Company Registration No. 01634996 (England and Wales)

MINERAL PRODUCTS ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

MINERAL PRODUCTS ASSOCIATION LIMITED

COMPANY INFORMATION

Directors	W J Brett M Coffey N C Jackson R J Stevens L H Russell A H Smith J A Day G C Edwards B S Perry R M Stansfield S L Willis (Chairman) P Buckley R Wood
Secretary	M L Russell
Company number	01634996
Registered office	Gillingham House 4th Floor 38-44 Gillingham Street London SW1V 1HU
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom

MINERAL PRODUCTS ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities
The principal activity of the company is that of a trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar, and silica sand industries. The company is a company limited by guarantee as further described in Note 23.

The principal activity of the company's subsidiary, The British Cement Association, is representing the interests of the United Kingdom Cement industry, it is also a company limited by guarantee.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P R Ward	(Resigned 31 March 2021)
W J Brett	
M Coffey	
N C Jackson	
R J Stevens	
L H Russell	
A H Smith	
J A Day	
G C Edwards	
B S Perry	
R M Stansfield	
S L Willis (Chairman)	
M K Riley	(Resigned 31 December 2020)
P Buckley	(Appointed 19 February 2021)
R Wood	(Appointed 1 April 2021)

MINERAL PRODUCTS ASSOCIATION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Results and dividends

The state of affairs of the company is set out in the statutory financial statements . A reconciliation of the operating profit of the company and the group to the results reported in the statutory accounts is set out below:-

Operating profit per management accounts reconciled to the statutory reported results	Mineral Products Association Limited	The British Cement Association	Consolidated
	£	£	£
Operating profit per management accounts	161	-	161
Net defined benefit pension scheme adjustment			
Not included in the management accounts because this is not an operational matter. Accounting rules require the pension scheme asset or liability to be brought into the statutory accounts.	(217,000)	-	(217,000)
Provision for deferred tax for the year			
Provisions for deferred tax based on the results for the year are calculated at the year end for inclusion in the statutory accounts.	45,715	-	45,715
Total comprehensive income for the year as reported	(171,124)	-	(171,124)

Auditor

In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the group will be put at the Annual General Meeting.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the Group auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Group auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provision applicable to companies entitled to the small companies exemption.

On behalf of the board

....
N C Jackson
Director

Date: 10 May 2021

MINERAL PRODUCTS ASSOCIATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Company law requires the directors to prepare financial statements for each financial year. 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MINERAL PRODUCTS ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Mineral Products Association Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows, the company statement of cash flows 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 group's and of the parent company's affairs as at 31 December 2020 and of the group's 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 group and parent 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 group's or the parent 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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in 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 opinion:

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

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 4, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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 to influence the economic decisions of users taken on the basis of these financial statements.

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.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:
- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MINERAL PRODUCTS ASSOCIATION LIMITED (CONTINUED)

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to compliance with the Cement Market Data Remedy Undertakings which Mineral Products Association Limited entered into with the Competition and Markets Authority in 2016. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these regulations. The group 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, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://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, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
United Kingdom
13 May 2021

MINERAL PRODUCTS ASSOCIATION LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	7,230,330	7,106,744
Administrative expenses		(7,176,815)	(7,050,776)
Operating profit	5	53,515	55,968
Interest receivable and similar income	8	3,646	5,658
Interest payable and similar expenses	9	(2,000)	(14,000)
Profit before taxation		55,161	47,626
Tax on profit	10	(5,965)	(2,884)
Profit for the financial year		49,196	44,742
Other comprehensive income net of taxation			
Actuarial (loss)/gain on defined benefit pension schemes	17	(272,000)	383,000
Tax relating to other comprehensive income	16	51,680	(72,770)
Total comprehensive income for the year		(171,124)	354,972

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

Company Registration No. 01634996

MINERAL PRODUCTS ASSOCIATION LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11		30,660		42,198
Current assets					
Debtors	14	3,498,480		5,091,613	
Cash at bank and in hand		2,691,065		966,799	
		6,189,545		6,058,412	
Creditors: amounts falling due within one year	15	(5,891,190)		(5,817,471)	
Net current assets			298,355		240,941
Total assets less current liabilities			329,015		283,139
Net assets excluding pension liability			329,015		283,139
Defined benefit pension liability	17		(361,000)		(144,000)
Net (liabilities)/assets			(31,985)		139,139
Capital and reserves					
Profit and loss reserves	18		(31,985)		139,139

