

BESA ANNUAL REPORT

2021



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Chair's introduction – Annual Report 2020/2021

By Christine Major, Chair of the British Educational Suppliers Association



This is my first year as Chair of the British Educational Suppliers Association and what a year it has been! I'd like to thank BESA members – in a moment of crisis, you've shown incredible integrity, strength and you've supported our young people and educators. You proved what's possible when the education industry and wider community pull together with shared purpose. You stepped-in and provided £36 million in free educational resources and support to schools and families during the initial three months of lockdown alone. The EdTech sector became an unofficial 'emergency service'. Industry has never been such an important stakeholder in supporting the education and wellbeing of our young people and that of our educators and parents.

Beyond this, you've engaged as an industry. We've seen a 170% increase on SIG attendance, hundreds of participants in policy and Government focused meetings, there were 216 attendees at the EdTech APPG meeting, a peak of 97% membership retention. I could go on. This engagement and collaboration around a common cause, creating a united message has been immensely powerful. You've helped BESA represent and amplify your voice. We've seen how valuable that is with the lobbying work that BESA does on behalf of all its members. The time, effort and results that I've witnessed from Caroline and the team in representing members has been incredible. Thank you to the BESA team!

Let's continue the momentum. While the market for products and services performed well for many providers so far this year, more notably in Q2, we know the pickup in spending by schools is going to be under extreme pressure. This is in part due to uncertainty over what the pandemic may bring this winter and what the next funding round review will offer schools

above the prospect of higher costs that are likely to arrive over the next few years. Things will be bumpy and our resolve to stay united as an industry will be critical – we must find new ways to stand together and evidence our ongoing value to our young people.

It has been such a privilege to be your Chair this year, and I'd like to thank each member of the Executive Council and the Finance and Resources Committee. I'm incredibly grateful for your support, wisdom and patience.

In particular, I would like to thank my Vice Chair Simon Hill, and Treasurer Simon Winfield. I'd also like to extend my gratitude to the outgoing members of Council this year: Shola Omogbehin and Stuart Abrahams – your significant contribution over the years will never be forgotten. We thank all the Executive Council election candidates – congratulations to the successful five.

Finally, I would also like to thank all BESA members. BESA is your trade association, representing your needs – thank you for your engagement and participation. We've never been stronger.

Director General's introduction – Annual Report 2020/2021

By Caroline Wright, Director General of the British Educational Suppliers Association



During 2020/21 BESA members faced their most challenging year in living memory. Yet, thanks to their resilience and determination the majority have now navigated past the steepest section of the long Covid-road to recovery.

Speaking on behalf of the BESA secretariat it has been an honour to be able to help support members through the gruelling journey of the past year. BESA itself faced challenges requiring the introduction of strategic adjustments to staffing and other key association expenditure in order to bridge the short-term covid-gap in our revenue and safeguard the long-term financial security of the association during the lockdown period. I would like to acknowledge the contribution made over many years of service by the members of staff who left during the past financial year. I would also like to thank the talented and dedicated BESA team who worked so flexibly over the past year to develop innovative ways to deliver our core objective of supporting members without any of our normal face-to-face networking and communications channels. Thank you, Julia Garvey, Ankita Patel, Nina Iles, Yasmin Barnett, Hayley Baptist, Lois Mills and Monica Thompson, we couldn't have delivered BESA's crucial member services without each of your contributions.

I am pleased that we are now in a position to begin to rebuild and enhance our staffing capacity within the Secretariat to deliver the additional support members need as the UK and international economies reopen for education trade and exports. I feel incredibly honoured to have been able to serve BESA's membership as Director General during past year and I look forward to working alongside the BESA team, and our talented Executive Council leaders to deliver a recharged and reinvigorated association offer for members over the coming year.

Treasurer's Report – Annual Accounts 2020/2021

By Simon Winfield, Treasurer of the British Educational Suppliers Association



This is my first year of presenting the annual treasurers report and what a year it has been!

My predecessor commented on the challenges and impact of Covid in his report last year, however the financial year of 1 April 2020 to 31 March 2021 has covered a full year of COVID-19 which has had a major impact on activities and finances.

I have to say that our BESA team have undertaken an outstanding job in managing the situation. Having had to make decisions to reduce the number of staff in order to have an initial impact on the financial challenges they have all taken on additional responsibilities as well as increasing the time and focus on managing our accounts with more detailed plans, cashflows, forecasts and profit and loss reports. These have ensured we have been fully informed throughout and have had the right information to make the right decisions. I would like to thank Julia and Ankita for their work during this period under the guidance of Caroline.

