

INCORPORATED BREWERS' BENEVOLENT SOCIETY

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

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 Society is established for the benevolent or charitable purpose of providing by voluntary contributions primarily for:

1. the relief of financial need among people employed or formerly employed in the brewing or distilling profession; and
2. the advancement of education in brewing, distilling, fermentation and related subjects, courses and examinations by making grants of money to individuals and organisations.

A Member shall be any person employed or formerly employed in the brewing or distilling 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 or Distilling professions 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:

J K Don
H Smith
R D Knox

COMMITTEE OF MANAGEMENT:

N S Fitch (Chairman)
Ms J A Carling
R Davies
R Duszanskyj
D E Prentice
I M Swanson

SECRETARY:

Ms J A Carling

TREASURER:

I M Swanson

AUDITORS:

Jacob Cavenagh & Skeet

BANKERS:

Barclays Bank Plc

INVESTMENT MANAGERS:

Atomos Private Investments (UK) plc

Key Management Personnel are considered to include all members of the Committee of Management, 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

Opinion

We have audited the financial statements of the Incorporated Brewers Benevolent Society (the "Society") for the year ended 31 December 2023 which comprise the Revenue Account, the Balance Sheet, the Statement of Changes in Retained Earnings, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 society's affairs as at 31st December 2023 and of its income and expenditure 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 Friendly Societies Act 1992.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 the provisions available for small entities, in the circumstances set out in note 5 to the financial statements, 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 committee of management's 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 society's ability to continue as a going concern for a period of at least 12 months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Committee of Management 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 Committee of Management are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Friendly Societies Act 1992 requires us to report to you if, in our opinion:

- the society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation;
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Committee of Management

As explained more fully in the Committee of Management's responsibilities statement, the Committee of Management is 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 they 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 Committee of Management are responsible for assessing the society'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 Committee of Management either intend to liquidate the society 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Based on our understanding of the society, we identified that the principal risks of non-compliance with laws and regulations related to financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Friendly Societies Act 1992.

We assessed the susceptibility of the society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to fraudulent expenditure.

Audit procedures performed by the audit team included discussions with the Committee of Management, reviewing meeting minutes, evaluating the society's internal controls and testing a sample of purchases to invoices.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the society's members, as a body, in accordance with section 73 of the Friendly Societies Act 1992. 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.

R I Haffenden MA(Cantab) FCA
Senior Statutory Auditor
for and on behalf of Jacob Cavenagh & Skeet
Chartered Accountants and Statutory Auditor
5 Robin Hood Lane
Sutton, Surrey SM1 2SW

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INCORPORATED BREWERS' BENEVOLENT SOCIETY
REVENUE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2023

	2023		2022	
	£	£	£	£
Income				
Donations	1,365		912	
Investment income	75,683		78,255	
Tax recoverable on Gift Aid	127		228	
Deposit interest	66		7	
Total income		77,241		79,402
 Expenditure				
<i>Direct Aid</i>				
Grants	5,688		6,242	
Walter Finch Bequests	1,500		2,000	
		7,188		8,242
 <i>Counselling and Administration</i>				
Administration	22,097		23,481	
Investment Advice	16,078		14,179	
		38,175		37,660
Total expenditure		45,363		45,902
 Net investment gains/(losses)		158,397		(344,475)
Total comprehensive income/(expenditure) for the financial year		<u>190,275</u>		<u>(310,975)</u>

The income is wholly derived from continuing activities.

INCORPORATED BREWERS' BENEVOLENT SOCIETY

BALANCE SHEET AT 31st DECEMBER 2023

	2023		2022	
	£	£	£	£
Capital Funds				
General Fund (note 1)		3,025,014		2,834,739
		<u>3,025,014</u>		<u>2,834,739</u>
Represented by:				
Fixed assets				
Investments (Note 2)		2,869,494		2,688,372
Current assets				
Debtors (note 3)	14,867		9,369	
Cash and cash equivalents	154,937		153,543	
	<u>169,804</u>		<u>162,912</u>	
Less current liabilities				
Creditors and accruals		(14,284)		(16,545)
Net current assets		<u>155,520</u>		<u>146,367</u>
Net assets		<u>3,025,014</u>		<u>2,834,739</u>