The financial statements were approved by the board of directors and authorised for issue on 10 May 2021 and are signed on its behalf by:

N C Jackson
Director

Company Registration No. 01634996

MINERAL PRODUCTS ASSOCIATION LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		30,660		42,198
Investments	12		1		1
			30,661		42,199
Current assets					
Debtors	14	3,497,106		5,155,830	
Cash at bank and in hand		2,422,994		596,011	
		5,920,100		5,751,841	
Creditors: amounts falling due within one year	15	(5,621,746)		(5,510,901)	
Net current assets			298,354		240,940
Total assets less current liabilities			329,015		283,139
Net assets excluding pension liability			329,015		283,139
Defined benefit pension liability	17		(361,000)		(144,000)
Net (liabilities)/assets			(31,985)		139,139
Capital and reserves					
Profit and loss reserves	18		(31,985)		139,139

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £49,196 (2019 - £44,742 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 10 May 2021 and are signed on its behalf by:

N C Jackson
Director

MINERAL PRODUCTS ASSOCIATION LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Profit and loss reserves £
Balance at 1 January 2019	(215,833)
Year ended 31 December 2019:	
Profit for the year	44,742
Other comprehensive income net of taxation:	
Actuarial gains on defined benefit plans	383,000
Tax relating to other comprehensive income	(72,770)
Total comprehensive income for the year	354,972
Balance at 31 December 2019	139,139
Year ended 31 December 2020:	
Profit for the year	49,196
Other comprehensive income net of taxation:	
Actuarial gains on defined benefit plans	(272,000)
Tax relating to other comprehensive income	51,680
Total comprehensive income for the year	(171,124)
Balance at 31 December 2020	(31,985)

MINERAL PRODUCTS ASSOCIATION LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Profit and loss reserves £
Balance at 1 January 2019	(215,833)
Year ended 31 December 2019:	
Profit for the year	44,742
Other comprehensive income net of taxation:	
Actuarial gains on defined benefit plans	383,000
Tax relating to other comprehensive income	(72,770)
Total comprehensive income for the year	354,972
Balance at 31 December 2019	139,139
Year ended 31 December 2020:	
Profit for the year	49,196
Other comprehensive income net of taxation:	
Actuarial gains on defined benefit plans	(272,000)
Tax relating to other comprehensive income	51,680
Total comprehensive income for the year	(171,124)
Balance at 31 December 2020	(31,985)

MINERAL PRODUCTS ASSOCIATION LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**19**		1,737,471		(252,128)
Investing activities					
Purchase of tangible fixed assets		(16,851)		(32,402)	
Interest received		3,646		5,658	
Net cash used in investing activities			(13,205)		(26,744)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			1,724,266		(278,872)
Cash and cash equivalents at beginning of year			966,799		1,245,671
Cash and cash equivalents at end of year			2,691,065		966,799

MINERAL PRODUCTS ASSOCIATION LIMITED

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		1,840,514		(236,776)
Investing activities					
Purchase of tangible fixed assets		(16,851)		(32,402)	
Interest received		3,320		4,862	
Net cash used in investing activities			(13,531)		(27,540)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			1,826,983		(264,316)
Cash and cash equivalents at beginning of year			596,011		860,327
Cash and cash equivalents at end of year			2,422,994		596,011

1 Accounting policies

Company information

Mineral Products Association Limited ("the Company") is a private company limited by guarantee, and is registered, domiciled and incorporated in England and Wales. The registered office is Gillingham House 4th Floor, 38-44 Gillingham Street, London, SW1V 1HU.

The Group consists of Mineral Products Association Limited and all of its subsidiaries.

