

Financial Statements Campden BRI (Nutfield)

For the year ended 31 December 2020

Registered number: 02690377



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Campden BRI (Nutfield)

(A company limited by guarantee)

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Financial statements for the year ended 31 December 2020

Company Information

Directors

S Armstrong (from 12 October 2020 to 3 December 2020)
J C G Davies (to 15 May 2020)
P J Headridge (from 6 January 2020)
S C Huscroft (to 31 December 2020)
C Ikpeme

Company secretary

C Ikpeme

Registered number

02690377

Registered office

c/o Campden BRI
Station Road
Chipping Campden
Gloucestershire
GL55 6LD

Independent auditor

Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

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Financial statements for the year ended 31 December 2020

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Strategic Report

Introduction

The principal activity of the Campden BRI Group is the provision of scientific and technical services to the food and drink supply chain. This is achieved through the provision of a broad portfolio of services to member companies and to commercial and Government clients. These activities are focused under five key business platforms:

Membership
Research and innovation
Analytical services
Consultancy
Knowledge management

These platforms are described in more detail in the financial statements of Campden BRI.

Business review

Turnover decreased from £4,038,475 last year to £3,617,556 and loss before tax increased from £140,622 to £213,505. A trading review for the Group and the impact of covid 19 is set out in the accounts of Campden BRI.

COVID-19

COVID-19 continues to represent a significant challenge to the Group. Despite serving the essential food and drink industry, the pandemic had an adverse impact on demand such that revenue was 14% down on the previous year.

The most severe impact has been seen in Q2 of 2020 with the training business and sensory services being worst affected. Q3 and Q4 showed a steady recovery but did not achieve 2019 levels.

The Group reacted positively taking action to ensure the viability of the business and maintain delivery of all services to its members and customers throughout the pandemic.

Where possible, training and auditing services were revised to be delivered remotely. Employees were supported to work from home where possible, whilst for on-site activities, COVID-secure environments were introduced. Adequate inventory of key materials was maintained, and additional suppliers of PPE have been sourced where necessary.

Cost reduction and capital expenditure restrictions have been introduced, and government-backed assistance support schemes are being accessed where necessary. The business began the year with cash reserves of £2m and has arranged sufficient liquidity for future anticipated financial scenarios and the board has put in place additional monitoring of both financial performance and demand forecasting.

The Group continues to respond and take decisive action as the pandemic continues and the board would like to thank everyone at Campden BRI for the way they have responded to the challenge. Safely supporting our staff remains a top priority of the Board and Campden BRI is open for business to support our members and clients.

Key performance indicators

Campden BRI Group monitors the health of the business through a range of measures: financial performance; health and safety, staff investment; infrastructure and capital investment; standards of service; marketing and communications, client feedback, and business development. These are reviewed and monitored by the senior management team on a regular basis and reported to the non-Executive Board as required.

The Group has comprehensive monthly financial management reporting to help ensure effective review of the business.

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	2020 No. / %	2019 No. / %
Health and safety		
RIDDOR accidents	1	2
Reportable accidents*	1	3
Near misses to accidents ratio	6.5:1	5.6:1
Marketing and communication		
Visits to website	491,108	441,641
Online news monitoring	132,270	77,676
Member Interest Group attendees	928	894
Staff investment		
Staff turnover as a % of average workforce	33.69%	18.11%
Training hours as a % of total hours	2.14%	4.53%
Sickness hours as a % of total hours	2.33%	2.61%

*Notified individually to the board of directors

Principal risks and uncertainties

The Company is part of the Campden BRI Group of companies. The principal risks of the Company correspond to those of the Group, and therefore the statements below refer to the Group.

Operating Structure

To optimise alignment to our client's needs, the business has restructured into Analytical Services and Consulting operating units, reporting directly to the Chief Executive Officer.

This will ensure we deliver client-focused services while ensuring lean and efficient processes. Individual profit responsibility is now directly with these operating units. This is aided by having the Enquiry Handling team embedded within the operating units ensuring more rapid turnaround of requests into the business. Business functions have been enhanced to better serve clients with additional resources for Marketing and Sales, and to support our employee initiatives, a Director of Human Resources has been appointed.

Risk management

The management of the business has identified a number of risks in the execution of the Group's strategy. The breadth of the Group's business and its reputation means that there are no direct competitors for the business as a whole, although there are a number of businesses who compete directly in certain defined areas of the Group's business. A strategic business review for 2021-23 was completed to ensure the business remains relevant to our membership's needs and financially robust.

Market and commercial risks

The strong and active membership helps ensure that Campden BRI remains close to its core client base, allowing it to respond effectively and efficiently to their changing needs in both the short and medium term. Campden BRI has actively reduced its reliance on UK Government funding, as they continue to face budget challenges and increased uncertainty. Although tenders are reviewed for appropriateness, income is derived mainly from Membership fees (19%) and Commercial contracts (76%).