The Finance & Resources Committee have maintained close overview of the finances through the year and have reported to the Executive Council regularly to ensure they remained fully informed.

During the financial year we have seen a reduction of £1,229,787 in income, which is a reduction of approximately 60% on the previous year. This has been due primarily to events not going ahead as planned and we continue to be impacted. A positive is that we saw a small increase in income from subscriptions against a considerable reduction of over £1.2m in events

income.

Due to prudent financial management throughout the organisation, we have been able to restrict our operating deficit to £246,019, which compares to a surplus of £98,528 in the previous year, our reserves now stand at £741,463 (£987,482).

In a very challenging year, our finances have performed stronger than originally anticipated and thank you to all our members for your support, the year will remain challenging, however we are seeing our events return and hopefully, we will see a positive recovery during the remainder of the financial year.

I would like to thank Gerald Edelman Chartered accountants for their work in auditing the accounts and I put the accounts forward to the AGM for formal approval.

Thank you.

Minutes of the 2020 Annual General Meeting of the British Educational Suppliers Association

Date 11 November 2020

Venue online

Minutes

1. Start – The meeting commenced at 1.30pm.

2. Minutes – Minutes of the 2019 AGM were approved.

3. Introduction – The Chair, Chris Ratcliffe, opened the AGM and gave his Chair's report.

4. Treasurer's Report – The Treasurer Stuart Abrahams introduced Treasurer's report and Annual Report and Accounts 2019/20

4. Approval of resolutions

- The Chair introduced resolution A 'That the Annual Report and Accounts for 2018/19 are approved'. Resolution A was agreed nem. con.
- The Chair introduced resolution B 'That Gerald Edelman, Chartered Accountants, be appointed auditors for 2018/19'. Resolution B was agreed nem. con.
- The Chair introduced resolution C 'That Association subscriptions for 2020/21 be held at the current rate – as an extraordinary measure in response to Covid-19.' Resolution C was agreed nem. con.

5. New Council members – The Director General, Caroline Wright, announced the results of the voting for the Executive Council elections. Dawn Hallybone was duly elected.

6. Close – The meeting closed at 1:55pm.

BESA Annual General Meeting 2021 – Proposed Ordinary Resolutions

Resolution A: That the Annual Report and Accounts for 2020/2021 are approved.

Resolution B: That Gerald Edelman, Chartered Accountants, be appointed auditors for 2021/2022.

Resolution C: That Association subscriptions for 2022/2023 be increased by 3%.

Company Registration No. 01097059 (England and Wales)

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

COMPANY INFORMATION

Directors	S J Abrahams	
	J E Doherty	
	S C Hill	
	M J Koster-Marcon	
	C D Mahady	
	C Major	
	J K Mann	
	S W Winfield	
	K Blainey	
	C Chell	
	D Jones	
	S Omogbehin	
	G Coleman	
	Mr A S J Coxon	
	Ms J Finnan	
	N N Madhavji	
	D S Sandhu	
	J E Williamson	
	D L Hallybone	(Appointed 1 December 2020)
Secretary	C J P Wright	
Company number	01097059	
Registered office	81 Rivington Street London EC2A 3AY	
Auditor	Gerald Edelman 73 Cornhill London EC3V 3QQ	

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

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BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be that of activities of business and employers membership organisations.

Directors

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

S J Abrahams	
L E Burton	(Resigned 20 October 2020)
J E Doherty	
S C Hill	
M J Koster-Marcon	
C D Mahady	
C Major	
J K Mann	
C P Ratcliffe	(Resigned 11 November 2020)
S W Winfield	
K Blainey	
C Chell	
D Jones	
S Omogbehin	
G Coleman	
Mr A S J Coxon	
Ms J Finnan	
N N Madhavji	
D S Sandhu	
J E Williamson	
D L Hallybone	(Appointed 1 December 2020)

Auditor

In accordance with the company's articles, a resolution proposing that Gerald Edelman be reappointed as auditor of the company will be put at a General Meeting.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

Having reviewed the company's financial forecasts and expected future cash flows. The directors have a reasonable expectation that the company has adequate resources available to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of approval of these financial statements.

The financial statements reflect the challenging year the company faced due to the Covid-19 pandemic. The deficit was primarily caused by the cancellation of all face-to-face events and specifically the loss of commission from two major exhibitions, Bett Show and GESS Dubai. Despite the deficit arising in the current year, the company was able to maintain strong cash reserves and cost base has been reduced to compensate the deficit. The directors are confident that as long as the pandemic restrictions are not reimposed, the deficit will be overturned in FY22.

