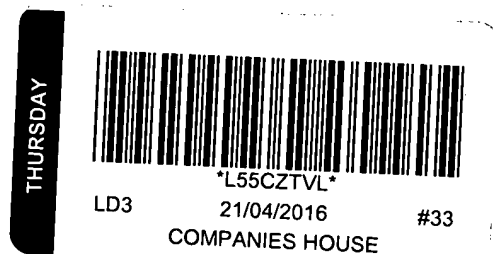


Registered number: 01182734

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**



**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**ASSOCIATION INFORMATION**

**DIRECTORS**

J B Neame  
B M Simmonds, OBE  
S J Cox (resigned 31 December 2014)  
W S Townsend  
P R Wells  
S Emeny  
J C Lousada (appointed 8 October 2014, resigned 8 October 2015)  
D Forde (appointed 1 January 2015)

**COMPANY SECRETARY**

J C Wilson

**REGISTERED NUMBER**

01182734

**REGISTERED OFFICE**

Brewers Hall  
Aldermanbury Square  
London  
EC2V 7HR

**INDEPENDENT AUDITOR**

PKF Littlejohn LLP  
Statutory Auditor  
1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

**BANKERS**

Barclays Bank plc  
93 Baker Street  
London  
W1A 4SD

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**BRITISH BEER & PUB ASSOCIATION**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

The Directors present their report and the audited financial statements for the year ended 30 September 2015.

**DIRECTORS**

The Directors who served during the year were:

J B Neame  
B M Simmonds, OBE  
S J Cox (resigned 31 December 2014)  
W S Townsend  
P R Wells  
S Emeny  
J C Lousada (appointed 8 October 2014, resigned 8 October 2015)  
D Forde (appointed 1 January 2015)

**DISCLOSURE OF INFORMATION TO AUDITOR**

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

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

**AUDITOR**

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

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

**REVIEW OF DEVELOPMENTS**

The profit and loss account discloses that total income of the Association for the year was £2,158,648 (2014 - £2,103,172). The surplus before taxation was £736,112 (2014 - surplus of £767,107) and a surplus after taxation of £736,112 (2014 - £767,107). The retained surplus after tax has been transferred to reserves.

This report was approved by the board on 23/12/15 and signed on its behalf.



**J C Wilson**  
Secretary

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Association and the profit or loss of the Association for that period. In preparing these financial statements, the Directors are required to:

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

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

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH BEER & PUB ASSOCIATION**

We have audited the financial statements of British Beer & Pub Association for the year ended 30 September 2015, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 30 September 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH BEER & PUB ASSOCIATION**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Alastair Duke (Senior Statutory Auditor)

for and on behalf of  
**PKF Littlejohn LLP**

Statutory Auditor

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

Date: 23/2/15

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	Note	2015 £	2014 £
<b>TURNOVER</b>	1	<b>2,158,648</b>	<b>2,103,172</b>
Administrative expenses		<u>(2,196,633)</u>	<u>(2,312,226)</u>
<b>OPERATING LOSS</b>	2	<b>(37,985)</b>	<b>(209,054)</b>
<b>EXCEPTIONAL ITEMS</b>			
Reorganisation and restructuring costs	5	<u>-</u>	<u>(75,584)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		<b>(37,985)</b>	<b>(284,638)</b>
Income from other fixed asset investments		<b>161,293</b>	<b>167,022</b>
Profit on disposal of investments		<b>424,712</b>	<b>422,667</b>
Interest receivable and similar income		<b>198,492</b>	<b>272,056</b>
Defined Benefit scheme - net finance costs		<u><b>183,000</b></u>	<u><b>190,000</b></u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>929,512</b>	<b>767,107</b>
Tax on profit on ordinary activities	6	<u><b>(107,065)</b></u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	13	<u><b>822,447</b></u>	<u><b>767,107</b></u>

The notes on pages 8 to 14 form part of these financial statements.



**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>822,447</b>	<b>767,107</b>
Actuarial (loss) / gain related to pension scheme	14	<b>1,062,600</b>	<b>(2,126,000)</b>
Movement in pension surplus not recognised	14	<b>(1,256,000)</b>	<b>1,518,000</b>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<b>629,047</b>	<b>159,107</b>

The notes on pages 8 to 14 form part of these financial statements.

