

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	British Printing Industries Federation		
Year ended:	31 March 2020		
List No:	CO/101/E		
Head or Main Office:	Unit 2 Villiers Court		
	Meriden Business Park		
	Copse Drive		
	Coventry		
Postcode	CV5 9RN		
Website address (if available)	www.britishprint.com		
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No <input checked="" type="checkbox"/> ('X' in appropriate box)
Chief Executive:	Charles Jarrold		
Contact name for queries regarding the completion of this return:	Steve Oldham		
Telephone Number:	01676 526048		
E-mail:	steve.oldham@bpif.org.uk		

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tcyoung.co.uk

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Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
2				2

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Membership Director	Dale Wallis	None	01 March 2020

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Charles Jarrold	Chief Executive
Peter Allen	Finance Director
Darren Coxon	President
Jacky Sidebottom - Every	Non-Executive Director
James Buffoni	Non-Executive Director
Ian Wilton	Non-Executive Director
Douglas Kinsman	Non-Executive Director
Mark Roberts	Non-Executive Director
Robin Sumner	Non-Executive Director

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£000	£000
	Income			
2,245	From Members	Subscriptions, levies, etc	2,142	2,142
	Investment income	Interest and dividends (gross)		
1		Bank interest (gross)	1	1
		Other (specify)		
2,246		Total Investment Income	1	1
	Other Income	Rents received	6	6
6		Insurance commission	115	115
117		Consultancy fees	964	964
1,074		Publications/Seminars		
		Miscellaneous receipts (specify)		
		Conferences and Events	220	220
171		Project Income	3	3
19		Other Income	26	26
33				
1,420		Total of other income		1,334
3,666		Total income		3,477
		Interfund Transfers IN		
	Expenditure			
1,580	Administrative expenses	Remuneration and expenses of staff	1,544	1,544
121		Occupancy costs	119	119
		Printing, Stationery, Post		
		Telephones		
112		Legal and Professional fees	176	176
		Miscellaneous (specify)		
		Printing, Stationery, Post, Telephone	75	75
93		Miscellaneous (Marketing, IT, etc)	162	162
135		Cost of Sales (Comm)	1,523	1,523
1,407				
3,448		Total of Admin expenses		3,599
	Other Charges	Bank charges	9	9
10		Depreciation	49	49
47		Sums written off		
1		Affiliation fees	87	87
85		Donations		
		Conference and meeting fees	5	5
5		Expenses		
		Miscellaneous (specify)		
		Net return on final salary pension scheme	78	78
226		Net actuarial loss/(gain) pension scheme	-25	-25
267				
		Total of other charges		203
641		Taxation	-53	-53
-39				
4,050		Total expenditure		3,749
		Interfund Transfers OUT		
-384		Surplus/Deficit for year		-272
-3,112		Amount of fund at beginning of year		-3,496
-3,496		Amount of fund at end of year		-3,768

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 7		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at [31 March 2020]

(see notes 19 and 20)

Previous Year		£000	£000
417	Fixed Assets (as at Page 8)	397	397
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		
	Total Investments		
	Other Assets		
6	Sundry debtors		
218	Cash at bank and in hand	351	351
	Stocks of goods		
	Others (specify)		
29	Intangible Fixed Assets	11	
19	Prepayments due over 1 year	14	
383	Trade Debtors	217	
108	Prepayments and Accrued Income due in less than 1 year	124	
763	Total of other assets	717	717
	Total Assets		1,114
-3,496	Revenue Account/ General Fund	-3,768	
	Revaluation Reserve		
	Liabilities		
251	Trade creditors	196	
206	Other taxation and social security	186	
147	Other creditors due in less than one year	209	
265	Accruals and deferred income	347	
604	Intercompany creditors	869	
41	Other creditors due in more than one year		
3,162	Pension liability	3,075	
4,676	Total Liabilities		4,882
1,180	Total Assets		1,114

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £000
Cost or Valuation				
At start of period	529	250	46	825
Additions during period		6	3	9
Less: Disposals		-1	-1	-2
Less: Depreciation	-152	-249	-34	-435
Total to end of period	377	6	14	397
Book Amount at end of period	377	6	14	397
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets	377	6	14	397

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Total Unquoted (as Balance Sheet)	
	Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

Analysis of investment income (Controlling interests)

(see note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes	X	No	
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If Yes name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
BPIF Training Limited	06875770
BPIF Pension Trustees Limited	06679809
BPIF Limited	04331622

Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes		No	X
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If NO, please state the names of the persons in whom the shares controlled by the association are registered.

Company name	Names of shareholders

Unincorporated Employers' Associations

Are the shares which are controlled by the association registered in the names of the association's trustees?

Yes		No	X
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If NO, state the names of the persons in whom the shares controlled by the association are registered.

Company name	Names of shareholders
BPIF Training Limited	British Printing Industries Federation Limited
BPIF Pension Trustees Limited	British Printing Industries Federation Limited
BPIF Limited	British Printing Industries Federation Limited

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£000	£000
Income		
From Members	2,142	2,142
From Investments	1	1
Other Income (including increases by revaluation of assets)	1,334	1,334
Total Income	3,477	3,477
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	3,749	3,749
Funds at beginning of year (including reserves)	-3,496	-3,496
Funds at end of year (including reserves)	-3,768	-3,768
ASSETS		
Fixed Assets		397
Investment Assets		
Other Assets		717
Total Assets		1,114
Liabilities		
Total Liabilities		4,882
Net Assets (Total Assets less Total Liabilities)		-3,768

Notes to the accounts

(see note 34)

All notes to the accounts must be entered on or attached to this part of the return.

