objectives to present to government on sector support, inputs into the Alcohol Duty Review and reaction to the Budget announcement, as well as wider strategic discussion about
- The introduction of a differential rate of duty on draught beers and ciders by the Chancellor, a successful end to several years of campaigning by CAMRA to ensure that the tax system promotes drinking in the community setting of pubs and social clubs.
- Responding to the Competition and Market Authority's consultation on the Retained Vertical Block Exemption Regulation, raising serious concerns about global dominance in the beer market.
- The passing of the Tied Pubs (Scotland) Bill, enshrining a future Code, Adjudicator and guest beer right into Scottish law. This has been a campaigning objective for several years.
- Helping secure changes to licensing laws in Northern Ireland, enabling small brewers to sell their beer directly to the public for the first time through "taproom" licences.

CAMPAIGN FOR REAL ALE LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2021

KEY PERFORMANCE INDICATORS

Appropriate key performance indicators are measured and reviewed on a regular basis to enable the business to set its performance targets and monitor its performance against those targets. Management accounts are prepared on a monthly basis for comparison against budget and previous year's performance. Cash controls, debtors and creditors are monitored daily. Membership and trading indicators are reviewed continually along with other relevant operational monitoring.

Financial Returns

Total income for the year to 30 November 2021 was £3.92m, being 30.1% down on the previous year of £5.61m. Predominantly this significant decrease results from the inability to hold festivals for much of the year. Festival income was only £0.40m (2020: £1.92m), down by 79.4%. Membership income was £2.96m for the year, a decrease of 2.8% (2020: £3.05m). Publishing, advertising and other trading income was £0.57m (2020: £0.64m). Encouragingly, total contribution in the year was £2.29m (2020: £2.22m), being 3.1% up on the previous period. The improvement in contribution is predominantly down to the cost saving measures introduced. It is hoped that festival contributions, will return over a two-year horizon to pre-Covid levels.

Administrative expenses for the year of £2.19m (2020: £2.64m) were 17.0% below the previous year. This saving primarily resulted from lower campaigning and operating costs as a result of not being able to have physical meetings. It does not include the benefit of the government funding furlough scheme of £0.05m (2020: £0.19m), which is shown in Other Income. Campaign costs of £0.60m (2020: £0.86m) were 30.2% below previous year, reflecting the inability to conduct physical campaigning. Administration costs of £1.59m (2020: £1.78m) were 10.7% below previous year reflecting the staff restructure and costs saving initiatives. Total costs are significantly below budget. Other Operating Income and Interest Received of £0.08m was significantly down on the previous period (2020: £0.20m), as the government's Coronavirus Job Retention Scheme furlough funding ended and we had less participation in 2021 compared to the previous year.

Fair Value Gains of £0.09m (2020: £0.07m loss) reflected the recovery of investments in financial markets towards the end of the year, following the decline in the previous year due to the pandemic. Overall, this results in a surplus before tax of £0.27m, compared to a deficit in the previous year of (£0.29m). There is a small provision for corporation tax of £0.004m, compared to a write back of £0.068m in the previous period. The surplus after tax is £0.27m for the year (2020: deficit £0.22m). Taking into account the decline in festivals contribution for the second year running, this can be seen as a very respectable financial outcome.

As a result, at the end of the financial period the Campaign held reserves of £3.34m (30 November 2020: £3.07m). Fixed assets including tangible and intangible assets are £0.46m (30 November 2020: £0.60m), fixed asset investments are £1.97m (30 November 2020: £1.92m). Net current assets are £1.23m (30 November 2020: £0.87m) which includes Cash and Cash Equivalents of £2.87m (30 November 2020: £2.21m). In order to conserve resources, the Campaign incurred only £0.03m of capital expenditure (30 November 2020: £0.09m) and developed IT platforms in-house. The cash position remains strong at year-end and CAMRA has significant investment resources.

The Directors have reviewed the latest available financial position. They have projected forward for more than 12 months beyond the end of this reported financial year, considering the potential liabilities and income. They have considered what actions they would take should the financial projections not be as forecast. They also note that there are considerable financial reserves that could be liquidated if necessary. Noting the strength of the balance sheet, the likely trading scenarios and the controls in place these accounts have been prepared on a Going Concern Basis.

