

Beckley & Area Community Benefit Society

Annual Members' Meeting 2022

Chairman's Report

Chairman's Report 20/21

1. The Abingdon Arms

2022 has been yet another tough year for the hospitality trade and the Abingdon Arms is no exception. Over the year there have been large increases in food and drink supply costs, staff costs and energy bills. Full VAT levels have returned. Such a different environment from the heady days when we took over the pub from Brakspear's in January 2017. Some of the expensive kitchen equipment has had to be repaired or replaced, and almost none of the kit left by the previous tenants was serviceable for very long.

There are many stories about the closure of pubs, both tied and free. For example, Wetherspoons are selling 32 pubs to save money, various trade organisations (such as the British Beer and Pub Association) are predicting that many pubs will be closing and, more locally, the popular Talbot Inn near the Swinford Toll Bridge at Eynsham has sadly closed because the landlords cannot see a way through the current cost increases. Many of the closing pubs are lost forever, get knocked down, or converted into homes or offices.

The tenants have with our help invested in improvements designed to increase trade, such as the new awning, upper terrace seating and accessible path to the lower terrace.



In response to these challenges the tenants have made a number of changes. For example:

- Reduced staffing
- Reduced stock
- Different suppliers
- Local rather than national beers
- Minimal price increases
- Reduce menu choices

In addition, the tenants have had to spend many more hours delivering the service. In conjunction with a thorough financial review by three of the committee, the BACBS continues to support the tenants with a greatly reduced rent and other one-off costs.

Our tenants were recently on BBC Oxford because of their contributions to the Barton Community Association food larder

Who knows what further challenges will appear over the next months and years. BACB is determined to help the pub survive through to hopefully better days.

2. Beckley and Area Community Benefit Society Ltd

The committee continues to maintain a close dialogue with the tenants to ensure that the pub goes on serving the community who bought it, as well as others. It has to be BACBS's first priority to ensure survival of the pub. It is inconceivable that we should see it close and be developed into something else.

There is a balance to be struck between it being a village pub and a destination restaurant, the latter bringing in more income and thus making the business financially more viable. Part of that strategy was the introduction of an open share offer in January this year (2021). This was widely advertised and brought in a useful amount, which allowed us to fund some of the improvements and keep the rent down.

BACBS committee.

Members this last year (Nov 21/Nov 22)

- John Stradling (Chair)
- Adam Jeffrey (Treasurer)
- Sam Clarke (Committee secretary and Vice Chair)
- *John Walsh (Accountancy advice and company secretary)
- Cathy Davies (More than a pub activities)
- Dave Drew (Property management)
- *Rick Kealy (Property management, legal input)
- Jerry Bloomfield (Business advice)
- Nin Kelay (Tenant liaison)
- Gabriel Brodetsky (membership secretary)
- Susy Jepson (Tenant liaison, legal input)

Two new members joined the committee at the last annual members meeting in November 2021 *

3. Survey 2022

At the last annual members meeting we promised to survey our members and beyond about the pub and BACBS itself. This was done via Survey Monkey over the summer, with the help of Ginette Camps-Walsh. Preparation of the results was done by Ginette, Cathy Davies and me.

There were about 18 questions largely in the form of multiple-choice answers with opportunities for free-form comments. There were 65 responses, 37 identified themselves and 65% were BACBS members. This is an edited summary of the results presented to the AMM.

- Most ate or drank at the pub either occasionally or once or twice a month. Cheaper and simpler food, better service, and more flexible menus would encourage higher usage.
- Takeaways were now only occasionally had, following extensive use during COVID.
- Most wanted a good restaurant with high quality food with only a 5% minority wanting mainly pub grub only.
- Priorities for food were mainly a range of dishes, changing menu, low prices, locally sourced and chef's specials.
- All the current 'extra-curricular' activities arranged by BACBS were popular.