Please see attached Statutory Accounts.

Accounting policies

(see notes 35 & 36)

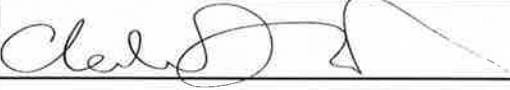

Please see attached Statutory Accounts.

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Please copy and paste your electronic signature here

Chief Executive's Signature:		Finance Director's Signature:	
			(or other official whose position should be stated)
Name:	Charles Jarrold	Name:	Peter Allen
Date:	24 November 2020	Date:	24 November 2020

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Please see attached.

Signature(s) of auditor or auditors:

Janice Riches

Name(s):

Janice Riches

Moore Kingston Smith LLP

Profession(s) or Calling(s):

Senior Statutory Auditor

Address(es)

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date:

24 November 2020

Contact name for enquiries and telephone number:

Janice Riches
020 7566 4000

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

Independent Auditor's Report to the Members of British Printing Industries Federation

Opinion

We have audited the financial statements of British Printing Industries Federation for the year ended 31 March 2020, which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated and Federation Statements of Financial Position, Consolidated and Federation Statement of Changes in Equity, Consolidated Statement of Cash Flows and the 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the Group and the Federation as at 31 March 2020 and of the Group's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of sections 28 to 36 of the Trade Union and Labour Relations (Consolidation) Act 1992

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 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.

Material uncertainty in relation to going concern

We refer to the disclosures set out in note 2 to the financial statements in respect of the preparation of the financial statements on a going concern basis. As stated in the note, the British Printing Industries Federation had net liabilities of £3,058,000 (2019: £2,947,000) as at 31 March 2020, principally in relation to the inclusion of the defined benefit pension liability of £3,075,000 (2019: £3,162,000). As disclosed in note 2, the directors have prepared forecasts and projections that indicate that the Group and Federation will be able to operate within their existing bank facilities and meet all debts as they fall due for a period of at least twelve months from the approval of the financial statements. The financial statements do not include the adjustments that would result if the British Printing Industries Federation was unable to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Independent Auditor's Report to the Members of British Printing Industries Federation (continued)

Other information (continued)

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.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the group's and the Federation'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 Federation 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the Federation to cease to continue as a going concern.

Independent Auditor's Report to the Members of British Printing Industries Federation (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Federation's members, as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken for no purpose other than to draw to the attention of the Federation's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Federation and the Federation's members as a body, for our work, for this report, or for the opinions we have formed.



Janice Riches (Senior Statutory Auditor)

Date: 24 November 2020

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

British Printing Industries Federation

Annual Report and Financial Statements

Year ended 31 March 2020

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Federation Information

Directors	<p>Board of Directors Non Executive Directors Darren Coxon (President) – Pensord Jacky Sidebottom - Every – Glossop Cartons James Buffoni – Ryedale Group Ian Wilton – CDS Doug Kinsman – S G World Mark Roberts – Acorn Web Offset Robin Sumner - Romax</p> <p>Executive Directors Charles Jarrold – Chief Executive Peter Allen – Finance Director</p>
Auditor	<p>Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD</p>
Bankers	<p>Barclays Business Banking Barclays House 1st Floor 5 St Ann's Street East Quayside Newcastle NE1 2BH</p>
Solicitors	<p>Knights Professional Services Limited Midland House West Way Oxford OX2 0PH</p>

Report of the Directors

The Board presents its report for the year ended 31 March 2020, together with the financial statements and auditor's report thereon.

Activities

The British Printing Industries Federation ("the BPIF") is the principal trade association representing businesses in the printing and graphic communications industry in England, Wales and Northern Ireland. The principal purpose is to make representations to the government on matters which affect the industry and its members. In addition to its representational functions, it also provides a wide range of business services through regional business centres. The BPIF owns 100% of the issued share capital of BPIF Training Limited which is the major training provider in the industry.

In the prior year there was exceptional cost of £148k related to the equalisation of guaranteed minimum pension costs (GMP) for the final salary pension scheme following the High Court ruling on 26 October 2018.

These financial statements have been consolidated to include the subsidiaries.

Legal Status

BPIF (unincorporated) is an unincorporated employers' association, listed by the Certification Officer in accordance with Trade Union and Labour Relations (Consolidation) Act 1992. This gives it quasi-corporate status.

Governance

The Chief Executive and a team of executive directors carry out the day-to-day management of the BPIF. This team reports to the Board of Directors, which comprises up to six executive directors, together with up to seven non-executive directors (including the President, and either the immediate Past-President (until he leaves office) or the Vice-President) provided that the number of non-executive directors shall always exceed the number of executive directors. The non-executive directors are appointed by the National Council. The Board meets monthly and is responsible for the strategic management of the BPIF. Certain matters are reserved to the non-executive directors, who have established an Audit Committee (*) and an Appointments and Remuneration Committee (**) to deal with such matters.

The National Council, comprising mainly representatives of the Regions and Sections within the organisation, together with other members holding particular offices, determines the policy of the BPIF. The members of the Board during the year are listed below.