A range of non-financial key performance indicators are measured and reviewed on a regular basis by the Directors, to provide visibility of the organisation's performance from a non-financial perspective. The most important of these are:

CAMPAIGN FOR REAL ALE LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2021

1. Introduction of a preferential rate of duty for draught beer:

One of the identified opportunities of Britain leaving the European Union was potentially more flexibility in setting duty rates for different types of alcoholic drinks – previously impossible under EU rules. In 2021 the Chancellor announced that a draught duty rate would be introduced – a remarkable campaigning success for CAMRA. Work is now concentrating on ensuring that the rate applies to containers smaller than the current 40L threshold, to ensure smaller brewers and bag-in-box cider producers are not excluded; to encourage the quick introduction of the new rate; and to encourage the differential to be increased from the introductory rate.

2. Seeking an annual £5,000 business rate relief for pubs, along with a review of the business rate system:

High and increasing business rates are increasingly becoming a key factor in the viability of pub businesses and, importantly for CAMRA, creating consumer detriment as pubs are forced to put up prices purely to survive. A continuing national campaign to raise awareness of this issue, has been instrumental in winning some temporary concessions from government across the UK, alongside the ongoing Business Rates Review in England. Circumstances caused by COVID and lockdowns has necessitated CAMRA (and the industry) to focus on short term support, temporary rate relief and grants, but the intention is to return to a more general campaign to reduce the rate burden on pubs once COVID considerations reduce.

3. Retention and improvement of Small Brewers' Relief (SBR):

SBR continues to be a controversial issue in the industry, with large and small brewers disagreeing on the level of relief and the shape of the relief "curve". CAMRA has been positioning its campaigning efforts to ensure that SBR is not abandoned by government, nor altered in such a way that the diversity of the brewery sector is adversely affected. Reform of the UK Alcohol Duty system was announced by the Chancellor, which unfortunately did not follow CAMRA's recommendation to retain the lower limit of 5,000HL but did see the new threshold set at 2,500HL instead of 2,100HL. CAMRA continues to be involved in campaigning and consultation on the measures to try to ensure the relief curve is as beneficial to all sizes of brewers as possible, has seen its call for the upper limit to be increased heeded and will continue to make representations to government as part of the consultation process.

4. Encouraging more people to try and drink more real ale, cider and perry:

55% of drinkers surveyed reported that they have tried real ale, compared to 57% in 2020. Cask ales sales in pubs continue to be squeezed. CAMRA will continue work to raise awareness of different beer styles and to encourage knowledge of real ale through its festivals, awards, publications and digital media. During 2021 and COVID lockdowns, we developed alternative learning and discovery streams to raise awareness of real ale, cider and perry. Our books publication programme has been particularly successful this year, with several high profile titles celebrating real ale and particularly cider. The continuation of CAMRA's beer box scheme has encouraged people to drink high quality beer and cider at home. The end of 2021 has seen the launch of CAMRA's "One to Try" scheme as a replacement for the 'Real Ale in a Bottle' promotion – a quality accreditation scheme for brewers to use on bottles and cans in the off-trade, and a clear indication to consumers about beers they should try.

5. Securing strong local planning policies to protect pubs:

CAMRA continues to work at a national and local level to ensure greater planning protection for pubs. During 2022, CAMRA will pursue its campaigning to extend a similar level of planning protection for pubs in the devolved nations of the UK to that which is now available in England, and continue campaigning for local authorities to adopt strong local planning policies to protect pubs.

6. Further developing and enhancing WhatPub:

WhatPub continues to be a useful resource for the Campaign. CAMRA continues to explore ways it can be better used for campaigning and supporting pubs. The effects of COVID and the inaccessibility of pubs has severely curtailed our members' ability to monitor and score pubs and beers. We will look at improving functionality and ensuring information is updated in 2022 as and when we can revisit pubs. In 2021 the organisation approved a multi-year investment in a Digital Futures initiative, intended to develop a suite of digital products and systems designed to improve service delivery, recruitment, festival performance and campaigning across the organisation.

7. Ensuring effective operation of the Pubs Code:

After a decade of campaigning, CAMRA played a part in the introduction of legislation to create the Pubs Code and office of the Pubs Code Adjudicator. Now operational for several years, it is essential that we continue to monitor and influence the development and refinement of the Code, to ensure no consumer detriment is created and the pub sector remains vibrant and diverse. 2021 saw the final consultation from the Government relating to the first Statutory Review of the Code for England and Wales, and the passing of the Tied Pubs (Scotland) Bill, enshrining a future Code, Adjudicator and guest beer right into Scottish law.