Beckley & Area Community Benefit Society Ltd
OPEN SHARE OFFER



- In 2016 The Abingdon Arms was up for sale and Beckley was at risk of losing its only pub.
- The community came together and raised nearly £500k to buy The Abingdon Arms. Our aim was to secure the pub for future generations.
- Beckley & Area Community Benefit Society Ltd (BACBS) now leases the pub to experienced tenants for an affordable rent.

We are now seeking new members and additional investment from the community to further improve and look after this beautiful pub

- Minimum investment only £50!

To find out more about this share offer, please visit our website where you can download the share offer prospectus and learn more about the Society.

www.bacbs.org/openshareoffer



- About four outdoor events with music was supported by the majority.
- The top three priorities were friendlier/better service, keep afloat/viable and more of a family focus.
- Only a few would be interested in helping the society or consider joining the committee.
- Only a few were concerned about the delayed interest payments on their shares.

4. Complaint

We have had one complaint against the management committee (MC) and have responded.

Shortly after the Jubilee celebration, the allegation was made that we had not served the community by allowing such live music events at the pub, and that we should ban them.

Allegation that we had not taken measures to limit parking by pub users.

The committee considered these complaints at length and concluded the following:

The tenants had not breached the terms of their licence or their lease. Thus there was no justification for the MC to interfere. In fact, the tenants' licence allows considerably longer outside music times than they have ever had.

Following last year's annual members' meeting, when parking issues were raised, various potential solutions were discussed and investigated, including an attempt through Councillor Tim Bearder. However, no solution has proved possible as parking is not under our control. It is worth pointing out that the village hall car park can now be used by anyone and is no longer locked for hirers use only.

5. Projects

Upstairs refurbishment

- The upstairs of the pub is in serious need of improvement. Primary requirements are window repairs/replacements and installation of double glazing.
- We would have had enough money to do this if COVID had not struck and rental income therefore greatly reduced.
- We will need to build up some capital before this is possible.
- This can only come from rent, new shares, or grants.

6. The Future

- Pubs have an uncertain future, and many are closing.
- Ultimately, we have a responsibility to ensure that the pub survives, that we have the best possible tenants, and that it remains a central focus for Beckley and surrounding villages.
- This can only happen if the pub continues to trade very well, and a realisation by the MC and villagers that compromises have to be made.
- It has been difficult to find tenants for pubs that have closed.
- More support in a number of ways may be needed to prevent the inconceivable outcome of the pub closing.

John STRADLING

Chairman

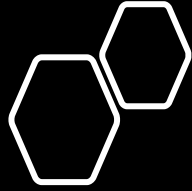
Beckley & Area Community Benefit Society

Annual Members' Meeting 2022

Treasurer's Report & Final accounts

Treasurer's report 2022






Summary

- Finances for 21/22 were very similar to the previous year in terms of income despite ongoing rent reductions for tenants.
- Loss for year £3,461 against a profit of £12,409 last year

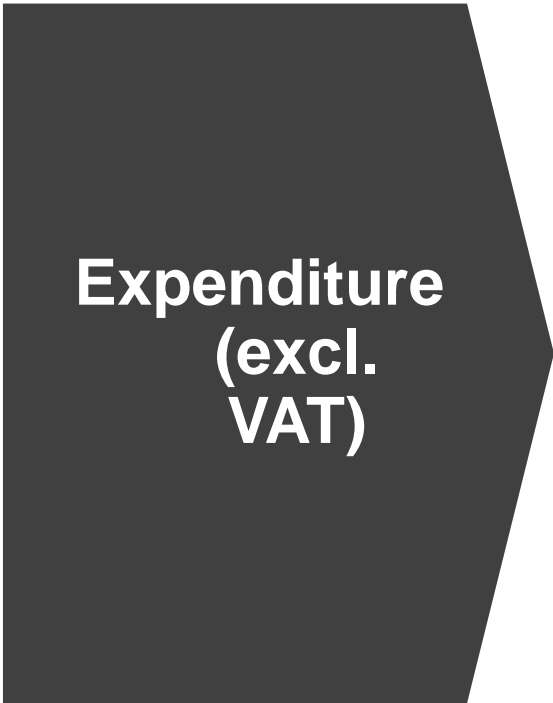
BUT

- Over £34,000 improving our asset by way of property improvements and enhancements
- Outlook for coming year.....?
 - Rent unlikely to be in line with original prospectus
 - Loan payments/capital
 - Future interest payments – ??