President	Darren Coxon * **
Vice President	Ian Wilton *
Non-Executive Director	Jacky Sidebottom - Every
Non-Executive Director	James Buffoni
Non-Executive Director	Doug Kinsman
Non-Executive Director	Mark Roberts
Non-Executive Director	Robin Sumner
Chief Executive	Charles Jarrold * **
Finance Director	Peter Allen *
Executive Director	Dale Wallis (resigned 1 March 2020)

Report of the Directors (continued)

Responsibilities of the Board of Directors

The Trade Union and Labour Relations (Consolidation) Act 1992 requires the directors and officers of the Federation to:

- keep proper records which give a true and fair view of the state of affairs of the BPIF and explain its transactions;
- establish and maintain a satisfactory system of control of the accounting records, cash holdings and all the receipts and remittances;
- prepare an annual return for the Certification Officer giving a true and fair view of the Income and Expenditure Account and Balance Sheet; and
- provide members of the BPIF with a statement of income and expenditure for the year.

The maintenance and integrity of the corporate and financial information included on the BPIF website is the responsibility of the directors and officers of the Federation. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure of information to auditor

Each of the BPIF directors in office at the date of approval of this annual report confirms that:

- So far as the director is aware, there is no relevant audit information of which the BPIF's auditor is unaware, and
- Each director has taken all the steps that he/she ought to have taken in order to make himself/herself aware of any relevant information and to establish that the BPIF's auditor is aware of that information.

Statement of Going Concern

As disclosed in the Group statement of financial position, the net liabilities as at 31 March 2020 amounted to £3,058,000 (31 March 2019: £2,947,000). The directors note that the deficit is principally a consequence of the inclusion of the pension liability of £3,075,000 (2019: £3,162,000) at the year end. The Group and Federation continue to meet all payments due in respect of the pension scheme and are confident that they will be able to meet all future payments required in order to extinguish the liability in accordance with the recovery plan set out by the scheme actuary.

Subsequent to the year end, the Group and the Federation's activities have been impacted as a result of the Covid-19 pandemic and the government's measures taken to contain it. The directors have considered the Group's and the Federation's financial performance since the balance sheet date and the likely impact on revenues as a result of Covid-19 including the possible reduction in membership subscriptions and, for its training subsidiary, a reduction in the number of new apprenticeships and moving to on-line delivery of training.

Management has prepared cash flow projections for the Group and Federation for the financial period to 31 March 2022 and performed sensitivities on its financial model in the context of Covid - 19 and as a result, whilst the ultimate impact of the pandemic on the Group and Federation cannot currently be quantified, the directors are confident that the Group and the Federation have sufficient resources to enable them to meet their liabilities as they fall due and continue to operate for at least twelve months from the date of approval of these financial statements. Consequently the financial statements have been prepared on a going concern basis.

Notice of meeting

The notice of the Annual General Meeting to be held on 15 December 2020 is to be sent out on or before 24 November 2020.

Report of the Directors (continued)

The report of the Board of Directors was approved by the Board on 24 November 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Darren Coxon', written in a cursive style.

.....
Darren Coxon
President

Independent Auditor's Report to the Members of British Printing Industries Federation

Opinion

We have audited the financial statements of British Printing Industries Federation for the year ended 31 March 2020, which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated and Federation Statements of Financial Position, Consolidated and Federation Statement of Changes in Equity, Consolidated Statement of Cash Flows and the 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the Group and the Federation as at 31 March 2020 and of the Group's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992

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 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.

Material uncertainty in relation to going concern

We refer to the disclosures set out in note 2 to the financial statements in respect of the preparation of the financial statements on a going concern basis. As stated in the note, the British Printing Industries Federation had net liabilities of £3,058,000 (2019: £2,947,000) as at 31 March 2020, principally in relation to the inclusion of the defined benefit pension liability of £3,075,000 (2019: £3,162,000). As disclosed in note 2, the directors have prepared forecasts and projections that indicate that the Group and Federation will be able to operate within their existing bank facilities and meet all debts as they fall due for a period of at least twelve months from the approval of the financial statements. The financial statements do not include the adjustments that would result if the British Printing Industries Federation was unable to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Independent Auditor's Report to the Members of British Printing Industries Federation (continued)

Other information (continued)

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.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the group's and the Federation'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 Federation 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the Federation to cease to continue as a going concern.

Independent Auditor's Report to the Members of British Printing Industries Federation (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Federation's members, as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken for no purpose other than to draw to the attention of the Federation's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Federation and the Federation's members as a body, for our work, for this report, or for the opinions we have formed.



Janice Riches (Senior Statutory Auditor)

Date: 24 November 2020

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Consolidated Income Statement

for the year ended 31 March 2020

	2020	2019
	£'000	£'000
Income from operations		
Subscription income	2,142	2,245
Training income	1,333	1,275
Consultancy services	938	1,138
Commission income	116	116
Project management income	3	19
Conferences and events	232	187
Other income	18	28
	<hr/>	<hr/>
Total income	4,782	5,008
	<hr/>	<hr/>
Cost of operations		
Membership	(1,175)	(976)
Training	(779)	(857)
Consultancy	(129)	(274)
Conferences, events and other costs	(229)	(216)
	<hr/>	<hr/>
Total cost of operations	(2,312)	(2,323)
	<hr/>	<hr/>
Gross profit	2,470	2,685
Other operating expenditure	(2,372)	(2,353)
Write off of irrecoverable debtors	(2)	(11)
Legal and professional fees	(71)	(61)
	<hr/>	<hr/>
Total operating expenditure	(2,445)	(2,425)
	<hr/>	<hr/>

Consolidated Income Statement (continued)

for the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Operating surplus	3	25	260
Other income and expenditure			
Investment income		1	1
		<hr/>	<hr/>
Total other income and expenditure		1	1
		<hr/>	<hr/>
Surplus arising from operations before defined benefit pension costs and taxation		26	261
Defined benefit pension costs			
Net return on final salary pension scheme	7	(78)	(78)
Exceptional Item - past service costs (GMP equalisation)		-	(148)
Scheme servicing costs		(70)	(27)
Pension Scheme Levy		(31)	(29)
		<hr/>	<hr/>
Total defined benefit pension costs	7	(179)	(282)
		<hr/>	<hr/>
Deficit for the year before taxation	3	(153)	(21)
		<hr/>	<hr/>
Taxation	4	17	13
		<hr/>	<hr/>
Deficit for the year after taxation		(136)	(8)
		<hr/> <hr/>	<hr/> <hr/>

This income statement has been prepared on the basis that all operations are continuing operations.