The Company's and the Group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate those of Mineral Products Association Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In arriving at this conclusion, the Directors have taken account of current and anticipated financial performance in the current economic conditions, and the Company's reserves position (see below). As the economic impacts of the ongoing COVID-19 pandemic have become apparent, the Directors have reviewed in detail the Company's position and the appropriate basis on which to prepare the financial statements. The Directors anticipate that there will be some adverse impacts on certain income streams. The Directors have considered projections to 31 May 2022, which were prepared to stress test the financial resilience of the Company. The projections take into account in particular the potential drop in income. The full impact of the COVID-19 outbreak cannot presently be estimated with any certainty, but the 2020 results together with the stress testing of the Company's financial position has satisfied the Directors that it has adequate mitigation strategies available to deal with the impact of the COVID-19 pandemic. Whilst the Directors recognise that 2021 will be another challenging year like 2020 they anticipate that a neutral financial position will be maintained and they have concluded that it remains appropriate to prepare the financial statements of the Group and Company on the going concern basis.

1 Accounting policies (Continued)

As shown in Note 17, the Actuary's latest valuation, under section 28 of FRS102, of the Association's obligations to the QPA pension scheme discloses an actuarial value of the scheme's net liabilities of £361,000 at 31 December 2020 (2019: £144,000).

The Group and Company have negative reserves due to the increase in the defined benefit pension liability in the year. The Group has agreed with the pension scheme trustees the basis on which the shortfall will be met.

As the members have undertaken to meet the schedule of future pension liability payments the directors are of the opinion that the Group would be able to meet its obligations as they fall due.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for subscriptions and services provided, net of valued added tax. Subscriptions are recognised as income in the period to which they relate.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	3 - 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1 Accounting policies (Continued)

Cash and cash equivalents
Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments
The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including trade and other creditors, and loans from fellow Group are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Taxation
The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits
For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1 Accounting policies (Continued)

Leases
Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the Group'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 only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Defined Benefit Pension Schemes
The defined benefit pension scheme liabilities are determined by the actuary based on estimations and key assumptions stated in note 17.

3 Turnover and other revenue

An analysis of the Group's turnover is as follows:

	2020	2019
	£	£
Turnover analysed by class of business		
Arising from the principal activity	7,230,330	7,106,744

	2020	2019
	£	£
Other revenue		
Interest income	3,646	5,658

	2020	2019
	£	£
Turnover analysed by geographical market		
UK	7,230,330	7,106,744

4 Employees

The average monthly number of persons employed during the year was:

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Administration and management	42	48	42	48

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	2,288,518	2,339,137	2,258,313	2,339,137
Social security costs	266,048	276,165	266,048	276,165
Pension costs	319,546	393,875	319,546	392,589
	2,874,112	3,009,177	2,843,907	3,007,891

During the year there were 6 (2019: 9) persons employed by Mineral Products Association Limited whose sole duties relate to The British Precast Concrete Federation Limited. Their costs, which are included above, were recovered in full from The British Precast Concrete Federation Limited during the year, under the terms of the Service Level Agreement, and are included in turnover (note 25).

5 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	28,389	25,224
Operating lease charges	215,913	229,908

6 Auditor's remuneration

Fees payable to the company's auditor and associates:	2020 £	2019 £
For audit services		
Audit of the financial statements of the group and company	18,700	16,900
Audit of the financial statements of the company's subsidiaries	3,600	2,500
	22,300	19,400

6 Auditor's remuneration (Continued)

For other services		
Taxation compliance services	3,850	3,750
All other non-audit services	6,100	5,900
	9,950	9,650

7 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	-	-

The number of directors for whom retirement benefits are accruing under defined benefit schemes amount to nil (2019: nil).

The Company made payments of fees to N C Jackson (director) through Jackson Consulting of £230,426 (2019: £233,697) and expenses were reimbursed to him of £949 (2019: £3,827).

8 Interest receivable and similar income

	2020	2019
	£	£
Interest income		
Interest on bank deposits	3,646	5,658

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	3,646	5,658

9 Interest payable and similar expenses

	2020	2019
	£	£
Other finance costs:		
Net interest on the net defined benefit liability	2,000	14,000

10 Taxation

	2020	2019
	£	£
Deferred tax		
Origination and reversal of timing differences	5,965	2,884

The UK main corporation tax rate was expected to reduce to 17% from 1 April 2020, as announced in the Finance Bill 2016, which was substantively enacted on 12 September 2016.

In the Budget of 11 March 2020, the Chancellor announced the reversal of the previously enacted reduction in the rate of corporation tax. This reversal was subsequently confirmed by a resolution under the Provisional Collection of Taxes Act 1968, which set the rate at 19%. Deferred tax has been recognised at the 31 December 2020 enacted rate.

