

INCORPORATED BREWERS' BENEVOLENT SOCIETY

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2015

Incorporated Brewers' Benevolent Society
LEGAL AND ADMINISTRATIVE INFORMATION

The Society was incorporated under the Friendly Societies Act 1974 and is governed under the Friendly Societies Act 1992. It is an exempt charity under Schedule 3 of the Charities Act 2011.

The Objects

"The Objects of the Society shall be to provide by voluntary contributions for the relief or maintenance of any persons in the United Kingdom or Eire employed or formerly employed in the brewing profession and the dependants of such persons provided that in each case the Committee of the Society shall be satisfied that financial hardship exists.

A Member shall be any person employed or formerly employed in the brewing profession in the United Kingdom or Eire or was or had been a Member of the International Brewers' Guild prior to the winding up of that organisation.

Donations to the Fund may be received from persons employed or formerly employed in the Brewing profession or owners, managers or directors of breweries and any such person or firms so subscribing shall be an Honorary Member of the Society."

Committee of Management's Responsibilities Statement

The committee of management are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Legislation requires the committee of management to prepare financial statements for each financial year. Under that law the committee of management have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The committee of management 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 society and the excess of expenditure over income of the society for that period.

In preparing these financial statements, the committee of management is required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgments and accounting estimates that are reasonable and prudent;
- (c) prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the society will continue in existence.

The committee of management is 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 society and enable them to ensure that the financial statements comply with the Friendly Societies Act 1992. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees and Advisers

TRUSTEES:	C G Dennis	J K Don	H Smith
COMMITTEE OF MANAGEMENT:	N S Fitch (Chairman)		
	R Davies	R Duszanskyj	M J Dutoy
	D A Jeffrey	R D Knox	D E Prentice
	R K Rolph	I Swanson	Ms B Tanner
SECRETARY:	Mrs J A Carling		
TREASURER:	I M Swanson		
AUDITORS:	Jacob Cavenagh & Skeet		
BANKERS:	Barclays Bank Plc		

Key Management Personnel are considered to include all members of the Committee of Management and the Secretary, none of whom derive any remuneration for their services in those capacities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INCORPORATED BREWERS' BENEVOLENT SOCIETY

We have audited the financial statements of Incorporated Brewers' Benevolent Society, consisting of the Revenue Account, Statement of Total Recognised Gains and Losses, Balance Sheet, and the related notes. 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).

This report is made solely to the society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the management committee and auditor

As explained more fully in the Committee of Management's Responsibilities Statement, the Committee of Management is responsible for preparing financial statements which 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 (APB'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 society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Committee of Management; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the society's affairs as at 31st December 2015 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and with the Co-operative and Community Benefit Societies Act 2014.

Opinion on other matters prescribed by the Co-operative and Community Benefit Societies Act 2014

In our opinion the Report of the Committee of Management has been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014 and the regulations made under it, and the information given therein is consistent with the financial statements for the financial year.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations and access to documents that we require for our audit.

Jacob Cavenagh & Skeet

Chartered Accountants and Statutory Auditor
5 Robin Hood Lane
Sutton, Surrey SM1 2SW

2016

INCORPORATED BREWERS' BENEVOLENT SOCIETY
REVENUE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2015

	2015		2014 as restated	
	£	£	£	£
Income				
Donations	4,908		3,387	
Investment income	66,757		57,845	
Tax recoverable on Gift Aid	323		325	
Deposit interest	3		2	
Total income	<u>71,991</u>		<u>61,559</u>	
Expenditure				
<i>Direct Aid</i>				
Grants	15,998		13,607	
Walter Finch Bequests	1,250		1,250	
	<u>17,248</u>		<u>14,857</u>	
<i>Counselling and Administration</i>				
Administration	18,897		21,682	
Investment Advice	12,685		12,440	
	<u>31,582</u>		<u>34,122</u>	
Total expenditure		<u>48,830</u>		<u>48,979</u>
Net investment gains		<u>87,273</u>		<u>112,598</u>
Total comprehensive income for the financial year		<u>110,434</u>		<u>125,178</u>

The income is wholly derived from continuing activities.

INCORPORATED BREWERS' BENEVOLENT SOCIETY
BALANCE SHEET AT 31st DECEMBER 2015

	2015		2014	
	£	£	£	£
Capital Funds				
General Fund (note 1)		2,301,041		2,190,607
		2,301,041		2,190,607
 <i>Represented by:</i>				
Fixed assets				
Investments (Note 2)		2,128,953		2,021,585
Current assets				
Debtors (note 3)	7,298		4,916	
Cash and cash equivalents	176,966		176,063	
		184,264		180,979
Less current liabilities				
Creditors and accruals		(12,176)		(11,957)
Net current assets		172,088		169,022
Net assets		2,301,041		2,190,607

Signed on behalf of the Committee of Management:

Ms J A Carling (Secretary)
N S Fitch (Chairman)
I M Swanson (Treasurer)