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Deficit for the year		(136)	(8)
Other comprehensive gain / (loss):			
Actuarial gain / (loss) on defined benefit pension scheme	7	25	(267)
		<hr/>	<hr/>
Total comprehensive expenditure for the year		(111)	(275)
		<hr/>	<hr/>

Consolidated Statement of Financial Position

at 31 March 2020

	Note	2020 £'000	2019 £'000
Non-current assets			
Intangible assets	8	11	29
Tangible assets	9	399	420
Prepayments		15	19
		<u>425</u>	<u>468</u>
Current assets			
Debtors	11	636	802
Cash at bank and in hand		421	497
		<u>1,057</u>	<u>1,299</u>
Creditors: Amounts falling due within one year	12	<u>(1,465)</u>	<u>(1,511)</u>
Net current liabilities		<u>(408)</u>	<u>(212)</u>
Total assets less current liabilities		<u>17</u>	<u>256</u>
Creditors: Amounts falling due after more than one year	13	<u>-</u>	<u>(41)</u>
Net assets excluding pension liability		<u>17</u>	<u>215</u>
Pension liability	7	<u>(3,075)</u>	<u>(3,162)</u>
Net liabilities including pension liability		<u>(3,058)</u>	<u>(2,947)</u>
Represented by:			
General Fund		<u>(3,058)</u>	<u>(2,947)</u>
Deficit to members' funds		<u>(3,058)</u>	<u>(2,947)</u>

The financial statements were approved by the Board and authorised for issue on 24 November 2020 and signed on its behalf by:



.....
Darren Coxon
President

Federation Statement of Financial Position

at 31 March 2020

	Note	2020 £'000	2019 £'000
Non-current assets			
Intangible assets	8	11	29
Tangible assets	9	397	417
Investments - subsidiaries	10	-	-
Prepayments		14	19
		<u>422</u>	<u>465</u>
Current assets			
Debtors	11	341	497
Cash at bank and in hand		351	218
		<u>692</u>	<u>715</u>
Creditors: Amounts falling due within one year	12	(1,807)	(1,473)
		<u>(1,115)</u>	<u>(758)</u>
Net current liabilities			
		(1,115)	(758)
Total assets less current liabilities		(693)	(293)
Creditors: Amounts falling due after more than one year	13	-	(41)
		<u>(693)</u>	<u>(334)</u>
Net liabilities excluding pension liability			
		(693)	(334)
Pension liability	7	(3,075)	(3,162)
		<u>(3,768)</u>	<u>(3,496)</u>
Net liabilities including pension liability			
		(3,768)	(3,496)
Represented by:			
General Fund		(3,768)	(3,496)
		<u>(3,768)</u>	<u>(3,496)</u>
Deficit to members' funds			
		(3,768)	(3,496)
		<u>(3,768)</u>	<u>(3,496)</u>

The financial statements were approved by the Board and authorised for issue on 24 November 2020 and signed on its behalf by:



.....
Darren Coxon
President

Consolidated Statement of Changes in Equity

For the year ended 31 March 2020

	Note	General fund £'000	Total £'000
At 31 March 2018		(2,672)	(2,672)
Loss for the year		(8)	(8)
Other comprehensive expenditure			
Re-measurement of net defined benefit liability	7	(267)	(267)
Total comprehensive expenditure for the year		<u>(275)</u>	<u>(275)</u>
At 31 March 2019		(2,947)	(2,947)
Loss for the year		(136)	(136)
Other comprehensive expenditure			
Re-measurement of net defined benefit liability	7	25	25
Total comprehensive expenditure for the year		<u>(111)</u>	<u>(111)</u>
At 31 March 2020		<u>(3,058)</u>	<u>(3,058)</u>

Federation Statement of Changes in Equity

For the year 31 March 2020

	Note	General fund £'000	Total £'000
At 31 March 2018		(3,112)	(3,112)
Loss for the year		(117)	(117)
Other comprehensive expenditure			
Re-measurement of net defined benefit liability	7	(267)	(267)
Total comprehensive expenditure for the year		<u>(384)</u>	<u>(384)</u>
At 31 March 2019		(3,496)	(3,496)
Loss for the year		(297)	(297)
Other comprehensive income			
Re-measurement of net defined benefit liability	7	25	25
Total comprehensive expenditure for the year		<u>(272)</u>	<u>(272)</u>
At 31 March 2020		<u>(3,768)</u>	<u>(3,768)</u>