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2020	2019
	£	£
Profit before taxation	55,161	47,626
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	10,481	9,049
Tax effect of expenses that are not deductible in determining taxable profit	388	4,715
Effect of change in tax rates	-	(10,880)
Tax charged at different rates	(4,904)	-
Taxation charge for the year	5,965	2,884

The Group has approximately £1,029,000 (2019: £1,032,000) of losses available to be carried forward against future trading profits. The Group has deferred tax assets of £5,714 (2019: £6,235) in respect of fixed asset timing differences and £248,181 (2019: £227,195) in respect of losses and other deductions. The value of these deferred tax assets has not been recognised in these financial statements as the Group does not expect to make significant taxable profits in the foreseeable future.

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2020	2019
	£	£
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	(51,680)	72,770

11 Tangible fixed assets

Group	Fixtures and fittings £
Cost	
At 1 January 2020	251,623
Additions	16,851
At 31 December 2020	268,474
Depreciation and impairment	
At 1 January 2020	209,425
Depreciation charged in the year	28,389
At 31 December 2020	237,814
Carrying amount	
At 31 December 2020	30,660
At 31 December 2019	42,198

Company	Fixtures and fittings £
Cost	
At 1 January 2020	251,623
Additions	16,851
At 31 December 2020	268,474
Depreciation and impairment	
At 1 January 2020	209,425
Depreciation charged in the year	28,389
At 31 December 2020	237,814
Carrying amount	
At 31 December 2020	30,660
At 31 December 2019	42,198

12 Fixed asset investments

		Group		Company	
		2020	2019	2020	2019
	Notes	£	£	£	£
Investments in subsidiaries	13	-	-	1	1

Movements in fixed asset investments
Company

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2020 and 31 December 2020	1
Carrying amount	
At 31 December 2020	1
At 31 December 2019	1

13 Subsidiaries

Details of the Company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Concrete Thinking Limited	Gillingham House 4th Floor, 38-44 Gillingham Street, London, SW1V 1HU	Dormant	Ordinary	100	-
The British Cement Association	Gillingham House 4th Floor, 38-44 Gillingham Street, London, SW1V 1HU	Non-trading	N/A	0	-

The British Cement Association Limited ("BCA") is a company limited by guarantee. Mineral Products Association Limited ("MPA") entered into a memorandum of understanding with BCA on 2 March 2009 that led to MPA controlling the operations of BCA. As a result of this BCA was consolidated from this date on the basis that it is directly controlled by MPA. However MPA has no rights to the assets of, nor obligation for the liabilities of, BCA.

14 Debtors

	Group 2020	2019	Company 2020	2019
Amounts falling due within one year:	**£**	**£**	**£**	**£**
Trade debtors	3,209,508	4,820,494	3,209,508	4,820,494
Amounts owed by group undertakings	-	-	-	64,217
Other debtors	62,418	57,503	61,044	57,503
Prepayments and accrued income	156,921	189,698	156,921	189,698
	3,428,847	5,067,695	3,427,473	5,131,912
Deferred tax asset (note 16)	69,633	23,918	69,633	23,918
	3,498,480	5,091,613	3,497,106	5,155,830

15 Creditors: amounts falling due within one year

	Group 2020	2019	Company 2020	2019
	£	**£**	**£**	**£**
Trade creditors	348,592	282,882	348,592	282,882
Other taxation and social security	1,660,289	811,948	1,660,289	811,922
Other creditors	375,933	672,434	106,488	365,889
Accruals and deferred income	3,506,376	4,050,207	3,506,377	4,050,208
	5,891,190	5,817,471	5,621,746	5,510,901

16 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

	Assets 2020	Assets 2019
Group	**£**	**£**
Accelerated capital allowances	(4,616)	(5,854)
Tax losses	648	809
Retirement benefit obligations	68,590	24,480
Other timing differences	5,011	4,483
	69,633	23,918

16 Deferred taxation (Continued)

Company	Assets 2020 £	Assets 2019 £
Accelerated capital allowances	(4,616)	(5,854)
Tax losses	648	809
Retirement benefit obligations	68,590	24,480
Other timing differences	5,011	4,483
	69,633	23,918

Movements in the year:	Group 2020 £	Company 2020 £
Asset at 1 January 2020	(23,918)	(23,918)
Charge to profit or loss	5,965	5,965
Credit to other comprehensive income	(51,680)	(51,680)
Asset at 31 December 2020	(69,633)	(69,633)

The deferred tax asset set out above relating to decelerated capital allowances and other timing differences is expected to reverse within 12 months. The deferred tax asset on the retirement benefit obligations will reverse when the actuarial loss is extinguished.