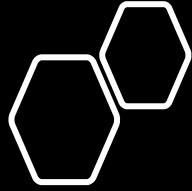
**Income
(excl.
VAT)**

Grant	£2,200
Rent	£14,833
Insurance Recharge	£1,417
Share Sales	£18,450
Sale of maps/guides	£103
<hr/>	
Total	£35,003



**Expenditure
(excl.
VAT)**

Loan repayments	£11,080
Insurances	£3,037
Property Improvements	£34,301
Accountants	£740
Admin expenses	£776
Licences/subscriptions	£180
Total	£22,109



Current financial position

- Amount outstanding on loans
 - CCF loan
£23,189
 - Private loan
£25,323
 - Total
£48,512

- Total 2020
£56,823

Summary of final accounts

<u>Profit and Loss Account</u>	2022	2021	2020
Turnover	£16,617	£17,752	£13,614
Gross Profit	£16,679	£17,752	£13,272
Operating Profit	-704	£15,926	£2,314
(Loss)/Profit before tax	-£,3461	£12,409	-£1,537
Tax due	nil	nil	nil
<u>Balance Sheet</u>			
Share Capital	£530,200	£511,750	£508,250
P&L Account	£16,735	£20,196	£7,787
Members' Funds	£546,935	£531,946	£516,037

Cash flow

- Notes
- Includes tenant's security deposit
- Includes VAT paid and received

Opening Balance	(1st October 2021)	£70,662
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Closing Balance	(30th September 2022)	£61,403
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Treasurer's report 2022

Audit exemption

- Full audits typically cost at least **£3,000**
 - Unaudited report costs **£755**
 - Exemptions permitted if:
 - Turnover less than **£10.2m**
 - Total value of assets less than **£5.1m**
- As previously reported, we took expert advice to:
 - Consider full audit periodically, or if unusually high levels of income/expenditure anticipated
 - Keep under review

For 2022-23 we recommend exemption and to submit the unaudited report prepared by our accountants (D. Cadwallader & Co. Ltd)

Beckley & Area Community Benefit Society Limited
Unaudited Financial Statements
30 September 2022

Beckley & Area Community Benefit Society Limited

Financial Statements

Year ended 30 September 2022

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Beckley & Area Community Benefit Society Limited

Management Committee Report

Year ended 30 September 2022

The members present their report and the unaudited financial statements of the society for the year ended 30 September 2022.

Principal activities

The principal activity of the society during the year was the maintenance and lease of a pub for the benefit of the community.

Members

The members who served the society during the year were as follows:

John Stradling
Gabriel Brodetsky
Adam Jeffrey
Susy Jepson
Sam Clark
Nin Kelay
Rick Kealy
Dave Drew
Jerry Bloomfield
Cathy Davies
John Walsh

This report was approved by the management committee on and signed on behalf of the board by:

John Stradling
Chair

Adam Jeffrey
Treasurer

Sam Clarke
Secretary

Registered office:
Suite 3 Bignell Park Barns
Chesterton
Bicester
Oxfordshire
OX26 1TD

Beckley & Area Community Benefit Society Limited

Independent Accountant's Report to Beckley & Area Community Benefit Society Limited

Year ended 30 September 2022

We report on the financial statements of the society for the year ended 30 September 2022 which comprise the income statement, statement of financial position and the related notes.

Our work has been undertaken so that we might state to the society those matters we are required to state to it in an accountant'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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the management committee and independent accountant

The management committee is responsible for the preparation of the financial statements and they consider that an audit is not required for this year and that an independent accountant's report is needed.

It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis for opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants. Our procedures included a review of the accounting records kept by the society and a comparison of the financial statements presented with those records. It also included consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required for an audit, and consequently we do not express an audit opinion on the view given by the financial statements.