Consolidated Statement of Cash Flows

for the year ended 31 March 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
(Loss)/Profit for the financial year	(136)	(8)
Adjustments for:		
Amortisation of intangible assets	21	21
Depreciation of tangible assets	31	27
Pension costs	(62)	110
(Increase) / decrease in debtors	170	(80)
Increase / (decrease) in creditors	(87)	145
	<hr/>	<hr/>
Net cash (outflow) / inflow from operating activities	(63)	215
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of intangible assets	(3)	(1)
Purchase of tangible assets	(10)	(22)
	<hr/>	<hr/>
Net cash used in investing activities	(13)	(23)
	<hr/>	<hr/>
Net (decrease) / increase in cash and cash equivalents	(76)	192
Cash and cash equivalents at start of year	497	305
	<hr/>	<hr/>
Cash and cash equivalents at end of year	421	497
	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents consist of:		
Cash at bank and in hand	421	497
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 31 March 2020

1. FEDERATION INFORMATION

British Printing Industries Federation is an unincorporated employers' association listed by the Certification Officer in accordance with Trade Union and Labour Relations (Consolidation) Act 1992, and is domiciled in England and Wales. The registered office is Unit 2 Villiers Court, Meriden Business Park, Copse Drive, Coventry, CV5 9RN.

2. ACCOUNTING POLICIES

Accounting convention

These financial statements have been prepared in accordance with the historical cost convention and in accordance with Section 1A Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the Federation. Monetary amounts in these financial statements are rounded to the nearest £1,000.

The principal accounting policies adopted are set out below:

Going concern

As disclosed in the Group statement of financial position, the net liabilities as at 31 March 2020 amounted to £3,058,000 (31 March 2019: £2,947,000). The directors note that the deficit is principally a consequence of the inclusion of the pension liability of £3,075,000 (2019: £3,162,000) as at the year end. The Group continues to meet all payments due in respect of the pension scheme and the directors are confident that they will be able to meet all future payments required in order to extinguish the liability in accordance with the recovery plan set out by the scheme actuary.

Subsequent to the year end, the Group and the Federation's activities have been impacted as a result of the Covid-19 pandemic and the government's measures taken to contain it. The directors have considered the Group's and the Federation's financial performance since the balance sheet date and the likely impact on revenues as a result of Covid-19 including the possible reduction in membership subscriptions and, for its training subsidiary, a reduction in the number of new apprenticeships and moving to on-line delivery of training.

Management has prepared cash flow projections for the Group and Federation for the financial period to 31 March 2022 taking into account the impact of the pandemic and has also performed sensitivities on their financial model in the context of Covid-19. As a result, whilst the ultimate impact of the pandemic on the Group and Federation cannot currently be quantified, the directors are confident that the Group and the Federation have sufficient resources to enable them to meet their liabilities as they fall due and continue to operate for at least twelve months from the date of approval of these financial statements. Consequently the financial statements have been prepared on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Federation for the year ended 31 March 2020 and of its subsidiary companies for the same period.

The Federation has taken advantage of the exemptions not to prepare an individual income statement for the parent company. The deficit for the year dealt with in the financial statements of the Federation was £297,000 (2019: a deficit of £117,000), before an actuarial gain on the pension scheme of £25,000 (2019: a loss of £267,000).

Notes to the Financial Statements

for the year ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable. Turnover consists of several separate income streams. Income is reported excluding VAT.

Subscription income is recognised when a member renews their annual membership and is spread evenly over the annual term of the membership. Amounts received in the current financial year that relate to the following financial year are treated as deferred income at the reporting end date.

Training income is recognised at the point at which the training takes place and has been evidenced.

Consultancy services income is recognised at invoice value (net of VAT) for the sale of consultancy services provided during the year.

Climate Change Levy income is recognised at invoice value (net of VAT) for the sale of services provided during the year.

All other income represents amounts invoiced or accrued during the year, following the provision of services.

Turnover was derived entirely from the United Kingdom.

Intangible fixed assets

Intangible fixed assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of intangibles less their residual values over their estimated useful lives, using the straight line method as follows:

Software	3 years	Straight line
----------	---------	---------------

Amortisation is charged to operating expenses in the income statement.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is recognised so as to write off the cost of tangible fixed assets less their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to their recoverable amount.

The principal annual rates and bases of depreciation used for other assets are:

Freehold buildings	2%	Straight line
Computer equipment	20-33%	Straight line
Office equipment & furniture and fittings	10-20%	Straight line

Notes to the Financial Statements

for the year ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

Impairment of assets

At each reporting date the Federation reviews the carrying value of its 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.

The recoverable amount of an asset is the higher of the fair value less costs to sell, and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to income statement in other operating expenditure.

Investments

The consolidated financial statements incorporate the financial statements of the Federation and entities controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in subsidiaries are held at cost less impairment in the Federation's financial statements.

Cash and cash equivalents

Cash and cash equivalents 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

Basic financial instruments are measured at amortised cost. The company has no other financial instruments or basic financial instruments measured at fair value.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Notes to the Financial Statements

for the year ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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 group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension costs

Defined benefit schemes

The BPIF operates two defined benefit pension schemes. The Trustees administer the schemes and the assets of the schemes are managed independently of the finances of the BPIF. Neither scheme is open to future accrual.

Pension scheme assets are measured at fair value in accordance with the FRS 102 fair value hierarchy. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The balance recognised in the Statement of Financial Position in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting date, less the fair value of the scheme assets at the reporting date.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on scheme assets, less amounts included in net interest, are disclosed as 'Re-measurement of net defined benefit liability'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of scheme assets. This is recognised in profit or loss as 'Net return on final salary pension scheme'.

The schemes' surpluses, to the extent that they are considered recoverable, or deficits, are recognised in full and presented within provisions.

Defined contribution arrangements

The BPIF also operates a defined contribution pension scheme, which is available to all employees. The assets of the scheme are managed independently of the finances of the BPIF. Contributions to defined contribution pension arrangements are charged to the income statement as they fall due.