8. Ensuring effective competition in the beer and pub markets:

Through CAMRA's campaigning on taxation, regulation and competition policy; CAMRA tries to ensure that both the fiscal and legislative environment is beneficial to pubs and beer. This helps to ensure effective competition in the pub market. In 2021 we responded to the Competition and Market Authority's consultation on the Retained Vertical Block Exemption Regulation, raising serious concerns about global dominance in the beer market, and restrictions to market access for Small Brewers. CAMRA also helped to secure changes to licensing laws in Northern Ireland, enabling small brewers to sell their beers directly to the public for the first time ever, through a new 'taproom' licence.

CAMPAIGN FOR REAL ALE LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES

A comprehensive risk register is maintained and reviewed by the senior staff team, the Finance and General Purposes Committee and the National Executive. Risks are managed actively and mitigation strategies implemented to restrict our levels of risk. Key strategic risk areas are shown below. Further information regarding the management of financial risk is given in note 20 to the accounts.

1. Reputational

CAMRA's reputation as an independent campaigning body is essential to the Campaign's continued success. Strict guidelines are in place for branches and to govern national campaigns. Strong financial controls are maintained and reviewed annually and systems are in place to ensure compliance with Health and Safety, Data Protection and other legal requirements. High standards of governance are aimed for. A fundamental review of CAMRA's governance and organisational structure was started in 2019 and completed during the year. The governance and performance of the organisation are subject to continuous review.

2. Organisational

In order to support the growing campaign it is essential to attract, retain and develop key staff and volunteers. Staff surveys are conducted regularly and their findings acted upon. The salary and benefits structure is reviewed on a periodic basis. We have developed clearer communication of volunteering opportunities and this work will continue in 2022, alongside the continued enhancement of resources available to volunteers to help them in their work for the Campaign.

It is anticipated that the organisation has now laid the foundations for a period of structural stability and progress will continue to be made as we emerge from the pandemic. It is hoped that the organisation can return to increasing new member recruitment post Covid, engage the members' interest via a developing education and information strategy and convert them into active and well-informed campaigners.

3. Financial

Measures have been taken to reduce expenditure for the third year in a row to maintain a stable central function; these have proved to be effective. Recognition of the underlying causes of the Campaign's failure to achieve significant growth in levels of income has added impetus to focus on cost control across all areas of commercial activity. It is hoped that in 2022 there will be more festivals and in future years there will be increasing revenue from beer festivals. It is anticipated that changes that have been implemented in 2021 will continue to be successful in 2022 and see CAMRA have a stable future without drawing significantly on the available reserves to fund operational capabilities.

4. Festivals

The success of local, regional and national beer festivals is crucial to raise the awareness of real ale, cider and perry, to recruit members and to help fund the Campaign. The world-wide impact of Covid has had a disastrous effect on our national way of life, and curtailed our beer festival activities. It is anticipated that as life returns to a new normal CAMRA will carefully encourage festival events to ensure the safety of members and the public. Key risks to CAMRA being able to run such events are recruiting committed, knowledgeable volunteers, obtaining suitable premises, meeting compliance issues and ensuring future festivals remain relevant to potential customers.

Once our festival programme restarts fully, there will be continued central support for the planning and marketing of festivals. The hope in the future is to continue to develop proposals to build on CAMRA's national festivals offering, through a progressive redevelopment of the national festivals which have provided so much enjoyment over the years. We also plan to build on the successes of lockdown in the long-term to provide accessibility to real ale, cider and perry through virtual events and tastings when appropriate.

We have confidence that in 2022 and beyond, we can further enhance the Campaign and be a proactive voice for the championing of real ale, ciders and perries and the promotion and protection of the nation's pubs and clubs.

Approved and signed by order of the National Executive.



N Antona
Chairman

5 February 2022

**INDEPENDENT AUDITORS REPORT TO MEMBERS OF CAMPAIGN FOR REAL ALE LIMITED
FOR THE YEAR ENDED 30 NOVEMBER 2021**

Opinion

We have audited the financial statements of Campaign for Real Ale Limited (the 'company') for the year ended 30 November 2021 which comprise the Statement of Income and Expenditure, the Statement of Changes in Equity, the Statement of Financial Position, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by
- 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS REPORT TO MEMBERS OF CAMPAIGN FOR REAL ALE LIMITED (continued)
FOR THE YEAR ENDED 30 NOVEMBER 2021**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and general data protection regulations. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these laws and regulations and inspected correspondence with licensing and regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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 auditor's 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.