Operational risks

Business management practices and performance are detailed in a comprehensive business management system

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(A company limited by guarantee)**Financial statements for the year ended 31 December 2020****Strategic report (continued)**

overseen by a the Governance, Risk Management and Compliance team. The Group is also externally audited and accredited to ISO 9001 (Campden and Nutfield sites) and ISO 17025 (Campden and Nutfield sites). The Non-Exec Board has continued to appoint and get feedback from two Independent Scientific Advisers who reviewed the activities of Campden BRI, particularly in relation to the use of the Members fees and formal engagement with members. A detailed system for assessing and reporting health and safety is in place and reviewed regularly.

Financial instruments and risks

The Group is exposed to the usual credit and cash flow risks associated with selling on credit and manages these risks through credit control procedures. The nature of its financial instruments means that the price and liquidity risks are minimised by the predetermination of the Group's funding facilities and terms. Monthly accounts are used to aid management.

The Group participates in four DB pension schemes which results in a significant financial risk. As part of a derisking strategy, the Group's participation has been actively managed. The Campden RA Pension Scheme was closed to future accrual of benefits from the end of 2010, the British Beer & Pub Association (BBPA) Group Pension Scheme in 2011 and the Flour Milling and Baking Research and Assurance (FMBRA) Scheme in 2012. The eligibility criteria for joining the Universities Superannuation Scheme (USS) have been amended in 2013, which limits additional future exposure.

The Group also recognises the risks attached to the need to provide adequate profits to maintain investments in facilities, staff and equipment. Capital investment in 2020 was £164,601 (2019 - £312,190) focussed on laboratory and pilot plant equipment, improvements in I.T. and buildings refurbishment.

The board constantly monitors the Group's trading results and revised projections as appropriate to ensure that the Group can meet its future obligations as they fall due. The board does not consider there to be any significant risk to the financial position of the Group as a result of fluctuations on foreign exchange rates deflating or inflating the Group's foreign currency assets and liabilities.

Going concern

The Board assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. The Board make this assessment in respect of a period of one year from the date of approval of the financial statements.

In assessing the going concern status of the Group, the Board has given consideration to the financial resources available and the potential impact of COVID-19 on the business. A range of scenarios have been modelled that reflect the known impact of the pandemic to the date of this report and the positive actions taken to ensure the viability of the Group described earlier in this report.

The base case assumes that demand for services will steadily increase during 2021 towards the more usual levels experienced before the impact of COVID-19 on the economy, and with more of the training and audit services delivered remotely. The forecasts also assume, as has been the case now for many years, that the pension scheme trustees do not insist upon payment of the deficit in full or materially increase the deficit repayment plan. The valuation for the BBPA scheme is at an advanced stage, and the Board and trustees continue to have a good working relationship.

There are many sensitivities behind the assumptions and the base case has been stress tested with revenues and demand returning more slowly than anticipated and also to lower levels than previously experienced. With the financial resources currently available to the Group, even with the additional stress described above, the Board is confident that there is sufficient cash and committed facilities in place for the Group to meet its obligations for the

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Financial statements for the year ended 31 December 2020

Strategic report (continued)

foreseeable future, therefore the Financial Statements have been prepared on a going concern basis.

Statement by the Directors in the performance of their statutory duties in accordance with s172(1) of the Companies Act 2006

The board of directors of Campden BRI, individually and collectively, consider that they have acted in good faith and in a manner likely to promote the company's success for the benefit of its members in the decisions taken during the year.

We have updated and implemented policies, systems, and procedures in line with our responsibilities to our stakeholders during the year.

The company considers that the primary stakeholder groups impacted by its business activities and decisions include its employees, members, clients, pension trustees, lenders, suppliers, and local communities. We recognise the importance of our stakeholders to the success of the business.

We strive to be a responsible employer and engage with our employees. They are fundamental in contributing to both the company's success and delivering the best possible service to our members and clients. As a result, management meets regularly with employee representatives to facilitate an exchange of views to achieve a safe and successful business. In addition, all employees receive weekly business updates from leadership. All employees were individually invited to contribute their ideas to develop the new strategic direction for the company. All staff and their immediate families have access to an employee assistance programme that provides confidential support from counsellors and financial, legal and health advice, and 10 of our employees are trained mental health first aiders.

The experience we deliver to members and clients is integral to the group's brand and drives the business's success. Therefore, we undertook an extensive program of customer satisfaction feedback during the year, which informs our ongoing client experience program.

Suppliers are engaged with regularly as they are vital to the business being able to operate effectively. The directors agree on terms and establish policies to ensure adherence to supplier payment terms.

The Company endeavours to positively impact the local community and environment as it is essential to the staff, customers, and our members. At our company-owned sites, all waste is either recycled or incinerated to generate energy. Over the last ten years, we have planted over 300 trees, around 400 metres of new hedging, and have developed a new wildlife pond and wetland area at the Chipping Campden site.

Key decisions are health, safety and the environment, commercial and financial strategy, capital expenditure, management of the defined benefit pension schemes, and key management personnel's appointment.

