

Registered number: 01182734

## BRITISH BEER & PUB ASSOCIATION

### FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022



**BRITISH BEER & PUB ASSOCIATION**

**BALANCE SHEET  
AS AT 30 SEPTEMBER 2022**

		2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	173,141	217,835
Investments	6	8,067,514	9,507,490
		<u>8,240,655</u>	<u>9,725,325</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	1,506,322	1,796,034
Cash at bank and in hand	8	1,236,255	1,518,922
		<u>2,742,577</u>	<u>3,314,956</u>
Creditors: amounts falling due within one year	9	(1,938,560)	(2,599,566)
<b>Net current assets</b>		<u>804,017</u>	<u>715,390</u>
<b>Total assets less current liabilities</b>		<u>9,044,672</u>	<u>10,440,715</u>
Pension liability	10	(339,000)	(339,000)
<b>Net assets</b>		<u><u>8,705,672</u></u>	<u><u>10,101,715</u></u>
<b>Capital and reserves</b>			
Profit and loss account		8,705,672	10,101,715
		<u><u>8,705,672</u></u>	<u><u>10,101,715</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A – small entities.

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

The Association has opted not to file the profit and loss account in accordance with the provisions applicable to companies subject to the small companies regime.

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

**Emma McClarkin**  
Director  
14 December 2022



The notes on pages 2 to 9 form part of these financial statements.

## **BRITISH BEER & PUB ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022**

#### **1. General information**

British Beer & Pub Association ('the Company') is a private company limited by guarantee and is incorporated and domiciled in England. The address of its registered office is 61 Queen Street, London, England, EC4R 1EB.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Association's accounting policies (see note 3).

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 its group.

The following principal accounting policies have been applied:

##### **2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue comprises subscriptions from members and other receipts, and is earned in the United Kingdom.

##### **2.3 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.4 Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Association operates and generates income.

## **BRITISH BEER & PUB ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvement	- 10 years straight line
Plant & machinery	- 4 years straight line
Fixtures & fittings	- 3 - 4 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### **2.6 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are recorded at market value at each Balance Sheet date. Gains and losses on sale of shares are recognised in profit or loss for the period.

##### **2.7 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.8 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

## **BRITISH BEER & PUB ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.9 Pensions**

The Association operates a defined benefit pension scheme which is funded, and the Association is the Principal Employer of the Fund. It was agreed that the scheme would be closed as at 30 November 2011. The participating employers have agreed to continue to make contributions if required, in order to reduce the liability.

The Association did make shortfall contributions in the year to 30 September 2022 of £76,000 because the fund was in deficit at the 30 September 2020 triennial valuation and scheme expenses of £58,000. The Trustees and the Employers have agreed that the Employers will meet certain administrative expenses for running the Fund and Pension Protection Fund levies direct.

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Association's policy for similarly held assets. This includes the use of appropriate valuation techniques.

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.

##### **2.10 Going concern**

On the basis of cashflow forecasts, the company will be able to meet liabilities for a period of at least 12 months from the date of signing and therefore the accounts have been prepared on a going concern basis.

##### **2.11 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **3. Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the Association's auditor and its associates for:		
- audit of the Association's annual financial statements	13,650	13,000
- tax compliance services	3,000	2,830

**BRITISH BEER & PUB ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**4. Employees**

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

<b>2022 No.</b>	<b>2021 No.</b>
12	11

**5. Tangible fixed assets**

	<b>Leasehold improvement £</b>	<b>Plant &amp; machinery £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 October 2021	189,304	128,127	2,771	320,202
Additions	-	4,556	-	4,556
At 30 September 2022	<u>189,304</u>	<u>132,683</u>	<u>2,771</u>	<u>324,758</u>
<b>Depreciation</b>				
At 1 October 2021	21,094	78,502	2,771	102,367
Charge for the year on owned assets	19,853	29,397	-	49,250
At 30 September 2022	<u>40,947</u>	<u>107,899</u>	<u>2,771</u>	<u>151,617</u>
<b>Net book value</b>				
At 30 September 2022	<u>148,357</u>	<u>24,784</u>	<u>-</u>	<u>173,141</u>
At 30 September 2021	<u>168,210</u>	<u>49,625</u>	<u>-</u>	<u>217,835</u>

**BRITISH BEER & PUB ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**6. Fixed asset investments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Investment in subsidiaries	106	106
Listed investments	7,868,315	9,376,373
Cash held for investment	199,093	131,011
	<u>8,067,514</u>	<u>9,507,490</u>