RSM UK Audit LLP

Nicholas Sladden (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Senior Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

10 February 2022

CAMPAIGN FOR REAL ALE LIMITED

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Notes	£	2021 £	£	2020 £
INCOME	2		3,921,829		5,612,797
Cost of Sales			(1,630,577)		(3,391,293)
CONTRIBUTION			<u>2,291,252</u>		<u>2,221,504</u>
Administrative expenses			(2,193,366)		(2,635,919)
			<u>97,886</u>		<u>(414,415)</u>
Other operating income			65,341		196,339
OPERATING SURPLUS / (DEFICIT)	3		<u>163,227</u>		<u>(218,076)</u>
Income from fixed asset investments		48		65	
Interest receivable and similar income		<u>15,263</u>		<u>5,976</u>	
			15,311		6,041
Fair value Gains / (loses) on Investments	7		90,835		(74,885)
SURPLUS / (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>269,373</u>		<u>(286,920)</u>
Tax (liability) on ordinary activities	5		(3,603)		68,231
SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR / PERIOD			<u><u>265,770</u></u>		<u><u>(218,689)</u></u>

The notes on pages 16 to 23 form part of the financial statements.

CAMPAIGN FOR REAL ALE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	2021			2020		
	Retained Earnings Reserve £	Fair Value Reserve £	2021 Totals £	Retained Earnings Reserve £	Fair Value Reserve £	2020 Totals £
At 1 December	2,887,392	182,962	3,070,354	3,031,196	257,847	3,289,043
Surplus/(Deficit) for the period year and total comprehensive income	265,770	-	265,770	(218,689)	-	(218,689)
Transfer to Fair Value Reserve	(90,835)	90,835	-	74,885	(74,885)	-
Disposal of Fixed Asset Investments	-	-	-	-	-	-
At 30 November	<u>3,062,327</u>	<u>273,797</u>	<u>3,336,124</u>	<u>2,887,392</u>	<u>182,962</u>	<u>3,070,354</u>


CAMPAIGN FOR REAL ALE LIMITED

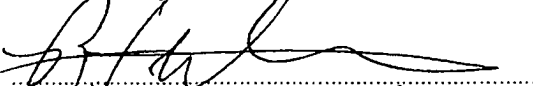
Company registration no. 01270286

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2021

			2021	2020
	Notes	£	£	£
FIXED ASSETS				
Tangible assets	6		383,565	410,978
Intangible assets	6		77,153	187,388
Investments	7		<u>1,965,940</u>	<u>1,922,964</u>
			2,426,658	2,521,330
CURRENT ASSETS				
Stocks	8	142,161		119,080
Debtors	9	442,789		426,575
Cash and cash equivalents	10	<u>2,873,341</u>	<u>2,213,011</u>	
		3,458,291	2,758,666	
CREDITORS: Amounts falling due within one year:	11	<u>(2,224,931)</u>	<u>(1,885,404)</u>	
NET CURRENT ASSETS			<u>1,233,360</u>	<u>873,262</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,660,018	3,394,592
CREDITORS: Amounts falling due in more than one year:	12	(262,632)		(266,579)
PROVISIONS FOR LIABILITIES	13	(61,262)		(57,659)
NET ASSETS			<u>3,336,124</u>	<u>3,070,354</u>
RESERVES				
Fair Value Reserve	15	273,797		182,962
Retained Earnings Reserve	15	<u>3,062,327</u>	<u>2,887,392</u>	
		3,336,124	3,070,354	

The financial statements on pages 12 to 23 were approved and authorised for issue by the Board of Directors on 5 February 2022 and were signed on its behalf by:


N Antona - Director


B Wilkinson - Director

CAMPAIGN FOR REAL ALE LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Notes	2021 £	2020 £
OPERATING ACTIVITIES			
Cash generated from / (used in) operations	16	629,531	(284,288)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES		<u>629,531</u>	<u>(284,288)</u>
INVESTING ACTIVITIES			
Dividends received from investments		48	65
Interest received		15,263	5,976
Purchase of fixed assets		(26,106)	(93,538)
Prior Year Adjustment		-	23
Proceeds from (Profit) / Loss on disposal of fixed assets		41,594	15,213
NET CASH INCREASE / (DECREASE) INVESTING ACTIVITIES		<u>30,799</u>	<u>(72,261)</u>
Net Increase / (decrease) in cash in the year		<u>660,330</u>	<u>(356,549)</u>
Increase / (Decrease) in cash in the year		660,330	(356,549)
Cash at 1 December		2,213,011	2,569,560
Cash at 30 November		<u>2,873,341</u>	<u>2,213,011</u>

CAMPAIGN FOR REAL ALE LIMITED

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

1 ACCOUNTING POLICIES

Accounting Convention

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis as modified by the recognition of certain financial assets measured at fair value.