Accordingly, the directors continues to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2021.

Small companies exemption

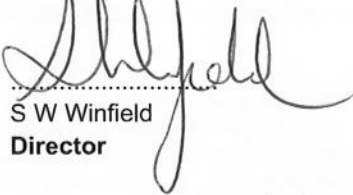
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board



S W Winfield
Director

Date: 5 October 2021

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

Opinion

We have audited the financial statements of British Educational Suppliers Association (the 'company') for the year ended 31 March 2021 which comprise the income and expenditure account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its deficit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

The auditor's explanation of its audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Hiten Patel FCCA (Senior Statutory Auditor)
For and on behalf of Gerald Edelman

.....

Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Income	3	811,649	2,041,256
Cost of sales		(159,582)	(787,035)
Gross surplus		652,067	1,254,221
Administrative expenses		(898,268)	(1,138,825)
Operating (deficit)/surplus		(246,201)	115,396
Interest receivable and similar income	5	225	8,723
Amounts written off investments		-	(25,050)
(Deficit)/surplus before taxation		(245,976)	99,069
Tax on (deficit)/surplus		(43)	(541)
(Deficit)/surplus for the financial year		(246,019)	98,528

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

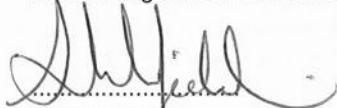
BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	7		11,095		50,117
Current assets					
Debtors	9	236,847		1,165,663	
Cash at bank and in hand		1,513,307		1,203,830	
		<u>1,750,154</u>		<u>2,369,493</u>	
Creditors: amounts falling due within one year	11	<u>(777,180)</u>		<u>(1,234,522)</u>	
Net current assets			972,974		1,134,971
Total assets less current liabilities			<u>984,069</u>		<u>1,185,088</u>
Creditors: amounts falling due after more than one year	10		(45,000)		-
Provisions for liabilities	12		<u>(197,606)</u>		<u>(197,606)</u>
Net assets			<u><u>741,463</u></u>		<u><u>987,482</u></u>
Reserves					
Income and expenditure account			<u>741,463</u>		<u>987,482</u>
Members' funds			<u><u>741,463</u></u>		<u><u>987,482</u></u>

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

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



S W Winfield
Director

Company Registration No. 01097059

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

British Educational Suppliers Association is a private company limited by guarantee incorporated in England and Wales. The registered office is 81 Rivington Street, London, EC2A 3AY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

1.2 Going concern

The financial statements have been prepared on the going concern basis.

In light of the recent Coronavirus outbreak in the UK and the likely economic disruption that this will cause, the directors have considered the impact that this could have on the company's future prospects. Like many companies the result of the company is impacted by the health of the economy. Therefore, a potential downturn in the economy is likely to have an impact upon the company's turnover. Having considered this, and taking into account government support, the directors expects the impact on turnover to be limited to the short-term and therefore does not believe it to pose a significant risk to the long-term trading and surplus of the business.

Accordingly, the directors continues to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2021.

1.3 Income and expenditure

Event/service turnover includes charges (excluding VAT) invoiced to participating members for space and services at exhibitions, missions, seminars and other non-subscription services and is included within the financial statements for the period in which the event has been concluded.

Event/service turnover also consists of grants provided by the Department for International Trade (DIT). Participating members apply to British Educational Suppliers Association (BESA) for support and then BESA makes these applications to the DIT. The DIT provides BESA with the grants to be issued to participating members in addition to a mark-up, meaning that a small surplus is made on each grant application. Turnover and expenses are included within the financial statements for the period in which the event to which the grants relate has been concluded.

Membership subscriptions are recognised in the year to which they relate. Admission fees are charged at a time a member joins the Association and are recognised in the year of admission.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred.

1.5 Tangible fixed assets

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

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

Fixtures and fittings	Straight line over 10 years
Office equipment	Straight line over 4 years

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

1.6 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

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

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Taxation

The company is exempt from corporation tax, it being a company not carrying on a business for the purposes of making a profit. However, corporation tax is payable on investment income or bank interest receivable during the year at the normal UK corporation tax rates.