Signed on behalf of the Committee of Management:

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

27 March 2024

INCORPORATED BREWERS' BENEVOLENT SOCIETY
STATEMENT OF CHANGES IN RETAINED EARNINGS AT 31st DECEMBER 2023

	2023	2022
	£	£
As at 1st January 2023	2,834,739	3,145,714
Total comprehensive income/(expenditure) for the financial year	190,275	(310,975)
As at 31st December 2023	<u><u>3,025,014</u></u>	<u><u>2,834,739</u></u>

INCORPORATED BREWERS' BENEVOLENT SOCIETY
STATEMENT OF CASH FLOWS AT 31st DECEMBER 2023

	2023	2022
	£	£
Cash used in operating activities (note below)	(51,630)	(45,736)
Cash used in investing activities		
Interest and dividends received	75,749	78,262
Payments made on acquisition of fixed asset investments	(2,334,670)	(557,133)
Proceeds on disposal of fixed asset investments	2,311,945	563,833
Cash provided by investing activities	53,024	84,962
Net cash inflow	1,394	39,226
Cash and cash equivalents at 1st January 2023	153,543	114,317
Cash and cash equivalents at 31st December 2023	<u>154,937</u>	<u>153,543</u>
CASH USED IN OPERATING ACTIVITIES		
Net income/(expenditure)	190,275	(310,975)
Interest received shown in investing activities	(75,749)	(78,262)
(Gain)/loss on disposal of investment assets	26,160	129,725
(Gain)/loss on revaluation of investment assets	(184,557)	214,750
(Increase) in debtors	(5,498)	(1,513)
(Decrease)/increase in creditors	(2,261)	539
Cash used in operating activities	<u>(51,630)</u>	<u>(45,736)</u>

Incorporated Brewers' Benevolent Society

ACCOUNTING POLICIES

BASIS OF ACCOUNTS

The Society was incorporated in England and Wales 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. Its registration number is RS0032EN and its registered place of business is: 44A Curlew Street, London SE1 2ND and its day to day administrative functions are carried out at: The Clock House, Clock House Lane, Bramley, Guildford GU5 0AP.

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. They have also been prepared in pounds sterling rounded to the nearest £1.

GOING CONCERN

The financial statements have been prepared on a going concern basis, on the basis that no material uncertainties exist that cast significant doubt upon the Society's ability to continue as a going concern. The Committee of Management make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Committee of Management has paid particular attention to the likely effects on the Society of the current COVID-19 outbreak. The Committee of Management has taken account of investment income while operating remotely and are confident that the Society has sufficient resources to enable it to continue as a going concern for the foreseeable future.

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 2023	2,043,054	-	2,043,054
Valuation of Investments Surplus at 1st January 2023	-	791,685	791,685
	<u>2,043,054</u>	<u>791,685</u>	<u>2,834,739</u>
Proportion of surplus/(deficit) on Sale of Investments Current year	62,829	(88,989)	(26,160)
Valuation of Investments: Movement in value for the year to 31st December 2023		184,557	184,557
Revenue account surplus for the year to 31st December 2023	31,878	-	31,878
	<u>2,137,761</u>	<u>887,253</u>	<u>3,025,014</u>

2 LISTED INVESTMENTS

	Fixed interest £	Equities £	Total £
Market value as at 1 January 2023	675,448	2,012,924	2,688,372
Purchases during the year	31,376	2,303,294	2,334,670
Disposals during the year	(636,337)	(1,701,768)	(2,338,105)
Change in market value during the year	8,798	175,759	184,557
Market value at 31 December 2023	<u>79,285</u>	<u>2,790,209</u>	<u>2,869,494</u>
Historical cost at 31 December 2023	<u>59,869</u>	<u>2,435,613</u>	<u>2,495,482</u>

3 DEBTORS

	2023 £	2022 £
Tax recoverable	9,867	9,369
Other debtors	5,000	-
	<u>14,867</u>	<u>9,369</u>

4 AUDITOR'S REMUNERATION

Included in administration expenses is £2,226 (2022: £2,045) 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.

6 RELATED PARTY TRANSACTIONS

No transactions with related parties took place during the year.