Our employees' health, safety and physical and mental welfare is of paramount importance to the directors and is a core value of the company. We also diligently manage our responsibility for others who may be affected by our activities, such as contractors, visitors, and members of the public.

We are focused on continually improving Campden BRI's occupational health and safety performance and are committed to reducing risks by the continuous improvement of safe and effective processes and properly supervised systems of work in conjunction with appropriate consultation, communication, training and monitoring.

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Financial statements for the year ended 31 December 2020

Strategic report (continued)

We have established rigorous and robust processes to ensure that we meet our statutory duties at all times and have appointed competent people to assist us in discharging this duty and in ensuring that a strong health and safety culture is embedded in our business. Health and safety performance is measured and reported on and reviewed at every board meeting, and all safety incidents are investigated thoroughly. We encourage all employees to report accidents and near-misses, and we have monthly prize awards for reporting incidents.

The board is actively involved in developing the three-year strategy for the business, regularly monitoring its delivery against key performance indicators, and approving any significant capital spend above-agreed thresholds.

The board is supported in its essential research activities by co-opted board members who form a Scientific and Technical Committee. This year, the company enhanced scientific resources by the appointment of the Director of Strategic Knowledge Development.

The business is the employer sponsor to the defined benefit schemes, and the active engagement with the trustees is an important business relationship. Meetings are held a minimum of three times per year to brief the trustees on business performance and review the funds' performance and consult on investment and funding decisions.

To help ensure the quality and integrity of essential management information, the directors have invested in a comprehensive data reporting system, segregation of duties and regular oversight, including a robust budgeting process. In addition, the company operates a rolling forecast process to develop the financial plans for the business. It engages with its lenders when required to ensure sufficient liquidity for future anticipated economic scenarios.

The appointment of key staff is essential for shaping strategic decisions and ensuring longer-term succession planning and cultural influence. This year the new role of Director of Human Resources was appointed to strengthen focus and resource in this area.

The above activities help to safeguard the business's success, ensuring that it acts fairly in the interests of the shareholders of the company, including maximising the financial returns to members.

This report was approved by the board on 11 August 2021 and signed on its behalf.

DocuSigned by:

Peter Headridge

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P.J. Headridge
Director

Campden BRI (Nutfield)

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Directors' report

For the year ended 31 December 2020

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

Results

The loss for the year, after taxation, amounted to £213,505 (2019 – loss of £140,622).

Directors

The Directors who served during the year were:

S Armstrong (from J C G Davies (to 15 May 2020)
S C Huscroft (to 31 December 2020)

P J Headridge (from 6 January 2020)
C Ikpeme

Future outlook

The board expects the restructuring of the business this year into client-focused Analytical and Consulting Operating Units to improve both the service to members, and the profitability of the business.

A strategic review has been completed to set the course for the next three years and position the business for success in meeting the opportunities and challenges of the departure from the European Union in 2021

Employees

Our people are committed to sharing their technical expertise with clients. We build technical capability through advice and training from experienced scientists to develop technical and laboratory skills.

Culture is important at Campden BRI and key to how we deliver results and create a great place to work. We assess our culture through an employee engagement survey where we listen to feedback about how we can make changes on both a team and organisational level. We aim to constantly improve levels of engagement within our business.

We encourage people to be themselves at work and bring their full range of skills. We recruit and promote people based on their talent, experience and technical skills, with an active aim for a diverse workforce. We do not tolerate any form of discrimination.

The external environment has been challenging through 2020 with Covid-19 restrictions introducing new pressure on our people. We have introduced fully trained Mental Health First Aiders to support individuals who are experiencing mental health difficulties and help them find help. All people managers have been through a mental health awareness training and continue to support their teams.

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(A company limited by guarantee)**Directors' report (continued)****For the year ended 31 December 2020****Directors' insurance**

The Company maintains insurance policies on behalf of all the Directors against liability arising from negligence, breach of duty and breach of trust in relation to the company.

Streamlined Energy and Carbon Reporting (SECR)

Stated below is the Group's energy consumption, in kilowatt hours (kWh), and associated greenhouse gas ("GHG") emissions, in tonnes of carbon dioxide equivalent (tCO₂e), and additional related information for the year, as required under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018

The methodology applied to the calculation of GHG emissions is the GHG Protocol Corporate Accounting and Reporting Standard which is available on the Greenhouse Gas Protocol website at www.ghgprotocol.org/corporate-standard.

Conversion factors have been taken from the UK Government's Greenhouse gas reporting: conversion factors 2020 which are available from the Government's website at

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020>

	kWh
Total Energy Consumption (Scope 1 and Scope 2 - see below)	5,440,910
	tCO ₂ e
Emissions resulting from activities for which the Group is responsible involving the combustion of gas or the consumption of fuel for the purpose of transport (Scope 1)	606
Emissions resulting from the purchase or electricity by the Group for its own use, including for the purpose of transport (Scope 2)	510
Total emissions (Scope 1 and Scope 2)	1,116
Intensity Ratio (Scope 1 and Scope 2 emissions of tCO ₂ e per £million of UK turnover)	56.85

Energy efficiency improvements made during the year:

- For company-owned sites, electricity contracts have been converted to renewable source energy.
- Continued the replacement program of replacing existing lighting with LED lighting
- Upgraded heating and hot water supply pipework lagging to laboratories.
- Replaced 5 Air-conditioning units with high-efficiency units.
- Optimised the use of the buildings management system to reduce plant running times.
- Increased use of video conferencing technology to meetings to reduce travel requirements.