Notes to the Financial Statements

for the year ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

Operating leases

Rentals payable under operating leases are charged to the Income Statement on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts payable to the lessor.

The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Project Accounting

BPIF undertakes various projects, often in conjunction with other parties. These operate under terms whereby income received must only be used for specific project expenditure or returned to the contributor. Income received but not spent by the balance sheet date is carried forward as a creditor at the year end. Income and expenditure relating to each project is recognised in the year to which it relates.

Significant judgements and estimation uncertainty

In the application of the group's accounting policies, the Board is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As 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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows:

i) Defined benefit pension scheme

The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. Estimates have also been made of the additional liabilities that arise for the requirement to equalise Guaranteed Minimum Pension benefits (GMP) following the court judgement on 26 October 2018. This has been estimated at £148,000 and included as a past service cost for the year ended 31 March 2019. See note 7 for the disclosures relating to the defined benefit pension scheme.

ii) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for carrying amounts of tangible assets and below for the useful economic lives of each class of asset.

iii) Impairment of debtors

The Group and Federation make an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 11 for carrying amount of debtors.

Notes to the Financial Statements

for the year ended 31 March 2020

3. SURPLUS FOR THE YEAR BEFORE TAXATION

The surplus for the year before taxation is stated after charging:

	2020 £'000	2019 £'000
Auditor's remuneration		
- Audit services Federation	19	19
- Audit services subsidiaries	4	4
- Audit services related entities	2	2
- Non-audit services subsidiaries	-	1
- Corporation tax compliance Federation	2	2
- Corporation tax compliance subsidiaries	2	2
- Corporation tax compliance related entities	1	1
Amortisation of intangible fixed assets	21	21
Depreciation of tangible fixed assets	31	27
Operating lease charges	65	65
Exceptional Item – past service cost related to GMP equalisation (Note 2)	-	148
	<u> </u>	<u> </u>
4. TAXATION	2020	2019
	£'000	£'000
Corporation tax		
Current tax on income for the year	-	9
Tax credit received relating to prior years	(17)	(22)
	<u> </u>	<u> </u>
	(17)	(13)
	<u> </u>	<u> </u>

The Federation has tax losses carried forward of approximately £4.7 million (2019: £4.5 million)

5. EMPLOYEES

	Group	
	2020 £'000	2019 £'000
Staff costs (including directors' emoluments):		
Wages and salaries	2,699	2,588
Redundancy costs	95	-
Social security costs	286	279
Other pension costs	175	151
Defined benefit past service cost	-	148
	<u> </u>	<u> </u>
Total	3,255	3,166
	<u> </u>	<u> </u>
	No.	No.
Average monthly number of persons employed by the group during the year was:	65	63
	<u> </u>	<u> </u>

Notes to the Financial Statements

for the year ended 31 March 2020

6. DIRECTORS

	Group	
	2020 £'000	2019 £'000
Aggregate remuneration	241	254
Compensation for loss of office	74	-
Contributions to pension schemes	47	20
	<hr/>	<hr/>
Total	362	274
	<hr/>	<hr/>

Key management personnel is considered to be the executive directors whose remuneration is set out above.

Non-executive directors do not receive any emoluments from the BPIF

7. STAFF RETIREMENT BENEFITS

The British Printing Industries Federation Pension and Life Assurance scheme, which provided benefits based on final pensionable pay was closed to future accrual on 31 March 2004. A new final salary scheme (British Printing Industries Pension and Life Assurance Scheme 2004) was made available to staff who had been in the old scheme, which had reduced benefits and higher employee contributions. Alternatively, these staff were offered the option to join the defined contribution scheme already offered to all staff. The 2004 Scheme closed with effect from 31 March 2006 and has no assets or liabilities. The BPIF now contributes to defined contribution schemes for staff.

The British Printing Industries Federation Pension and Life Assurance Scheme

The date of the last full actuarial valuation was 31 March 2019. The results of this valuation, on the basis used to determine the Scheme's Technical Provision, were liabilities of £10.1 million (31 March 2016: £8.6 million) and a market value of assets of £4.4 million (31 March 2016: £3.8 million) with a deficit of £5.7 million (31 March 2016: £4.7 million) and a funding level of 43% (31 March 2016: 45%).

A qualified independent actuary has reviewed the actuarial valuation as at 31 March 2016, being the latest valuation completed at the time and updated this to 31 March 2020 to provide the FRS102 valuation information. The key assumptions used, in accordance with the instructions of the directors were:

	2020 %	2019 %
Discount rate	2.46	2.51
Rate of Price Inflation	2.46	2.93
Pension increases	2.46	2.73
Increases to pensions in deferment	1.46	2.23

Mortality assumptions

The underlying mortality assumption is based upon the standard table known as S3PMA/S3PFA (2019: S2PMA/S2PFA) on a year of birth usage with CMI2016 (2019: CMI2016) improvement factors up to the date of measurement.