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 01182734**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2015**

	Note	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	7	32,603	78,970
Investments	8	9,544,700	8,698,112
		<u>9,577,303</u>	<u>8,777,082</u>
<b>CURRENT ASSETS</b>			
Debtors	9	2,201,412	2,628,733
Cash at bank and in hand		525,254	407,846
		<u>2,726,666</u>	<u>3,036,579</u>
<b>CREDITORS:</b> amounts falling due within one year	10	<u>(3,685,184)</u>	<u>(3,823,923)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(958,518)</u>	<u>(787,344)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>8,618,785</u>	<u>7,989,738</u>
<b>CAPITAL AND RESERVES</b>			
Profit and loss account	13	8,618,785	7,989,738
		<u>8,618,785</u>	<u>7,989,738</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23/12/15



**J B Neame**  
Director



**B M Simmonds, OBE**  
Director

The notes on pages 8 to 14 form part of these financial statements.

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Association is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Association as an individual undertaking and not about its group.

**1.2 Cash flow**

The financial statements do not include a Cash Flow Statement because the Association, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

**1.3 Turnover**

Turnover comprises subscriptions from members and other receipts, and is earned in the United Kingdom.

**1.4 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

**1.5 Tangible fixed assets and depreciation**

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

Leasehold improvements	-	4 years straight line
Fixtures & fittings	-	3 - 4 years straight line
Other fixed assets	-	3 - 4 years straight line

**1.6 Operating leases**

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

**1.7 Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.8 Pensions**

The Association operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 September 2011.

It was agreed that the scheme would be closed as at 30 November 2011. The participating employers have agreed to continue to make contributions in order to reduce the liability based on this actuarial valuation.

The estimated surplus arising from the FRS 17 calculation in respect of the defined benefits pension scheme as at 30 September 2014 is not recoverable and cannot be recognised in the Financial Statements given the fund is closed to future accrual.

For employees joining the Association after 1 July 2000, the defined benefit pension scheme has been replaced by a defined contribution scheme. The association charges contributions it makes to the defined contribution scheme to the profit and loss account. The Association's liability is limited to the amount of its contributions.

**2. OPERATING LOSS**

The operating loss is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	65,057	72,878
Pension costs	237,604	306,336
	<u>237,604</u>	<u>306,336</u>

**3. AUDITORS' REMUNERATION**

	2015 £	2014 £
Fees payable to the Association's auditor for the audit of the Association's annual accounts	11,716	11,716
	<u>11,716</u>	<u>11,716</u>

**4. DIRECTOR'S REMUNERATION**

	2015 £	2014 £
Aggregate remuneration	210,175	202,992
	<u>210,175</u>	<u>202,992</u>

**BRITISH BEER & PUB ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**5. EXCEPTIONAL ITEMS**

	2015 £	2014 £
Reorganisation costs	-	75,584

**6. TAXATION**

	2015 £	2014 £
UK corporation tax charge on profit for the year	107,065	-

No liability to UK corporation tax arose on ordinary activities at the year ended 30 September 2014 or for the year ended 30 September 2013 due to losses brought forward.

**7. TANGIBLE FIXED ASSETS**

	Leasehold improvements	Other fixed assets	Total
<b>Cost</b>			
At 1 October 2014	182,443	97,334	279,777
Additions	9,343	9,347	18,690
At 30 September 2015	191,786	106,681	298,467
<b>Depreciation</b>			
At 1 October 2014	134,773	66,034	200,807
Charge for the year	46,389	18,668	65,057
At 30 September 2015	181,162	84,702	265,864
<b>Net book value</b>			
At 30 September 2015	10,624	21,979	32,603
At 30 September 2014	47,670	31,300	78,970

**BRITISH BEER & PUB ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**8. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £	Listed investments £	Cash on deposit £	Total £
<b>Cost</b>				
At 1 October 2014	106	8,480,914	217,092	8,698,112
Movement in year	-	923,901	(77,313)	846,588
At 30 September 2015	106	9,404,815	139,779	9,544,700
<b>Net book value</b>				
At 30 September 2015	106	9,404,815	139,779	9,544,700
At 30 September 2014	106	8,480,914	217,092	8,698,112

**Subsidiary undertakings**

The following were subsidiary undertakings of the Association:

Name	Class of shares	Holding
Brewing Publications Limited	Ordinary shares	100 %
BBPA Environmental Limited	Ordinary Shares	100 %

The aggregate of the share capital and reserves as at 30 September 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Brewing Publications Limited	809,744	985
BBPA Environmental Limited	(38,046)	(38,048)

**Listed investments**

The market value of the listed investments at 30 September 2015 was £9,815,168 (2014 - £9,687,184).