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Directors' report (continued)

For the year ended 31 December 2020

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, 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); including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Directors are aware, there are no relevant audit information of which the Company's auditor is unaware, and
- that Directors have taken all the steps that ought to have been taken as Directors in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Hazlewoods LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 11 August 2021 and signed on its behalf.

DocuSigned by:

Peter Headridge

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P.J. Headridge

Director

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**Independent auditor's report to the members of Campden BRI
and its subsidiary undertakings
(registered number 00510618)**

Opinion

We have audited the financial statements of Campden BRI (the 'parent company') and its subsidiary undertakings (the 'Group') for the year ended 31 December 2020, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Financial Position, Company Statement of Financial Position, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 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; and
- 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 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 director's 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 ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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Independent auditor's report to the members of Campden BRI and its subsidiary undertakings (registered number 00510618)

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter 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 Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Report of the Board have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group or the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Board.

We have nothing to report in respect of the following matters where 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 10, 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 or the parent company's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

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Independent auditor's report to the members of Campden BRI and its subsidiary undertakings (registered number 00510618)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the operations of the company. We determined that the most significant laws and regulations included United Kingdom Generally Accepted Accounting Practice and Companies Act 2006.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, and those responsible for legal and compliance procedures.

We assessed the susceptibility of the company's financial statements to material misstatement including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- identifying and testing journal entries, in particular any journal entries with unusual characteristics.

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

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

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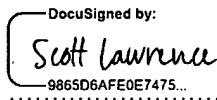
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Independent auditor's report to the members of Campden BRI and its subsidiary undertakings (registered number 00510618)

Use of report

This report is made solely to the parent 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 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 parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Scott Lawrence FCA
Senior Statutory Auditor
for and on behalf of Hazlewoods LLP
Statutory Auditor
Cheltenham

Date : 31 August 2021

Campden BRI (Nutfield)**15****(A company limited by guarantee)**

Statement of comprehensive income

For the year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	2	3,617,556	4,038,475
Cost of sales		<u>(2,124,217)</u>	<u>(2,655,883)</u>
Gross profit		1,493,339	1,382,592
Administrative expenses - normal		(1,605,684)	(1,548,214)
Administrative expenses - exceptional	5	(245,095)	-
Other operating income	3	<u>111,135</u>	<u>-</u>
Operating loss	4	(246,305)	(165,622)
Other finance income	7	<u>32,800</u>	<u>25,000</u>
Loss on ordinary activities before taxation		(213,505)	(140,622)
Tax on loss on ordinary activities	8	<u>-</u>	<u>-</u>
Loss for the financial year		(213,505)	(140,622)
Other comprehensive income			
Value adjustments on fixed assets		-	3,969,076
Gains and losses on defined benefit pension obligations	12	<u>951,938</u>	<u>111,021</u>
Total comprehensive income for the year attributable to the parent's owners		<u>738,433</u>	<u>3,939,475</u>

All amounts relate to continuing operations.

The notes on pages 18 to 32 form part of these financial statements.

Campden BRI (Nutfield)**16****(A company limited by guarantee)****Statement of changes in equity****For the year ended 31 December 2020**

	Revaluation reserve	Retained earnings	Total
	£	£	£
At 1 January 2019	-	(710,563)	(710,563)
Loss for the year	-	(140,622)	(140,622)
Value adjustments on fixed assets	3,969,076	-	3,969,076
Grains and losses on defined benefit pension obligations	-	111,021	111,021
Total comprehensive income for the period	3,969,076	(29,601)	3,939,475
Balance as at 31 December 2019	3,969,076	(740,164)	3,228,912

	Revaluation reserve	Retained earnings	Total
	£	£	£
At 1 January 2020	3,969,076	(740,164)	3,228,912
Loss for the year	-	(213,505)	(213,505)
Grains and losses on defined benefit pension obligations	-	951,938	951,938
Total comprehensive income for the period	-	738,433	738,433
Balance as at 31 December 2020	3,969,076	(1,731)	3,967,345

The notes on pages 18 to 32 form part of these financial statements.