The financial statements are presented in Sterling (£) and rounded to the nearest £1.

Going Concern

The financial statements have been prepared under the assumption that the Company will continue as a going concern. The company will be able to meet its obligations in full for the next 12 months and beyond. The Board has reviewed and approved a 12 month budget and five year forecast covering 12 months from the date of approval of the financial statements. The Directors have reviewed the latest available financial position. They have projected forward for more than 12 months beyond the end of this reported financial year, considering the potential liabilities and income. They have considered what actions they would take should the financial projections not be as forecast. They also note that there are considerable financial reserves that could be liquidated if necessary. Noting the strength of the balance sheet, the likely trading scenarios and the controls in place these accounts have been prepared on a Going Concern Basis. In preparing the financial projections into 2022 the directors have the experience of quantifying the financial impact of COVID-19 on the company since the start of the pandemic in March 2020. As such, this provides the directors with a realistic expectation of the financial performance of the company through a period of at least the next twelve months.

Entities covered by these accounts

The accounts presented are for a single entity, Campaign for Real Ale Ltd, as permitted by sections 402 and 405 of the Act, on the grounds that the one dormant subsidiary is immaterial. The accounts include the full income, expenditure and net assets of CAMRA branches. The Campaign for Real Ale (CAMRA) is an independent, voluntary, not-for-profit company limited by guarantee. The organisation is a Public Benefit Entity that campaigns for consumer rights promoting real ales and ciders and for the benefits of community pubs in our society.

Income

Income, which is stated net of value added tax, represents subscriptions, festival income, other trading income and advertising:

Subscription Income

Annual subscriptions - income is recognised by reference to the level of membership services provided and the proportion appropriate to the current year is credited to the income and expense account. The balance is carried forward as subscriptions paid in advance and included in current liabilities.

Life membership subscriptions

Amounts received are credited to deferred income with a transfer to the income and expense account each year, calculated on an actuarial basis.

Festival Income

Festival income consists of income from branch festivals held in the period plus that from the two national festivals, the Great British Beer Festival and the Great British Beer Festival Winter.

Other Trading Income

Other trading income consists of books and product sales and income from events. Revenue from the sale of books and products is recognised on despatch and revenue from events is recognised in the period in which the event took place.

Advertising Income

Advertising income consists of amounts due from adverts placed by third parties in the Beer magazine and What's Brewing online during the period. Revenue is recognised in the month of publication.

Other Operating Income

Other operating income includes £51,409 (2020 £189,323) received from the government's Coronavirus Job Retention Scheme 2021 to support furlough staff. We can confirm that there were no unfulfilled conditions or other contingencies relating to the grant and no other forms of assistance have been received by CAMRA from the UK Government in the year ended 30 November 2021.

Expenditure

Costs are stated net of VAT and are recognised as incurred.

CAMPAIGN FOR REAL ALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued FOR THE YEAR ENDED 30 NOVEMBER 2021

1 ACCOUNTING POLICIES (continued)

Tangible Fixed Assets

Tangible Fixed Assets include land and building, physical property, plant and equipment and motor vehicles. Fixed assets are stated at cost net of depreciation. Depreciation of tangible assets is charged at rates sufficient to write assets off over the periods that are judged to be their useful lives as follows:

Land	0% not depreciated
Buildings	2% per annum on cost
Office refurbishment	10% per annum on cost
Equipment	33.33% per annum on cost
Computer hardware	33.33% per annum on cost
Motor vehicles	25% per annum on cost

An assessment is made at each reporting date as to whether there are indicators that a fixed asset may be impaired.

Intangible Fixed Assets

Intangible Fixed Assets are recognised for software development if the software can be demonstrated to have a future economic benefit, is intended to be used, can be shown to be technically feasible and the development cost can be clearly measured. Amortisation is charged on a straight line basis over 3 years as this is judged to be the useful economic life of software assets. An assessment is made at each reporting date as to whether there are indicators that an asset may be impaired.

Fixed Asset Investments and Fair Value Reserve

Trade Investments are classified as financial instruments and accounted for in accordance with the accounting policy at fair value through the income and expenditure account, as set out on page 12. Any fair value gains or losses are transferred to a fair value reserve, net of deferred taxation.

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Leased Assets and Obligations

Operating leases and annual rentals are charged to income and expenditure on a straight line basis over the lease term.

Stocks

Stocks are valued at the lower of cost and net realisable value, on a First-In First-Out basis, after making due allowance for obsolete and slow moving items.