17 Retirement benefit schemes

The Group operates a defined contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the Group in an independently administered fund. The contributions payable by the Group charged to the statement of comprehensive income amounted to £311,053 (2019: £341,589).

Defined benefit schemes

Mineral Products Association Limited operates a defined benefit plan for qualifying employees "QPA Scheme". Under the QPA Scheme, the employees are entitled to retirement benefits varying between 40 and 65 per cent of final salary on attainment of a retirement age of 60. Details of the defined benefit plan are given as below.

No other post-retirement benefits are provided. The scheme is a fully funded scheme.

The most recent comprehensive actuarial valuation of the plan assets and the present value of the defined benefit obligation of the QPA Scheme was carried out at 31 December 2020.

Key assumptions	**2020** %	**2019** %
Discount rate	1.0	1.7
Expected rate of increase of pensions in payment	3.0	2.8

Mortality assumptions	**2020**	**2019**
Assumed life expectations on retirement at age 65:	**Years**	**Years**
Retiring today		
- Males	21.6	21.5
- Females	23.4	23.2
Retiring in 20 years		
- Males	22.6	22.5
- Females	24.6	24.4

Amounts recognised in profit and loss	**2020** £	**2019** £
Net interest on defined benefit liability/(asset)	2,000	14,000
Other costs and income	56,000	51,000
Total costs	58,000	65,000

17 Retirement benefit schemes (Continued)

Amounts taken to other comprehensive income	**2020** £	**2019** £
Actual return on scheme assets	(343,000)	(637,000)
Less: calculated interest element	87,000	123,000
Return on scheme assets excluding interest income	(256,000)	(514,000)
Actuarial changes related to obligations	528,000	131,000
Total costs/(income)	272,000	(383,000)

The amounts included in the balance sheet arising from the Company's obligations in respect of defined benefit plans are as follows:

	Group **2020** £	**2019** £	**Company** **2020** £	**2019** £
Present value of defined benefit obligations	5,687,000	5,413,000	5,687,000	5,413,000
Fair value of plan assets	(5,326,000)	(5,269,000)	(5,326,000)	(5,269,000)
Deficit in scheme	361,000	144,000	361,000	144,000
Total liability recognised	361,000	144,000	361,000	144,000

Movements in the present value of defined benefit obligations	**Group** **2020** £	**Company** **2020** £
Liabilities at 1 January 2020	5,413,000	5,413,000
Benefits paid	(343,000)	(343,000)
Actuarial gains and losses	528,000	528,000
Interest cost	89,000	89,000
At 31 December 2020	5,687,000	5,687,000

The defined benefit obligations arise from plans funded as follows:	**Group** **2020** £	**Company** **2020** £
Wholly unfunded obligations	361,000	361,000
Wholly or partly funded obligations	5,326,000	5,326,000
	5,687,000	5,687,000

17 Retirement benefit schemes (Continued)

Movements in the fair value of plan assets	**Group 2020 £**	**Company 2020 £**
Fair value of assets at 1 January 2020	5,269,000	5,269,000
Interest income	87,000	87,000
Return on plan assets (excluding amounts included in net interest)	256,000	256,000
Benefits paid	(343,000)	(343,000)
Contributions by the employer	113,000	113,000
Other	(56,000)	(56,000)
At 31 December 2020	5,326,000	5,326,000

The analysis of the scheme assets at the reporting date were as follows:

	Group 2020 £	**2019 £**	**Company 2020 £**	**2019 £**
Equity instruments	1,529,000	1,471,000	1,529,000	1,471,000
Other assets	141,000	171,000	141,000	171,000
Liability driven investments	764,000	565,000	764,000	565,000
Diversified group funds	1,487,000	1,428,000	1,487,000	1,428,000
Diversified credit funds	1,405,000	1,634,000	1,405,000	1,634,000
	5,326,000	5,269,000	5,326,000	5,269,000

18 Reserves

Profit and loss reserves
Reserves represent cumulative profit and loss, net of distributions to owners.