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Registered number 02690377

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(A company limited by guarantee)

Statement of financial position

As at 31 December 2020

		2020		2019	
	Note	£	£	£	£
Fixed assets					
Property, plant and equipment	9		5,891,723		6,037,359
Current assets					
Debtors	10	948,833		889,974	
Cash in hand		<u>1,973</u>		<u>1,831</u>	
		950,806		891,805	
Creditors: amounts falling due within one year	11	<u>(3,053,419)</u>		<u>(2,954,551)</u>	
Net current liabilities			<u>(2,102,613)</u>		<u>(2,062,746)</u>
Total assets less current liabilities			3,789,110		3,974,613
Defined benefit pension scheme asset/(liability)	12		<u>178,235</u>		<u>(745,701)</u>
Net assets/(liabilities) including pension scheme liabilities			<u>3,967,345</u>		<u>3,228,912</u>
Capital and reserves					
Revaluation reserve			3,969,076		3,969,076
Profit and loss account			<u>(1,731)</u>		<u>(740,164)</u>
			<u>3,967,345</u>		<u>3,228,912</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 August 2021.

DocuSigned by:

Peter Headridge

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P.J. Headridge

Director

The notes on pages 18 to 32 form part of these financial statements.

Campden BRI (Nutfield)

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(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by certain financial assets being measured at fair value through profit and loss.

Campden BRI (Nutfield) ('the Company') is a company limited by guarantee registered and domiciled in England and Wales. The registered company number is 02690377 and the registered office is Station Road, Chipping Campden, Gloucestershire, GL55 6LD. 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 principal activity of the Company is the practical application of technical excellence for the food and drink chain.

The financial statements are presented in Sterling, the functional and presentational currency of the Company.

Going Concern

The Board assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. The Board make this assessment in respect of a period of one year from the date of approval of the financial statements. The Board have prepared forecasts that they believe are prudent and anticipate that the Company will be able to continue to operate for at least the next 12 months from signing of its balance sheet. As described in the Strategic Report, the Board has considered the financial resources available and the potential impact of COVID-19 on the business. As has been the case for many years, the Board anticipates that the pension scheme trustees do not insist upon payment of the deficit in full or materially increase the deficit repayment plan. The valuation for the BBPA scheme is at an advanced stage, and the Board and trustees continue to have a good working relationship. There is also an amount owing to Group companies of £2.8m. The Board has received assurance that this intercompany debt will not be called in. The Directors have therefore prepared the accounts on a going concern basis.

1.2 Cash flow

The Company, being a member of a Group that prepares publicly available consolidated financial statements which give a true and fair view, has taken advantage of the exemption available to qualifying entities under FRS 102, "Reduced disclosures for subsidiaries (and ultimate parents)" from preparing a cash flow statement.

Campden BRI (Nutfield)**(A company limited by guarantee)****19**

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting policies (continued)

1.3 Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Estimates

Revenue recognition

The recognition of revenue on long term contracts is subject to estimates in respect of the stage of project completion and the overall profitability of the contract. Details of the methodology applied can be found in the accounting policies set out in note 1.4.

Valuation of freehold property

The Freehold land and buildings are carried in the financial statements at a revalued amount of £5,400,000 less depreciation. This value is based on a professional valuation by a third party.

Defined benefit pension schemes

The measurement of obligations under defined benefit pension scheme arrangements is subject to a number of highly sensitive assumptions, details of which are given in note 12 of the financial statements. The carrying value of amounts recognised in the financial statements in respect of defined benefit pension obligations are £178,235 (2019: £745,701). Where the fair value of pension scheme assets exceed the present value of pension scheme obligations, the surplus is only recognised to the extent that the company is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. At 31 December 2020, a surplus of £nil (2019: £nil) has not been recognised.

Judgements

Deferred tax

The company is subject to UK corporation tax and judgement is required in determining the provision for income and deferred taxation. The company recognises taxation assets and liabilities based upon estimates and assessments of many factors including judgements about the outcome of future events. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. At 31 December 2020 the company has not recognised a deferred tax asset in respect of defined benefit pension scheme obligations or losses (2019: £nil) due to uncertainty over future recovery.

Campden BRI (Nutfield)**20****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****1. Accounting policies (continued)****1.4 Turnover**

Turnover is the total amount receivable by the Company for services provided, excluding VAT and trade discounts. Turnover comprises work done on research projects together with amounts receivable in respect of members' subscriptions and other income. It is recognised on a systematic basis as the conditions relating to the revenue are met.

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.5 Grant income

Government grants are recognised in revenue on a systematic basis over the life of the grant as the conditions related to the grant are met. Government grants become repayable when the conditions of the grant are not met.

1.6 Property, plant and equipment

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years
Plant and equipment	-	3 to 10 years
Motor vehicles	-	4 years

Any revaluation increase in the carrying amount of land and buildings is recognised in other comprehensive income and included in a revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the income statement, in which case the increase is credited to the income statement to the extent of the decrease previously expended. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve in equity; decreases exceeding the balance in revaluation reserve relating to an asset are recognised in the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset recognised in the income statement and depreciation based on the asset's original cost is transferred from revaluation reserve to retained earnings.

Campden BRI (Nutfield)

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(A company limited by guarantee)

Notes to the financial statements (continued)

For the year ended 31 December 2020

1. Accounting policies (continued)

1.7 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using tax rates and laws that have been enacted or substantively enacted.