**9. DEBTORS**

	2015 £	2014 £
Amounts owed by group undertakings	80,761	-
Prepayments	93,411	84,237
Other debtors	2,022,058	2,532,320
Tax recoverable	5,182	12,176
	<b>2,201,412</b>	<b>2,628,733</b>

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**10. CREDITORS:**  
**Amounts falling due within one year**

	2015 £	2014 £
Amounts owed to group undertakings	737,197	743,501
Corporation tax	107,065	-
Other taxation and social security	150,388	108,388
Accruals	93,121	99,228
Subscriptions in advance	932,132	8,271
Other creditors	1,665,281	2,864,535
	<u>3,685,184</u>	<u>3,823,923</u>

**11. DEFERRED TAXATION**

The potential tax asset of the Association arising from tax losses carried forward and excess of depreciation over capital allowances. As the recoverability of these amounts in the foreseeable future is uncertain as the Association's main taxable income in recent years derives from non trade income which cannot be offset against the brought forward trade losses, the potential deferred tax assets have not been recognised.

**12. COMPANY STATUS**

The Association is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

**13. RESERVES**

	Profit and loss account £
At 1 October 2014	7,989,738
Profit for the financial year	822,447
Pension reserve movement	(193,400)
	<u>8,618,785</u>
At 30 September 2015	

The closing balance on the Profit and Loss Account includes a £193,400 (2014 - £608,000) credit, stated after deferred taxation of £NIL (2013 - £NIL), in respect of pension scheme movement of the Association pension scheme as disclosed in the Statement of Total Recognised Gains and Losses.

**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**14. PENSION COMMITMENTS**

The Association operates a Defined Benefit Pension Scheme, which is funded.

The pension cost and provision for the year ending 30 September 2015 are based on the advice of a professionally qualified actuary. The most recent draft valuation is dated 30 September 2011. The results of this valuation were a deficit of £3.86m. The Associations share of this deficit was £3.01m (78%). The deficit is being funded by the participating employers over 3 years.

It was assumed by the actuary that the investment returns would be 4.4% per annum (2014: 5.2%), that salary increases would average 2.1% (2014: 2.3%) and future pensions would increase at the rate of 5.0% (2014: 5.0%) for pre July 2001 pensions and for pre 1994 joiners in scheme A and 3.0% (2014: 3.0%) for all other pensions.

It was agreed that the scheme would be closed as at 30 November 2011. The participating employers have agreed to continue to make contributions in order to reduce the liability.

The contribution made for the year ended 30 September 2015 was £158,400. The agreed contribution rate for future years is NIL%.

Under the projected unit method the current service cost will increase as the members of the scheme approach retirement.

**Value of scheme assets and liabilities**

Market value of assets	<b>13,491,000</b>	<b>13,440,000</b>
Present value of scheme liabilities	<b>(12,008,000)</b>	<b>(13,213,000)</b>
Surplus in the scheme	<b>1,483,000</b>	<b>227,000</b>
Surplus not recognised	<b>(1,483,000)</b>	<b>(227,000)</b>
Net pension asset	<b>-</b>	<b>-</b>

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Movements in surplus during the year:</b>		
Surplus in scheme at beginning of year	<b>227,000</b>	<b>1,745,000</b>
Current year service cost	<b>(149,000)</b>	<b>(213,000)</b>
Contributions	<b>212,000</b>	<b>631,000</b>
Expected return	<b>692,000</b>	<b>642,000</b>
Actuarial gain/(loss)	<b>1,009,000</b>	<b>(2,126,000)</b>
Interest cost	<b>(508,000)</b>	<b>(452,000)</b>
Surplus in scheme at end of year	<b>1,483,000</b>	<b>227,000</b>



**BRITISH BEER & PUB ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**15. OPERATING LEASE COMMITMENTS**

At 30 September 2015 the Association had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expiry date:</b>				
Within 1 year	<b>86,000</b>	<b>86,000</b>	<b>4,177</b>	<b>4,177</b>
Between 2 and 5 years	<b>64,500</b>	<b>150,500</b>	<b>1,740</b>	<b>5,917</b>

**16. RELATED PARTY TRANSACTIONS**

No details are shown of related party transactions with companies in which the ultimate parent company holds 100% of the voting rights in line with the exemptions stated in Financial reporting Standards for Smaller Entities (effective April 2008).

**17. CONTROLLING PARTY**

There is no ultimate controlling party.