	Male	Female
Member age 65 (current life expectancy)	20 yrs 9 mths	22 yrs 4 mths
Member age 45 (life expectancy at age 65)	20 yrs 9 mths	22 yrs 4 mths

Notes to the Financial Statements

for the year ended 31 March 2020

7. STAFF RETIREMENT BENEFITS (continued)

The amounts recognised in the Statement of Financial Position as at 31 March 2020 are as follows:

Amount included in the Statement of Financial Position	Group & Federation	
	2020 £'000	2019 £'000
Fair value of plan assets:		
Equities managed funds	2,837	2,906
Bonds managed fund	1,389	1,366
Cash	32	105
Creditors & accrued costs	(3)	(3)
	<hr/>	<hr/>
Fair value of assets	4,255	4,374
Present value of scheme liabilities	(7,330)	(7,536)
	<hr/>	<hr/>
Scheme deficit	(3,075)	(3,162)
	<hr/>	<hr/>
Net pension liability	(3,075)	(3,162)
	<hr/>	<hr/>

A deferred tax asset is not recognised in relation to the net pension liability in the statement of financial position due to the uncertainty of recoverability.

Amounts recognised in income statement	Group & Federation	
	2020 £'000	2019 £'000
Expenses	-	(4)
Interest on net defined benefit obligation	(78)	(74)
Exceptional past service costs (note 2)	-	(148)
	<hr/>	<hr/>
Total Operating Charge	(78)	(226)
	<hr/>	<hr/>

Amounts recognised in other comprehensive income	Group & Federation	
	2020 £'000	2019 £'000
Return on scheme assets excluding interest income	(146)	129
Experience gains and losses arising on scheme liabilities	346	(215)
Changes in assumptions underlying the present value of scheme liabilities	(175)	(181)
	<hr/>	<hr/>
Total gain / (loss) recognised in Other Comprehensive Income / (Expenditure) during the period	25	(267)
	<hr/>	<hr/>

Notes to the Financial Statements

for the year ended 31 March 2020

7. STAFF RETIREMENT BENEFITS (continued)

Movements in the present value of defined benefit obligations	Group & Federation	
	2020	2019
	£'000	£'000
Scheme liabilities at 1 April	(7,536)	(7,164)
Interest cost	(186)	(191)
Exceptional Past service cost (GMP Equalisation)	-	(148)
Actuarial gains/(losses)	170	(395)
Benefits paid	222	362
	<hr/>	<hr/>
Scheme liabilities at 31 March	(7,330)	(7,536)
	<hr/> <hr/>	<hr/> <hr/>
Movements in the fair value of plan assets	Group & Federation	
	2020	2019
	£'000	£'000
Fair value of plan assets at 1 April	4,374	4,379
Interest income	109	116
Return on scheme assets excluding interest income	(146)	129
Employer contribution	140	116
Benefits paid	(222)	(362)
Expenses	-	(4)
	<hr/>	<hr/>
Fair value of plan assets at 31 March	4,255	4,374
	<hr/> <hr/>	<hr/> <hr/>
Movement in deficit during the year	Group & Federation	
	2020	2019
	£'000	£'000
Deficit in scheme at beginning of the year	(3,162)	(2,785)
Expenses recognised in Income Statement	(78)	(226)
Employer contribution	140	116
Actuarial gain/(loss)	25	(267)
	<hr/>	<hr/>
Deficit in scheme at end of the year	(3,075)	(3,162)
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 31 March 2020

7. STAFF RETIREMENT BENEFITS (continued)

Cumulative amount included in the Changes in Equity are as follows:

	Group & Federation	
	2020 £'000	2019 £'000
Cumulative actuarial loss at beginning of period	(2,182)	(1,915)
Recognised during the period	25	(267)
Cumulative actuarial loss at end of period	<u>(2,157)</u>	<u>(2,182)</u>

Deficit funding - British Printing Industries Pension and Life Assurance Scheme

The scheme has been funded by contributions of £140,000 during the year ended 31 March 2020 (2019: £116,000), the amount estimated to clear the deficit by 30 September 2036 based on the actuarial valuation as at 31 March 2016 and the basis used in that valuation to determine the technical provisions.

Subsequent to the year end the actuarial valuation as at 31 March 2019 was completed. The revised recovery plan, which was agreed and signed by the Federation on 22 October 2020, provided for the BPIF to make contributions of:

- From 1 October 2020 to September 2021, a monthly contribution of £12,500
- Each year thereafter, contributions will increase by the increase in the Retail Price Index over the 12 months to the preceding June

In addition, the Scheme will take a share of any net surplus

- In the year to 31 March 2021, any net surplus over £100,000 will be shared 50/50 and be paid as soon as practical
- In each subsequent year to 31 March, any net surplus over £50,000 will be shared 50/50 and will be paid as soon as practical

Defined contribution arrangements

The BPIF also operates defined contribution arrangements for employees. The BPIF makes fixed contributions to schemes invested and managed independently of the BPIF. The total cost of contributions included in operating expenditure is £201,000 (2019: £148,000). At the year-end there were outstanding contributions payable of £21,000 (2019: £20,000).

On 16 June 2020, as well as the fixed charge over freehold land and buildings referred to in note 9, a floating charge was created over the assets of the Federation and all of its subsidiaries. The charge is in favour of BPIF Pension Trustees Limited as corporate trustee of the British Printing Industries Federation Pension and Life Assurance Scheme to secure all present and future obligations and liabilities of the federation to make payments to the pension scheme.