MINERAL PRODUCTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Cash generated from group operations

	2020	2019
	£	£
Profit for the year after tax	49,196	44,742
Adjustments for:		
Taxation charged	5,965	2,884
Finance costs	2,000	14,000
Investment income	(3,646)	(5,658)
Depreciation and impairment of tangible fixed assets	28,389	25,224
Pension scheme non-cash movement	(57,000)	(60,000)
Movements in working capital:		
Decrease in debtors	1,638,848	76,270
Increase/(decrease) in creditors	73,719	(349,590)
Cash generated from/(absorbed by) operations	1,737,471	(252,128)

20 Cash generated from operations - company

	2020	2019
	£	£
Profit for the year after tax	49,196	44,742
Adjustments for:		
Taxation charged	5,965	2,884
Finance costs	2,000	14,000
Investment income	(3,320)	(4,862)
Depreciation and impairment of tangible fixed assets	28,389	25,224
Pension scheme non-cash movement	(57,000)	(60,000)
Movements in working capital:		
Decrease/(increase) in debtors	1,704,439	(15,134)
Increase/(decrease) in creditors	110,845	(243,630)
Cash generated from/(absorbed by) operations	1,840,514	(236,776)

21 Analysis of changes in net funds - group

	1 January 2020	Cash flows	31 December 2020
	£	£	£
Cash at bank and in hand	966,799	1,724,266	2,691,065

22 Analysis of changes in net funds - company

	1 January 2020	Cash flows	31 December 2020
	£	£	£
Cash at bank and in hand	596,011	1,826,983	2,422,994

23 Members' Liability

Mineral Products Association Limited is a company limited by guarantee and not having a share capital. In the event of the Company being wound up the liability of each member is limited to £10.

24 Operating lease commitments

Lessee
Operating lease payments represent rental payable by the Group for its properties, for motor vehicles and for office equipment. Motor and equipment leases are negotiated for an average of 3-5 years with fixed rental payments due.

At the reporting end date the Group and Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Within one year	181,886	207,377	181,886	207,377
Between one and five years	155,846	337,429	155,846	337,429
	337,732	544,806	337,732	544,806

25 Related party transactions

Transactions with related parties
The levy income is derived from member companies. Those same member companies appoint from among themselves representatives who serve on the Board who are, for Companies Act purposes, directors of the Company. These representatives are also directors or senior executives of the member company. These key management personnel received no compensation for services rendered during the year (2019: £nil).

Mineral Products Association Limited has funded The Quarry Products Pension Scheme in that it operates and funds the pensions paid to members of the Scheme in retirement and is periodically reimbursed by the Pension Scheme. At 31 December 2020 the Scheme owed the Association £59,748 (2019: £45,801).

During the year subscriptions of £85,558 (2019: £376,506) were invoiced on behalf of British Precast Concrete Federation (BPCF), a member company.

Mineral Products Association Limited charged BPCF £241,394 (2019: £380,815) in respect of staff costs of the MPA employees whose sole duties relate to BPCF (see note 4).

In addition Mineral Products Association Limited charged BPCF management fees of £63,000 (2019: £60,000), services provided under the Service Level Agreement of £65,000 (2019: £17,302), third party subscriptions of £16,724 (2019: £16,568), and other costs of £234,646 (2019: £165,672). BPCF charged and re-charged Mineral Products Association Limited £334,338 (2019: £376,795) in respect of joint member invoices and £7,600 (2019: £16,795) in respect of other costs.

At 31 December 2020 the amount due by BPCF to Mineral Products Association Limited, shown as trade debtors, was £308,652 (2019: £81,377). In addition a balance of £1,196 due from BPFC is included in other debtors (2019: £741) and a balance of £5,365 due to BPCF is included in other creditors (2019: £5,365).

At 31 December 2020 the Company was owed £nil by The British Cement Association, a company controlled by The Mineral Products Association Limited through a Memorandum of Understanding dated 2 March 2009 (2019: £64,217).

26 Controlling party

There is no ultimate controlling party.