A deferred tax asset or liability is recognised for tax recoverable or payable in future periods in respect of transactions and events recognised in the financial statements of current and previous periods.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. Timing differences result from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date apart from certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing differences.

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the statement of financial position date or if appropriate at the forward contract date. Non-monetary assets denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of acquisition of the asset. Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. All revaluation differences are taken to the income statement.

Campden BRI (Nutfield)

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(A company limited by guarantee)**Notes to the financial statements (continued)****For the year ended 31 December 2020****1. Accounting policies (continued)****1.9 Basic financial instruments***Trade and other debtors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. All are payable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.10 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

Defined Benefit Pension Schemes

The Company also operates two defined benefit schemes providing benefits based on final pensionable pay.

Universities Superannuation Scheme

The assets of the scheme are held separately from those of the Company, being invested by the scheme's investment managers. Contributions to the scheme are paid by the Company.

It is not possible to identify the Company's share of the underlying assets and liabilities in the Scheme. Therefore, under FRS 102, with the exception of the obligations arising under deficit funding agreements, the scheme is accounted for as if it were a defined contribution scheme with employer contributions payable in the period expensed in the income statement. Differences between contributions payable in the period and contributions paid are shown either as accruals or prepayments in the Statement of financial position.

Campden BRI (Nutfield)**23****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****1. Accounting policies (continued)**

The Company and other participating employers have entered into a deficit funding agreement with the USS. The present values of the Company's commitments under this agreement have been recognised as a liability in the Statement of financial position. The discount rate used reflects that used in the valuation of the British Beer & Pub Association Scheme as set out below. The obligation recognised represents an employer contribution of 2.4% to 9.5% (total employer contribution 18% increasing gradually to 24.2%) to be made until 30 June 2034, in accordance with the scheme schedule of contributions.

British Beer & Pub Association Group Pension Fund

The assets of the scheme are held separately from those of the Company, being invested through investment management companies. Contributions to the scheme are paid by the company. Full actuarial valuations, by a professionally qualified actuary are obtained at least every three years, and updated to reflect current conditions at each statement of financial position date. The date of the last full actuarial valuation was 30 September 2017.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis and are discounted at the appropriate high quality corporate bond rates.

The net surplus or deficit, adjusted for deferred tax where appropriate is presented separately from other net assets on the Statement of financial position as part of the Company's pension scheme liability. A net surplus is recognised only to the extent that it is recoverable by the Company.

The current service cost and costs from settlements and curtailments are charged to the income statement. Interest on the scheme liabilities and on scheme assets are included in other finance costs. Actuarial gains and losses, and the expected return on scheme assets, are reported in other comprehensive income.

Campden BRI (Nutfield)**24****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****2. Turnover**

A geographical analysis of turnover is as follows:

	2020	2019
	£	£
United Kingdom	2,587,656	2,737,493
Rest of European Union	677,314	673,449
Rest of world	352,586	627,533
	<u>3,617,556</u>	<u>4,038,475</u>

3. Other operating income

	2020	2019
	£	£
Coronavirus Job Retention Scheme	<u>111,135</u>	<u>-</u>

4. Operating loss

The operating loss is stated after charging:

	2020	2019
	£	£
Depreciation – tangible fixed assets owned	153,217	170,714
Profit on disposal of fixed assets	7,000	-
Auditor's remuneration:		
– audit	5,540	8,394
– non-audit services	<u>3,825</u>	<u>6,613</u>

5. Staff costs

Staff costs, including Directors' remuneration, during the year were as follows:

	2020	2019
	£	£
Wages and salaries	1,290,268	1,471,645
Redundancy and severance pay (exceptional costs)	245,095	-
Social security costs	125,244	143,564
Current service costs under FRS 102 (Note 12)	28,000	21,000
Other pension costs	161,530	145,725
	<u>1,850,137</u>	<u>1,781,934</u>

Campden BRI (Nutfield)**25****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****5. Staff costs (continued)**

The average monthly number of employees, including the Directors, during the year was as follows:

	2020	2019
	No.	No.
Administration and support	3	4
Research and development	56	65
	<u>59</u>	<u>69</u>

6. Directors' remuneration

During the year there were no directors' remuneration, benefits in kind, or retirement benefits accruing to no director (2019- nil). Directors are remunerated in Campden BRI (Chipping Campden) Limited and the disclosures for those directors are shown in those financial statements.

The directors are considered to be the only key management personnel.