Notes to the Financial Statements

for the year ended 31 March 2020

8. INTANGIBLE ASSETS (GROUP)

	Computer software £'000	Total £'000
Cost		
At 1 April 2019	78	78
Additions	3	3
	<hr/>	<hr/>
At 31 March 2020	81	81
	<hr/>	<hr/>
Amortisation		
At 1 April 2019	49	49
Charged in year	21	21
	<hr/>	<hr/>
At 31 March 2020	70	70
	<hr/>	<hr/>
Net book value		
At 31 March 2020	11	11
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2019	29	29
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 31 March 2020

8. INTANGIBLE ASSETS (FEDERATION)

	Computer software £'000	Total £'000
Cost		
At 1 April 2019	72	72
Additions	3	3
	<hr/>	<hr/>
At 31 March 2020	75	75
	<hr/>	<hr/>
Amortisation		
At 1 April 2019	43	43
Charged in year	21	21
	<hr/>	<hr/>
At 31 March 2020	64	64
	<hr/>	<hr/>
Net book value		
At 31 March 2020	11	11
	<hr/>	<hr/>
At 31 March 2019	29	29
	<hr/>	<hr/>

Notes to the Financial Statements

for the year ended 31 March 2020

9. TANGIBLE ASSETS (GROUP)

	Freehold land and buildings £'000	Furniture, fittings and equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2019	529	250	49	828
Additions	-	6	4	10
Disposals	-	(1)	(1)	(2)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	529	255	52	836
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2019	141	245	22	408
Charged in year	11	5	15	31
Disposals	-	(1)	(1)	(2)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	152	249	36	437
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2020	377	6	16	399
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2019	388	5	27	420
	<hr/>	<hr/>	<hr/>	<hr/>

Freehold land and Buildings (Group and Federation)

A charge was created over the freehold land and buildings on 16 June 2020 in favour of BPIF Pension Trustees Limited as corporate trustee of The British Printing Industries Federation Pension and Life Assurance Scheme.

Notes to the Financial Statements

for the year ended 31 March 2020

9. TANGIBLE ASSETS (FEDERATION)

	Freehold land and buildings £'000	Furniture, fittings and equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2019	529	250	46	825
Additions	-	6	3	9
Disposals	-	(1)	(1)	(2)
At 31 March 2020	529	255	48	832
Depreciation				
At 1 April 2019	141	245	22	408
Charged in year	11	5	13	29
Disposals	-	(1)	(1)	(2)
At 31 March 2020	152	249	34	435
Net book value				
At 31 March 2020	377	6	14	397
At 31 March 2019	388	5	24	417

10. INVESTMENTS

Investments in subsidiaries

	Federation	
	2020 £'000	2019 £'000
Cost at 31 March 2019 and 31 March 2020	-	-

The consolidated financial statements include the results of the following trading subsidiary undertakings:

Company name	Country of incorporation	Nature of Business	Shareholding
BPIF Training Limited	England and Wales	Training Provider	100%
BPIF Limited	England and Wales	Dormant	100%
BPIF Pension Trustees Limited	England and Wales	Dormant	100%

BPIF Limited and BPIF Pension Trustees Limited are not included in the consolidated accounts as they are dormant. BPIF Legal Limited transferred its trade and assets to BPIF on 1 October 2018 and was dormant from that date until it was dissolved on 21 January 2020.

Notes to the Financial Statements

for the year ended 31 March 2020

11. DEBTORS

	Group		Federation	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	357	556	217	383
Other debtors	-	6	-	6
Prepayments and accrued income	279	240	124	108
	<u>636</u>	<u>802</u>	<u>341</u>	<u>497</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Federation	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	238	295	196	251
Corporation tax	-	9	-	-
Other taxation and social security	209	231	186	206
Other creditors	267	157	209	147
Accruals and other deferred income	751	819	347	265
Intercompany creditors	-	-	869	604
	<u>1,465</u>	<u>1,511</u>	<u>1,807</u>	<u>1,473</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Federation	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Other creditors	-	41	-	41
	<u>-</u>	<u>41</u>	<u>-</u>	<u>41</u>

Other creditors in 2019 related to the balance due to a special interest group which its Board confirmed they would not draw upon within 12 months of the balance sheet date. The Board have indicated that they are likely to draw down on these balances before 31 March 2021 so the balance is included in amounts due within one year as at 31 March 2020.

Notes to the Financial Statements

for the year ended 31 March 2020

14. DEFERRED TAXATION

	Group		Federation	
	Unprovided 2020 £'000	Unprovided 2019 £'000	Unprovided 2020 £'000	Unprovided 2019 £'000
Accelerated capital allowances	46	49	46	49
Short term timing differences	10	9	10	9
Losses carried forward	896	760	896	760
FRS 102 pension deficit	584	537	584	537
	1,536	1,355	1,536	1,355
	1,536	1,355	1,536	1,355

The deferred taxation asset detailed above has not been recognised in the financial statements of the Federation or the Group as profits are not anticipated to arise in the immediate future. The deferred taxation asset has been calculated using the corporation tax rate substantively enacted at the balance sheet date of 19% (2019: 17%).

15. OPERATING LEASE COMMITMENTS

At the reporting end date the group had future minimum operating lease payments under non-cancellable operating leases which fall due as follows:

	Group	
	2020 £'000	2019 £'000
Within one year	58	52
Between two and five years	77	8
	135	60
	135	60

16. RELATED PARTY TRANSACTIONS

The board of BPIF includes representatives of various companies that pay subscriptions to BPIF.

The subscription income relates to income received from British Printing Industries Federation Limited, a company limited by guarantee in England and Wales. This company is one of two members of BPIF along with BPIF 2009 Limited and is the vehicle by which the members of BPIF enjoy limited liability status. At the year end a balance of £226,550 (2019: £33,704) was due to British Printing Industries Federation Limited from BPIF. BPIF has provided a direct debit guarantee to Barclays Bank in respect of transactions with British Printing Industries Federation Limited.

The non-executive directors of the federation are directors or senior managers of member companies that have subscribed to membership during the year and purchased other services as arms-length transactions at market rates.