Financial Instruments

The company has elected to apply the provisions of Section 11 (Basic Financial Instruments) of FRS 102 in full, to all of its financial instruments. Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are offset only when the Company currently has the legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Trade Debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the income and expenditure account for the excess of carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income and expenditure.

CAMPAIGN FOR REAL ALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued FOR THE YEAR ENDED 30 NOVEMBER 2021

1 ACCOUNTING POLICIES (continued)

Trade Investments

Trade investments are equity over which the Company has no significant influence, joint control or control and are initially measured at transaction price. Transaction price includes transaction costs, except where trade investments are measured at fair value through income and expense, when transaction costs are expensed to income and expenditure as incurred. The fair value of trade investments is measured using a published unit price in an active market.

Trade Creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Taxation

Corporation tax liability is calculated using the prevailing tax rate covering the accounting period. Tax is payable on interest received, chargeable gains and on those parts of the surplus which arise from trading with non-members, less any deficits arising.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which 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 are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The company contributes to a group personal pension plan available to all employees whose pension assets are administered by an independent insurance company. This is a defined contribution plan. Contributions payable for the period are charged to the income and expense account as they fall due.

Judgements and key sources of estimation uncertainty

There are no areas of significant judgement in preparing the 2021 financial statements.

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects both current and future periods.

	2021 £	2020 £
2 INCOME		
Sales of Goods (festivals, branches, books, merchandise)	948,282	2,549,150
Services (membership)	2,958,936	3,045,360
Other	14,611	18,287
	<u>3,921,829</u>	<u>5,612,797</u>
All income is derived from activities undertaken in the UK.		
	2021	2020
3 OPERATING SURPLUS / (DEFICIT)		
The operating (deficit) is stated after (charging) / crediting:		
Depreciation and Amortisation - owned assets	(170,029)	(208,943)
Profit / (Loss) on disposal of fixed assets	10	(93)
Auditor's remuneration - audit (net of VAT)	(27,150)	(24,700)
Auditor's remuneration - other services	(6,950)	(6,950)
Lease expenses	(95,122)	(94,116)
Bad debts recovered / (expensed)	12,040	(15,018)
Campaigning costs	<u>(599,961)</u>	<u>(860,124)</u>

CAMPAIGN FOR REAL ALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued FOR THE YEAR ENDED 30 NOVEMBER 2021

	2021 £	2020 £
4 DIRECTORS AND EMPLOYEES		
Employment costs:		
Wages and salaries	1,331,849	1,484,837
Social security costs	124,259	135,580
Other pension costs	62,159	64,007
	<u>1,518,267</u>	<u>1,684,424</u>
Key management personnel remuneration	246,313	245,928
Employer's NI Contributions relating to key management personnel	<u>28,718</u>	<u>28,706</u>

The Board of Directors is comprised of volunteers elected by the membership and as such do not receive any remuneration.

There are no redundancy costs Included within wages and salaries during 2021 (2020: £15,244).

	No.	No.
Average number of employees during the year:-		
Commercial activities and membership services	19.1	20.0
Campaigning Activities	4.0	4.3
Administration and Support	18.3	22.6
Average number of employees during the year	<u>41.4</u>	<u>46.9</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the deficit on ordinary activities for the period was as follows:

	2021 £	2020 £
Current tax:		
UK corporation tax on (deficit) / surplus of the year	-	-
Over/(Under) provision relating to prior years	-	-
Total current tax	-	-
Deferred taxation (provided)/rec. (note 13)	(3,603)	68,231
Tax (liability) / recovery on ordinary activities	<u>(3,603)</u>	<u>68,231</u>

The current tax charge arising in respect of the year is different from the standard small profits rate of UK corporation tax of 19%. The differences are explained below.

	2021 £	2020 £
Surplus / (Deficit) on ordinary activities before tax	<u>269,373</u>	<u>(286,920)</u>
Surplus / (Deficit) multiplied by the standard rate of 19% (19.0%)	(51,181)	54,515
Effects of:		
Other timing differences	47,578	13,716
Tax (debit) / credit for the year	<u>(3,603)</u>	<u>68,231</u>

CAMPAIGN FOR REAL ALE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 30 NOVEMBER 2021**