Opinion

In our opinion:

- a) the financial statements are in agreement with the accounting records kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014.
- b) having regard only to, and on the basis of, the information contained in those accounting records, the financial statements comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.
- c) for the preceding year of account, the financial criteria for the exercise of the power conferred by section 84 were met in relation to the year.

DAVID CADWALLADER & CO LIMITED
Chartered Certified Accountants

Suite 3 Bignell Park Barns
Chesterton
Nr Bicester
Oxon
OX26 1TD

Beckley & Area Community Benefit Society Limited

Income Statement

Year ended 30 September 2022

	Note	2022 £	2021 £
Turnover		16,617	17,752
Cost of sales		(62)	—
Gross profit		16,679	17,752
Administrative expenses		23,020	8,860
Other operating income		5,637	7,034
Operating (loss)/profit		(704)	15,926
Other interest receivable and similar income		12	124
Interest payable and similar expenses		2,769	3,641
(Loss)/profit before taxation	3	(3,461)	12,409
Tax on (loss)/profit		—	—
(Loss)/profit for the financial year		(3,461)	12,409

The society has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 6 to 8 form part of these financial statements.

Beckley & Area Community Benefit Society Limited

Statement of Financial Position

30 September 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible assets	4		673,331	656,679
Current assets				
Stocks		234		172
Debtors	5	1,461		1,675
Cash at bank and in hand		61,361		72,536
		<u>63,056</u>		74,383
Creditors: amounts falling due within one year	6	<u>152,020</u>		153,315
Net current liabilities			<u>88,964</u>	78,932
Total assets less current liabilities			<u>584,367</u>	577,747
Creditors: amounts falling due after more than one year	7		<u>37,432</u>	45,801
Net assets			<u>546,935</u>	<u>531,946</u>
Capital and reserves				
Called up share capital			530,200	511,750
Profit and loss account			<u>16,735</u>	<u>20,196</u>
Members funds			<u>546,935</u>	<u>531,946</u>

The society is satisfied that it is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members have not required the society to obtain an audit of its financial statements for the year in question in accordance with the Act.

The members acknowledge their responsibilities for:

- ensuring that the society keeps proper accounting records which comply with section 75 of the Co-operative and Community Benefit Societies Act 2014 (the Act);
- establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with section 75 of the Act; and
- preparing financial statements which give a true and fair view of the state of affairs of the society as at the end of the financial year and of its income and expenditure for the year in accordance with the requirements of section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The statement of financial position
continues on the following page.

The notes on pages 6 to 8 form part of these financial statements.

Beckley & Area Community Benefit Society Limited

Statement of Financial Position *(continued)*

30 September 2022

These financial statements were approved by the management committee and authorised for issue on, and are signed on their behalf by:

John Stradling
Chair

Adam Jeffrey
Treasurer

Sam Clarke
Secretary

Registration number: RS007404

The notes on pages 6 to 8 form part of these financial statements.

Beckley & Area Community Benefit Society Limited

Notes to the Financial Statements

Year ended 30 September 2022

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Suite 3 Bignell Park Barns, Chesterton, Bicester, Oxfordshire, OX26 1TD.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Beckley & Area Community Benefit Society Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

2. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the society are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the . Finance costs and gains or losses relating to financial liabilities are included in the . Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

3. Profit before taxation

Profit before taxation is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	<u>6,208</u>	<u>1,995</u>

Beckley & Area Community Benefit Society Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

4. Tangible assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 October 2021	652,304	9,977	662,281
Additions	–	22,860	22,860
At 30 September 2022	<u>652,304</u>	<u>32,837</u>	<u>685,141</u>
Depreciation			
At 1 October 2021	–	5,602	5,602
Charge for the year	–	6,208	6,208
At 30 September 2022	<u>–</u>	<u>11,810</u>	<u>11,810</u>
Carrying amount			
At 30 September 2022	<u>652,304</u>	<u>21,027</u>	<u>673,331</u>
At 30 September 2021	<u>652,304</u>	<u>4,375</u>	<u>656,679</u>

5. Debtors

	2022 £	2021 £
Other debtors	<u>1,461</u>	<u>1,675</u>

6. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	11,081	11,023
Social security and other taxes	70	546
Other creditors	<u>140,869</u>	<u>141,746</u>
	<u>152,020</u>	<u>153,315</u>

7. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	<u>37,432</u>	<u>45,801</u>

8. Related party transactions

The management committee purchase items from the pub. All transactions are at open market value.