1.10 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in surplus or deficit in the period in which it arises.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Employee benefits

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

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

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

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

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

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in income or expenditure.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover

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

	2021 £	2020 £
Subscriptions	586,390	557,123
Admission fees	2,300	5,600
Event/service turnover	222,959	1,478,533
	<u>811,649</u>	<u>2,041,256</u>

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	11	14

5 Interest receivable and similar income

	2021 £	2020 £
Interest receivable and similar income includes the following:		
Interest receivable	225	2,086
Income from shares in group undertakings	-	6,637

6 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in surplus or deficit:

	2021 £	2020 £
In respect of:		
Investments in joint ventures	-	25,050
Recognised in:		
Amounts written off investments	-	25,050

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 April 2020	48,777	124,367	173,144
Additions	-	14,650	14,650
Disposals	(14,454)	(44,255)	(58,709)
At 31 March 2021	34,323	94,762	129,085
Depreciation and impairment			
At 1 April 2020	33,487	89,540	123,027
Depreciation charged in the year	4,403	13,166	17,569
Eliminated in respect of disposals	(4,382)	(18,224)	(22,606)
At 31 March 2021	33,508	84,482	117,990
Carrying amount			
At 31 March 2021	815	10,280	11,095
At 31 March 2020	15,290	34,827	50,117

8 Joint ventures

On 19 January 2018 the Association formed a joint venture, EdTech Exchange Limited, with Founders Exchange Limited (FEL). British Educational Suppliers Association (BESA) and FEL have created the joint venture to create an unparalleled, international network of EdTech founders with BESA taking on responsibility for the operational running and expansion of EdTech Exchange Limited.

EdTech Exchange Limited was dissolved on 6 October 2020.

9 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	142,727	872,334
Other debtors	94,120	293,329
	236,847	1,165,663

10 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	45,000	-

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	5,000	-
Trade creditors	94,988	170,620
Corporation tax	43	396
Other taxation and social security	65,926	158,701
Deferred income	575,048	651,712
Other creditors	15,462	136,237
Accruals	20,713	116,856
	<u>777,180</u>	<u>1,234,522</u>

12 Provisions for liabilities

	2021 £	2020 £
Refund provision	<u>197,606</u>	<u>197,606</u>

Event commission income is determined in reference to the historic agreement with the event organiser. The above provision is in relation to the previous years where the event organiser informed BESA of the amount of its share of the income from the show. This commission income is based on the exhibition square meterage. The event organiser informed BESA in August 2018 that the amount they had told BESA to invoice them for over the past six years had been overstated. An agreement has been reached with the event organiser that BESA will make good the overpayment by reducing the future income received from the event organiser in relation to the event by 50%. It is estimated that the amount will be cleared within 5-6 years.

13 Members' liability

The association is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the association on winding up such amounts as may be required not exceeding £10.

14 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021 £	2020 £
	<u>265,584</u>	<u>478,920</u>

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Related party transactions

The Association had been part of a joint venture, EdTech Exchange Limited, with Founders Exchange Limited to create an unparalleled, international network of EdTech founders. EdTech Exchange Limited was dissolved on 6 October 2020 and there were no transactions during the year.

The Association received dividends during the year from EdTech Exchange Limited totalling £nil (2020: £6,637).

BRITISH EDUCATIONAL SUPPLIERS ASSOCIATION

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Administrative expenses		
Wages and salaries	437,034	660,847
Social security costs	53,476	64,469
Staff recruitment costs	-	8,147
Staff training	1,578	18,827
Pension costs defined contribution	31,128	41,516
Other staff costs	39,967	2,955
Rent re operating leases	144,963	47,500
Service charge payable	7,208	13,426
Rates	19,294	26,960
Cleaning	611	10,738
Power, light and heat	796	4,743
Equipment repairs	12,265	25,264
Computer running costs	9,184	15,161
Legal and professional fees	18,586	38,035
Consultancy fees	52,413	97,006
Accountancy fees	-	17,836
Audit fees	8,250	9,051
Bank charges	1,088	2,341
Bad and doubtful debts	(785)	5,085
Insurances (not premises)	9,850	13,641
Printing and stationery	(1,891)	-
Entertaining	1,769	1,227
Sundry expenses	1,011	8,183
Depreciation	14,889	8,379
(Profit) or loss on foreign exchange	14,640	(2,512)
Capital gain or loss on disposal of assets	20,944	-
	<u>898,268</u>	<u>1,138,825</u>



Caroline Wright,
Director General



Julia Garvey,
Deputy Director
General



Ankita Patel,
Financial Controller



Nina Iles,
Head of EdTech



Yasmin Barnett,
Head of Events



Hayley Baptist,
Membership Manager



Lois Mills,
Deputy Head
of Events




Monica Thompson,
Policy Analyst



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