6 TANGIBLE AND INTANGIBLE FIXED ASSETS

	TANGIBLE					INTANGIBLE
	Freehold property £	Fixtures, Fittings & Equipment £	Motor vehicles £	Computer Hardware £	Totals £	Computer Software £
COST						
At 1 December 2020	475,575	711,342	13,912	129,044	1,329,873	981,927
Additions	-	7,630	-	7,506	15,136	10,970
Disposals	-	(1,660)	-	(620)	(2,280)	-
At 30 November 2021	475,575	717,312	13,912	135,930	1,342,729	992,897
DEPRECIATION						
At 1 December 2020	(168,851)	(622,291)	(13,912)	(113,842)	(918,896)	(794,539)
Charge for period	(5,757)	(31,431)	-	(11,636)	(48,824)	(121,205)
Eliminated on disposal	-	8,026	-	530	8,556	-
At 30 November 2021	(174,608)	(645,696)	(13,912)	(124,948)	(959,164)	(915,744)
NET BOOK VALUE						
At 30 November 2021	300,967	71,616	-	10,982	383,565	77,153
At 30 November 2020	306,724	89,051	-	15,202	410,976	187,388

Included in freehold property is freehold land of £178,500 (2020: £178,500) which is not depreciated.
Computer Software represents purchased software at cost and its amortisation included in administrative expenses.

7 FIXED ASSETS INVESTMENTS

	Shares in group undertakings £	Listed trade investments £	Unlisted trade investments £	Totals £
COST OR VALUATION				
At 1 December 2020	100	799,450	1,123,415	1,922,965
Income Withdrawal	-	(47,860)	-	(47,860)
Fair Value Adjustment	-	19,764	71,071	90,835
At 30 November 2021	100	771,354	1,194,486	1,965,940

For the year end valuation, the following investment managers were used to obtain the fair value of the investments as the year end :

- Aviva
- Aegon
- Canada Life
- Prudential
- Transact
- Ascentric
- Royal London Unit Trust

If listed and unlisted trade investments had not been measured at fair value they would have been included at the following cost:

	2021 £	2020 £
Cost	1,390,174	1,390,174

Listed and unlisted investments are valued using the published unit price in an active market at each reporting date.

The following was a subsidiary undertaking throughout the year, registered in England & Wales.
The trading address of CAMRA Ltd is the same as the parent company.

	2021 £	2020 £
Aggregate capital and reserves	100	100
Name	Proportion of shares and voting rights held	Nature of business
CAMRA Limited	100%	Dormant

CAMPAIGN FOR REAL ALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued FOR THE YEAR ENDED 30 NOVEMBER 2021

8 STOCKS

	2021	2020
	£	£
Book stock	123,877	101,606
Branch stock	18,284	17,474
	<u>142,161</u>	<u>119,080</u>

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors - branches	101,504	83,154
Trade debtors - others	135,279	173,104
VAT debtor	11,017	-
Prepayments and accrued income	194,989	170,317
	<u>442,789</u>	<u>426,575</u>

10 CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash at bank and in hand	2,425,867	1,763,812
Cash equivalents	447,474	449,199
	<u>2,873,341</u>	<u>2,213,011</u>

The cash equivalents noted represent a managed fund holding predominantly cash, deposits, treasury bills, money market instruments, floating rate notes, covered bonds, short dated debt securities and other debt securities issued by governments, government agencies and supra-nationals. Cash can be moved in and out of this fund at short notice at any time.

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	609,228	336,916
VAT Creditor	-	8,649
Social security and other taxes	31,252	38,399
Subscriptions in advance	1,431,996	1,370,503
Accruals and deferred income	152,455	130,937
	<u>2,224,931</u>	<u>1,885,404</u>

12 CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	2021	2020
	£	£
Life members deferred income brought forward	266,579	270,312
Cash received in the year	6,445	7,148
Transfer to income	(10,392)	(10,881)
Life members deferred income carried forward	<u>262,632</u>	<u>266,579</u>
Falling due within one year	10,392	10,881
Falling due within 2 - 5 years	41,568	43,526
Falling due after more than 5 years	<u>210,672</u>	<u>212,172</u>
	<u>262,632</u>	<u>266,579</u>

CAMPAIGN FOR REAL ALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued FOR THE YEAR ENDED 30 NOVEMBER 2021

13 PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Deferred tax:		
Brought Forward	57,659	125,890
Additions / (Reductions)	<u>3,603</u>	<u>(68,231)</u>
Amount Carried Forward	<u>61,262</u>	<u>57,659</u>
Balance analysed as:		
Accelerated Capital Allowances	128,788	94,155
Revaluation of Investments	80,907	44,231
Tax losses carried forward	<u>(148,433)</u>	<u>(80,727)</u>
	<u>61,262</u>	<u>57,659</u>

The forward tax rate applied to deferred tax liabilities in 2021 is 25% (2020:19%). The balance shown above is net of £196,589 of tax losses carried forward as a deferred tax asset.