7. Other finance income

	2020	2019
	£	£
Interest receivable from group companies	<u>32,800</u>	<u>25,000</u>

8. Taxation

Recognised in the income statement	2020	2019
	£	£
Current tax:		
UK corporation tax charge on loss for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax:		
Amounts charged to the income statement in respect of defined benefit pension scheme obligations	-	-
Change in tax rates	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Total tax in income statement	<u>-</u>	<u>-</u>

Campden BRI (Nutfield)**26****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****8. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	2020	2019
	£	£
Loss on ordinary activities before tax	<u>(213,505)</u>	<u>(140,622)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 – 19%)	(40,566)	(26,718)

Reconciliation of tax charge**Effects of:**

Expenses not deductible for tax purposes	-	172
Fixed asset differences	-	-
Short term timing differences	-	5,215
Deferred tax not recognised	40,566	(145,799)
Changes in tax rate	-	(17,153)
Adjustments in respect of prior periods	-	-
Chargeable gains/losses	-	184,283
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There is a deferred tax asset not recognised of £1,141,616 (2019 - £955,863) on the basis that the timing of its recoverability cannot be assessed with any certainty. The deferred tax asset largely relates to tax losses of £6,917,428 (2019 - £6,657,260) which are available to carry forward against future tax profits.

Campden BRI (Nutfield)**27****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****9. Property, plant and equipment**

	Freehold property £	Plant and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2020	5,400,000	1,492,618	38,365	6,930,983
Additions	-	7,581	-	7,581
Disposals	-	-	(38,365)	(38,365)
At 31 December 2020	5,400,000	1,500,199	-	6,900,199
Depreciation				
At 1 January 2020	6,333	848,926	38,365	893,624
Charge for the year	38,000	115,217	-	153,217
Disposals	-	-	(38,365)	(38,365)
At 31 December 2020	44,333	964,143	-	1,008,476
Net book value				
At 31 December 2020	5,355,667	536,056	-	5,891,723
At 31 December 2019	5,393,667	643,692	-	6,037,359

The freehold land and buildings were revalued on 28 October 2019 by an independent valuer, Resolution property surveyors, on a fair value basis. Resolution have confirmed that the value as at that date was £3,500,000 for the land and £1,900,000 for the buildings.

The historic cost of the freehold land and buildings included above at valuation of £5,400,000 was £2,665,314 and the aggregate depreciation thereon would have been £1,296,581.

No deferred tax has been recognised in respect of the valuation of freehold land and buildings upon the grounds that no significant taxable gains arise.

10. Debtors

	2020 £	2019 £
Amounts owed by Group undertakings	842,865	760,084
Prepayments and accrued income	6,916	12,677
Amounts recoverable on long term contracts	99,052	117,213
	948,833	889,974

Campden BRI (Nutfield)**28****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****11. Creditors: Amounts falling due within one year**

	2020	2019
	£	£
Payments received on account	142,310	45,652
Amounts owed to Group undertakings	2,750,814	2,801,403
Other taxation and social security	37,872	33,589
Other payables	22,512	813
Accruals and deferred income	99,911	73,094
	<u>3,053,419</u>	<u>2,954,551</u>

12. Pension commitments**Defined contribution pension scheme**

The Company operates a defined contribution scheme for certain of its Directors and employees. The scheme is compliant for Auto-Enrolment purposes. The assets of the scheme are held separately from those of the Company in independently administered funds. Contributions are charged to the Statement of comprehensive income as they become payable in accordance with the rules of the scheme.

Defined benefit pension schemes

The Company operates two defined benefit schemes providing benefits based on final pensionable pay.

Universities Superannuation Scheme

The assets of the scheme are held separately from those of the Company, being invested by the scheme's investment managers. Contributions to the scheme are paid by the Company.

It is not possible to identify the Company's share of the underlying assets and liabilities in the scheme. Therefore, under FRS 102, with the exception of the obligations arising under deficit funding agreements, the scheme is accounted for as if it were a defined contribution scheme with employer contributions payable in the period expensed in the Statement of comprehensive income. Differences between contributions payable in the period and contributions paid are shown either as accruals or prepayments in the Statement of financial position.

The Company and other participating employers have entered into a deficit funding agreement with the Universities Superannuation Scheme Limited. The present values of the Company's commitments under this agreement have been recognised as a liability in the Statement of financial position. The discount rate used reflects that used in the valuation of the British Beer & Pub Association Scheme as set out below. The obligation recognised represents an employer contribution of between 2.0% to September 2021 and 6.0% from October 2021 to March 2028. The deficit contribution is part of the total employer contributions 21.1% to September 2021 and 23.7% from October 2021, in accordance with the scheme schedule of contributions.

Campden BRI (Nutfield)**29****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****12. Pension commitments (continued)**

The last formal actuarial valuation of the Universities Superannuation Scheme was as at 31 March 2018. The valuation was carried out using the projected unit method. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the past service liabilities was £67.3 billion indicating a deficit of assets of £3.6 billion, being 95% cover of benefits.

Surpluses or deficits which arise in future valuations may impact on the Company's future contribution commitment. The next formal triennial actuarial valuation is due as at 31 March 2020. The contribution rate will be reviewed as part of each valuation.

British Beer & Pub Association Group Pension Fund

Campden BRI (Nutfield) is a participating employer in the British Beer & Pub Association Group Pension Fund ("the scheme"). The assets of the Scheme are held in a separate trustee administered fund. The Scheme closed to future accrual on 1 December 2011. A schedule of contributions is agreed between the Company and the trustees after each comprehensive actuarial valuation.