**Listed investments**

Balance brought forward	9,376,373
Additions	4,149,852
Disposals	(3,834,459)
Losses	(1,823,451)
<b>Balance carried forward</b>	<u><b>7,868,315</b></u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Association:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Brewing Publications Limited	Ordinary shares	100%
BBPA Environmental Limited	Ordinary shares	100%

The aggregate of the share capital and reserves as at 30 September 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

<b>Name</b>	<b>Profit</b>	<b>Capital &amp; Reserves</b>
	<b>£</b>	<b>£</b>
Brewing Publications Limited	23,529	879,602
BBPA Environmental Limited	5,707	8,198

**BRITISH BEER & PUB ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**7. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	135,827	134,334
Other debtors	1,173,381	1,590,710
Prepayments and accrued income	144,812	64,224
Tax recoverable	52,302	6,766
	<u>1,506,322</u>	<u>1,796,034</u>

Included within debtors is an amount of £1,000,000 (2021 - £1,000,000) in relation to a loan balance accruing interest at 5.25% per annum, which is due in more than one year.

**8. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,236,255	1,518,922
	<u>1,236,255</u>	<u>1,518,922</u>

**9. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	750,627	748,530
Other taxation and social security	30,700	64,242
Other creditors	821,479	1,538,750
Accruals and deferred income	335,754	248,044
	<u>1,938,560</u>	<u>2,599,566</u>



## BRITISH BEER & PUB ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 10. Pension commitments

The Association operates a defined benefits plan for the benefit of its employees. The company's obligations under the plan are recognised net of plan assets. The change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial variations are obtained at least triennially and are updated at each balance sheet date. At the review date there was a surplus of £2,081,000 (2021 – surplus £1,529,000). The Association is only allowed to recognise the surplus as an asset in its balance sheet if it can use that surplus to generate a future economic benefit. However, a deficit of £339,000 (2021: £339,000) has been recognised in the financial statements in respect of the equalisation provision.

The amounts recognised in the balance sheet were determined as follows:

	2022 £	2021 £
Group Pension Fund deficit	-	-
Provision for GMP equalisation	(339,000)	(339,000)
	<u>(339,000)</u>	<u>(339,000)</u>

The following information is provided in respect of the British Beer and Pub Association, as set out in the annual valuation statement provided by Barnett Waddingham. The last triennial review of the fund was at 30 September 2020.

The amounts recognised in the income statement were as follows:

	2022 £	2021 £
Administration costs	58,000	85,000
Interest on liabilities	319,000	278,000
Interest on assets	(350,000)	(271,000)
Past service cost (GMP equalisation)	-	7,000
Interest on effect of asset ceiling	31,000	-
	<u>58,000</u>	<u>99,000</u>

**BRITISH BEER & PUB ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Amounts included in the Statement of Comprehensive Income:

	2022 £	2021 £
Gain/(loss) on assets in excess of interest	5,677,000	(604,000)
(Gains)/losses to financial assumptions	(6,111,000)	(299,000)
Loss/(gain) from changes in effect of asset ceiling	521,000	1,529,000
Experience (gain) on liabilities	-	(1,177,000)
(Gains)/losses to demographic assumptions	(69,000)	137,000
Miscellaneous	-	(4,000)
	<u>18,000</u>	<u>(418,000)</u>

The principal assumptions were as follows:

	2022	2021
Discount rate	5.45%	2.00%
Inflation (RPI)	3.60%	3.40%
Inflation (CPI)	3.05%	2.80%
Pension increase (RPI max 5%)	3.45%	3.25%
Life expectancy at age 65 of male aged 45	25.2	25.4
Life expectancy at age 65 of male aged 65	23.6	23.8
Life expectancy at age 65 of female aged 45	26.9	27.0
Life expectancy at age 65 of female aged 45	25.3	25.3

**11. Operating leases**

As at 30 September 2022, the minimum total lease payments to which the Company is committed under non-cancellable operating leases are:

	2022 £	2021 £
Expiring within one year	3,180	-
Expiring within two to five years	-	7,951
Expiring in more than five years	949,577	1,017,140

**12. Auditor's information**

The auditor's report on the financial statements for the year ended 30 September 2022 was unqualified.

The audit report was signed on 19 December 2022 by Alastair Duke (Senior Statutory Auditor) on behalf of PKF Littlejohn LLP.

**13. Controlling party**

It is the view of the Directors that there is no one controlling party.