No other transactions with related parties were undertaken such as required to be disclosed under FRS 102.

Beckley & Area Community Benefit Society Limited

Management Information

Year ended 30 September 2022

The following pages do not form part of the financial statements.

Beckley & Area Community Benefit Society Limited

Detailed Income Statement

Year ended 30 September 2022

	2022 £	2021 £
Turnover	16,617	17,752
Cost of sales		
Opening stock - raw materials	172	172
Closing stock - resale	<u>234</u>	<u>172</u>
	(62)	-
Gross profit	<u>16,679</u>	<u>17,752</u>
Overheads		
Administrative expenses	23,020	8,860
(Loss)/profit on society trading	<u>(6,341)</u>	<u>8,892</u>
Grants & donations received	2,501	2,551
Capital grants released	<u>3,136</u>	<u>4,483</u>
	5,637	7,034
Operating (loss)/profit	<u>(704)</u>	<u>15,926</u>
Other interest receivable and similar income	12	124
Interest payable and similar expenses	(2,769)	(3,641)
(Loss)/profit before taxation	<u>(3,461)</u>	<u>12,409</u>

Beckley & Area Community Benefit Society Limited

Notes to the Detailed Income Statement

Year ended 30 September 2022

	2022 £	2021 £
Administrative expenses		
Insurance	3,202	3,148
Repairs and maintenance (allowable)	11,441	1,816
Printing postage and stationery	363	61
Sundry expenses	127	58
Subscriptions	574	837
Advertising	305	212
Accountancy fees	800	725
Depreciation of tangible assets	6,208	1,995
Bank charges	–	8
	<u>23,020</u>	<u>8,860</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>12</u>	<u>124</u>
Interest payable and similar expenses		
Interest on bank loans and overdrafts	<u>2,769</u>	<u>3,641</u>

Beckley & Area Community Benefit Society
Annual Members' Meeting 2022
Secretary's Report

Beckley & Area Community Benefit Society Ltd

Secretary's and Membership Report - Annual Members' Meeting, 24th November 2022

Membership

Our membership strategy remains unchanged, which is to address how the Society ensures that our membership remains central to the enterprise, whereby we continue to grow our membership and engage our members. Its focus therefore is on the activities relevant to encouraging new membership and member participation.

Open Share Offer

We launched our new offer in January 2022 with a new prospectus, mailings and flyers in the pub. The idea was to provide new capital for improvements to the pub and, in due course, to allow for those who move away or need to withdraw their shares.

Interest payments to members.

During Covid, this remained a distant aspiration. Now with inflation and in particular elevated energy costs, we have had to shelve this idea until the economics of the society are a little more robust.

Share withdrawals

Now that withdrawals are allowed (as reported last year), we have noted the death of one member and expect the executor to withdraw the share capital concerned. Other withdrawal requests have been declined until the position of the Society looks stronger.

Current membership numbers

Since the beginning of 2022, 19 new members have joined the Society. The value of their holding is £17,850, a welcome addition to our capital.

This means that we have now 312 members who have invested a total of £529,600.

Formal Policies

During the year we approved a simple complaints and disputes policy.

Management Committee

During the past year the MC has met 9 times, mostly in person.

For the coming year, the members of the MC will be

Adam Jeffrey

Cathy Davies

Jerry Bloomfield

John Stradling
John Walsh
Nin Kelay
Rick Kealy
Susy Jepson
Aris Karastergiou
Georgina Matthews
Mish Tullar

The Officers for the coming year will be elected at the first MC meeting after the Annual meeting.