The most recent comprehensive actuarial valuation took place as at 30 September 2017 and this showed that Campden BRI (Nutfield)'s share of the Schemes liabilities was 19%. These disclosures have been prepared on the basis that Campden BRI (Nutfield)'s share of Scheme's assets is 19%.

The amounts recognised in the Statement of financial position are as follows:

	2020	2019
	£	£
Present value of funded obligations under the British Beer & Pub Association Group Pension Scheme	347,000	542,000
Present value of deficit funding obligations to the Universities Superannuation Scheme	(168,765)	(745,701)
Surplus/(Deficit) in scheme	178,235	(203,701)
Surplus not recognised	-	(542,000)
Surplus/(Deficit) included in Statement of financial position	178,235	(745,701)
Related deferred tax asset	-	-
Net asset/(liability)	178,235	(745,701)

No surplus was recognised in 2019 in respect of the British Beer & Pub Association Group Pension Fund, as the surplus was not recoverable by the Company.

Campden BRI (Nutfield)**30****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****12. Pension commitments (continued)**

The aggregate amounts recognised in the income statement are as follows:

	2020 £	2019 £
Universities Superannuation Scheme:		
Interest on deficit obligation	-	-
Other defined benefit schemes:		
Scheme expenses	(28,000)	(21,000)
Past service cost	-	-
Net interest on obligation and scheme assets	-	-
	<u>(28,000)</u>	<u>(21,000)</u>

Exceptional expenditure in the year relates to past service costs relating to Guaranteed Minimum Pension (GMP) equalisation.

Movements in the present value of the British Beer and Pub Association Group Pension Fund defined benefit obligation were as follows:

	2020 £	2019 £
Opening defined benefit obligation	3,643,000	3,385,000
Interest cost	76,000	101,000
Actuarial (gains)/losses	249,000	219,000
Past service cost	-	-
Benefits paid	(74,000)	(62,000)
Closing defined benefit obligation	<u>3,894,000</u>	<u>3,643,000</u>

Changes in the fair value of scheme assets were as follows:

	2020 £	2019 £
Fair value of scheme assets at the start of the year	4,185,000	3,767,000
Interest income on scheme assets	87,000	112,000
Return on scheme assets, excluding interest income	41,000	359,000
Scheme administrative costs	(28,000)	(21,000)
Contributions by employer	30,000	30,000
Benefits paid	(74,000)	(62,000)
Fair value of scheme assets at end of year	<u>4,241,000</u>	<u>4,185,000</u>

Campden BRI (Nutfield)**31****(A company limited by guarantee)****Notes to the financial statements (continued)****For the year ended 31 December 2020****12. Pension commitments (continued)**

Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages):

	2020	2019
Discount rate at 31 December	1.3%	2.1 %
Future pension increases	3.0%	3.0%
Inflation assumption	2.2%	2.1%

The assumptions used in determining the overall expected return of the scheme's assets have been set with reference to yields available on government bonds and appropriate risk margins, in accordance with the requirements of FRS 102.

The assets in the scheme were:

	2020	2019
	£	£
Equity	2,061,000	2,034,000
Gilts	1,527,000	1,507,000
Corporate bonds	585,000	577,000
Cash and other	68,000	67,000
	<u>4,241,000</u>	<u>4,185,000</u>

The actual return on assets over the period was:

	<u>128,000</u>	<u>471,000</u>
Present value of funded obligations	3,894,000	3,643,000
Fair value of scheme assets	<u>4,241,000</u>	<u>4,185,000</u>
Surplus in funded scheme	347,000	542,000

Irrecoverable surplus	-	(542,000)
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Net asset in the Statement of financial position

	<u>347,000</u>	-
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Campden BRI (Nutfield)

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(A company limited by guarantee)

Notes to the financial statements (continued)

For the year ended 31 December 2020

13. Financial risk management

The Group is exposed to the usual credit and cash flow risks associated with selling on credit and manages these risks through credit control procedures. The nature of its financial instruments means that the price and liquidity risks are minimised by the predetermination of the Group's funding facilities and terms. Monthly accounts are used to aid management.

14. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. The Company's sole member is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

15. Capital commitments

The Company had no capital commitments as at 31 December 2020 or 31 December 2019.

16. Contingent liabilities

The Company is bound by an unlimited multilateral cross company guarantee arrangement with Campden BRI and Campden BRI (Chipping Campden) Limited. The guarantee is secured by a fixed charge over the freehold land and property at Station Road, Chipping Campden and covers the Group's facility.

17. Ultimate parent undertaking and controlling party

The Company is controlled by its sole member Campden BRI. The results of Campden BRI (Nutfield) are included in the consolidated accounts of Campden BRI. Copies of the consolidated accounts, including the Group's accounting policy for the merger, may be obtained from the Company Secretary, Campden BRI, Chipping Campden, Gloucestershire, GL55 6LD.