31 March 2016

INCORPORATED BREWERS' BENEVOLENT SOCIETY
STATEMENT OF CHANGES IN RETAINED EARNINGS AT 31st DECEMBER 2015

	2015 £	2014 £
As at 1st January 2015	2,190,607	2,065,429
Total comprehensive income for the financial year	110,434	125,178
As at 31st December 2015	<u><u>2,301,041</u></u>	<u><u>2,190,607</u></u>

INCORPORATED BREWERS' BENEVOLENT SOCIETY
STATEMENT OF CASH FLOWS AT 31st DECEMBER 2015

	£	2015	£	£	2014	£
Cash used in operating activities (note below)			(45,762)			(43,894)
Cash used in investing activities						
Interest and dividends received	66,760			57,847		
Payments made on acquisition of fixed asset investments	(618,404)			(540,156)		
Proceeds on disposal of fixed asset investments	598,309			668,300		
Cash provided by investing activities		<u>46,665</u>			<u>185,991</u>	
Net cash inflow		<u>903</u>			<u>142,097</u>	
Cash and cash equivalents at 1st January 2015			176,063			33,966
Cash and cash equivalents at 31st December 2015			<u><u>176,966</u></u>			<u><u>176,063</u></u>
 CASH USED IN OPERATING ACTIVITIES						
Net income			110,434			125,178
Interest received shown in investing activities			(66,760)			(57,847)
(Gain)/loss on disposal of investment assets			(30,706)			(2,088)
(Gain)/loss on revaluation of investment assets			(56,567)			(110,510)
(Increase) in debtors			(2,382)			(2,378)
Increase in creditors			219			3,751
Cash used in operating activities			<u><u>(45,762)</u></u>			<u><u>(43,894)</u></u>

Incorporated Brewers' Benevolent Society
ACCOUNTING POLICIES

BASIS OF ACCOUNTS

These financial statements have been prepared in accordance with FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland. They have been prepared under the historical cost convention, modified by the revaluation of investments.

Reconciliation with previous UK Generally Accepted Accounting Practice

In preparing the financial statements, the Committee of Management has considered whether in applying the accounting policies required by FRS 102 the restatement of comparative items was required.

The net income for the year under previous United Kingdom Generally Accepted Accounting Practice has been adjusted for the presentation of investment gains as a component of comprehensive income. In accordance with the requirements of FRS 102 reconciliation of net income is provided as follows:

Surplus for the financial year as previously stated	£ 12,580
Adjustment for net investment gains now treated as a component of net income	<u>112,598</u>
2014 net income as restated	<u>125,178</u>

INCOME RECOGNITION

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

REVENUE ACCOUNT

The Revenue Account shows the surplus for the year and the surplus is transferred to General Funds. Previously the inclusion in the Revenue Accounts of surpluses and deficits on sales in the course of asset management was considered to have distorted the revenue balance and might mislead, but in accordance with FRS 102 all such surpluses and deficits are now included in comprehensive income for the year (see above).

INVESTMENTS

Investments are shown in the balance sheet at market value at the year-end. All gains and losses are included in comprehensive income, as described above.

DEBTORS

Gift Aid receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

CASH AND CASH EQUIVALENTS

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

CREDITORS

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

FINANCIAL INSTRUMENTS

The Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

INCORPORATED BREWERS' BENEVOLENT SOCIETY
NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL FUND

	Realised surplus £	Revaluation reserve £	Total surplus £
Balance at 1st January 2015	1,662,208	-	1,662,208
Valuation of Investments Surplus at 1st January 2015	-	528,399	528,399
	<u>1,662,208</u>	<u>528,399</u>	<u>2,190,607</u>
Transfer of Memorials and Bequests Fund into general funds	-	-	-
Proportion of surplus/(deficit) on Sale of Investments Current year	145,147	(114,441)	30,706
Valuation of Investments: Movement in value for the year to 31st December 2015		56,567	56,567
Revenue account surplus for the year to 31st December 2015	23,161	-	23,161
	<u>1,830,516</u>	<u>470,525</u>	<u>2,301,041</u>

2 LISTED INVESTMENTS

	Fixed interest £	Equities £	Total £
Market value as at 1 January 2015	19,828	2,001,757	2,021,585
Purchases during the year	77,625	540,779	618,404
Disposals during the year	(19,828)	(547,775)	(567,603)
Change in market value during the year	286,847	(230,280)	56,567
Market value at 31 December 2015	<u>364,472</u>	<u>1,764,481</u>	<u>2,128,953</u>
Historical cost at 31 December 2015	<u>360,806</u>	<u>1,478,452</u>	<u>1,839,258</u>

3 DEBTORS

	2015 £	2014 £
Tax recoverable	<u>7,298</u>	<u>4,916</u>

4 AUDITOR'S REMUNERATION

Included in administration expenses is £1,590 (2014: £1,590) charged in respect of auditors' remuneration.

5 OTHER PROFESSIONAL SERVICES PROVIDED BY THE AUDITOR

In common with many other entities similar of our size and nature we use the auditors to assist with the preparation of our financial statements.