14 FINANCIAL INSTRUMENTS

Financial Assets at Fair Value through Income and Expenditure	<u>1,965,940</u>	<u>1,922,965</u>
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15 RESERVES

Reserves of the Company represent the following:

Fair Value Reserve:

Fair value movements on investments measured at fair value have been shown in a separate fair value reserve.

Retained Earnings Reserve:

This reserve shows CAMRA's cumulative surplus.

CAMPAIGN FOR REAL ALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued FOR THE YEAR ENDED 30 NOVEMBER 2021

16 RECONCILIATION OF SURPLUS / (DEFICIT) FROM OPERATING ACTIVITIES TO CASH FLOWS FROM OPERATING ACTIVITIES

	2021 £	2020 £
Surplus / (Deficit) after tax	265,770	(218,689)
Adjustments for:		
Depreciation / amortisation of fixed assets	170,029	208,943
(Profit) / Loss on disposal of tangible fixed assets	(10)	93
Fair value (gain) / loss on investments	(90,835)	74,885
Interest and investment income	(15,311)	(6,041)
Taxation	3,603	(68,231)
Operating cashflows before movement in working capital	333,246	(9,040)
(Increase) / Decrease in stock	(23,081)	(31,944)
(Increase) / Decrease in debtors	(16,214)	(78,432)
Increase / (Decrease) in creditors	335,580	(164,872)
Net cash inflow from operating activities	<u>629,531</u>	<u>(284,288)</u>

17 OPERATING LEASE COMMITMENTS

As at 30 November 2021, the company had one non cancellable operating lease payment commitment. The total future minimum lease payments were as follows:

	2021 £	2020 £
Payable within one year	(89,750)	(89,750)
Payable within 2 - 5 years	(149,582)	(239,332)
Total	<u>(239,332)</u>	<u>(329,082)</u>

Operating leases relate to rented property used for warehousing.

18 RELATED PARTY DISCLOSURES

The Directors of Campaign for Real Ale Limited are members who pay annual subscriptions and make use of the company's services to a limited extent - all at market (members') rates.

19 LIMITED BY GUARANTEE

Campaign for Real Ale Limited is a company limited by guarantee and does not have a share capital divided into shares. The Company is incorporated in England & Wales and its registered office address is set out on page 1.

20 RISK MANAGEMENT

The company has exposures to two main areas of financial risk - liquidity risk and customer credit exposure.

Liquidity risk - The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the Company has significant reserves held as tradeable investments and cash equivalents which can be realised to meet obligations.

Customer credit exposure - The Company has a relatively low exposure to customers who are allowed to pay a debt after delivery of the goods or services. The Company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by regular monitoring of debtors and strong on-going customer relationships.

Price risk - The Company is exposed to price risk because of trade investments held at fair value. This risk is mitigated by holding investments in diversified funds, after taking advice from an independent advisor, with an agreed level of price protection and a process to review and monitor fund valuations.

CAMPAIGN FOR REAL ALE LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	2021 £	2020 £
Income		
Subscriptions	2,958,936	3,045,360
Festivals	397,212	1,924,250
Other Trading Activities	551,070	624,900
Advertising	<u>14,611</u>	<u>18,287</u>
	3,921,829	5,612,797
 Cost of Sales	 (1,630,577)	 (3,391,293)
Contribution	<u>2,291,252</u>	<u>2,221,504</u>
 Other operating Income	 65,341	 196,339
Income from Operating Activities	<u>2,356,593</u>	<u>2,417,843</u>
 Operating Expenses		
Campaigning costs	(599,961)	(860,124)
Administrative expenses	<u>(1,593,405)</u>	<u>(1,775,795)</u>
 Total Operating Expenses	 (2,193,366)	 (2,635,919)
Operating Surplus / (Deficit)	<u>163,227</u>	<u>(218,076)</u>
 Income from fixed asset investments	 48	 65
Interest receivable and other income	<u>15,263</u>	<u>5,976</u>
Surplus / (Deficit) on ordinary activities before taxation	<u>178,538</u>	<u>(212,035)</u>
 Unrealised surplus on revaluation	 90,835	 (74,885)
Total Gains and losses before taxation	<u>269,373</u>	<u>(286,920)</u>
 Taxation - Corporation Tax	 -	 0
Taxation - Deferred Tax	<u>(3,603)</u>	<u>68,231</u>
Total recognised gains and losses in the period	<u>265,770</u>	<u>(218,689)</u>