

Company number: 01601185
Charity number: 283945
Scottish Charity number: SC042351



The British Institute of Innkeeping
Report and financial statements
For the year ended 31 December 2024



The British Institute of Innkeeping

Contents

For the year ended 31 December 2024

Reference and administrative information	1
Council’s annual report	3
Independent auditor’s report	14
Statement of financial activities (incorporating an income and expenditure account)	19
Balance sheet	20
Consolidate statement of cash flows	21
Notes to the financial statements	22

The British Institute of Innkeeping

Reference and administrative information

For the year ended 31 December 2024

Company number 01601185

Charity number 283945

Registered office and operational address Office 3 Sentinel House
Ancells Business Park
Harvest Crescent
Fleet
GU51 2UZ

Country of registration: England & Wales, Scotland

Country of incorporation: United Kingdom

Council The Council members named below (who are the trustees of the BII under charity law) have served throughout the year and up to the date of this report unless otherwise stated. The appointment and retirement of Council members is governed by the Articles of Association.

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Amanda Hemming
Bruce Cuthbert (Resigned on 10 Sept 2024)
Chris Black
Gregory Mangham
James Nye
Jeremy Scorer (Appointed on 10 Sept 2024)
Joanne Graham
Katy–Anne Hamilton
Kelly McCarthy
Matthew Phipps (Resigned on 10 Sept 2024)
Mark Robson (Chair)
Paul Eeles (Resigned on 10 Oct 2024)
Philip Strong (Resigned on 10 Sept 2024)
Piers Warne (Appointed on 10 Sept 2024)
Stephen Owens
Timothy Smith

Reference and administrative information

For the year ended 31 December 2024

The trustees delegate day to day management to the following senior leadership team (SLT):

Steven Alton	Chief Executive Officer
Shila Singh	Head of Finance
Molly Davis	Head of Communications
Natalie Wickham	Head of Partnerships
Hannah Solomons	Head of Membership Development

Secretary	Gill Cooper	(Resigned on 10 Sept 2024)
	Shila Singh	(Appointed on 10 Sept 2024)

Bankers	Barclays Bank
	Leicester
	LE87 2BB

Auditor	Sayer Vincent LLP
	Chartered Accountants and Statutory Auditors
	110 Golden Lane
	LONDON
	EC1Y 0TG

The Council present their report and the audited financial statements for the year ended 31 December 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The BII's principal object remains to advance the education and training of persons engaged, or preparing to be engaged, in a) the sale of beverages and/or the preparation or sale of food at premises licensed for the sale of intoxicating liquor; and/or b) ensuring regulatory compliance and/or good operation in such premises. Professional standards, training and sharing best practice & innovation is at the heart of the approach of the BII.

In delivering the above object the BII has a very clear purpose to do all it can to keep pubs thriving at the heart of every community which brings together its key activities;

- Provision of clear and actionable information and insight through regular member emails (INNFocus), online business resources in the BII resource hub including interactive guides and our quarterly member magazine (BII News)
- Access to nine expert helplines giving critical independent advice with all key elements of our members' businesses including legal, licensing, employment law, health & safety, Landlord & Pubco relationships and mental health
- Access to a network of Trusted Partners providing advice, products and services for our members to improve their businesses
- Deliver a series of national awards to recognise, celebrate and promote best practice across our sector; Licensee of the Year Award, National Innovation in Training Awards and our Sustainability Champions Awards
- National events providing networking opportunities for our members
- Through the BIIAB and the partnership with the Skills and Education Group, the provision of qualifications and apprenticeships for learners working in, or planning to work in the hospitality industry and other industries outside the hospitality industry in particular the care sector
- Provision of PEAT (Pre-Entry Awareness Training) for new industry entrants before they sign an agreement with a pub company or brewery, providing information they need to consider in particular their legal and operational responsibilities
- Provision of a growing network of BII Accredited Advisors providing independently assessed Chartered Surveyors, Accounts and Solicitors meeting the highest professional standards to support our members through major commercial lifecycle events i.e. taking new agreements or major changes to existing ones.
- Provision of support for industry initiatives including

- Running administrative services for the Pub Governing Body (PGB), the Pub Independent Rent Review Scheme (PIRRS) and the Pub Independent Conciliation and Arbitration Service (PICAS)
- Providing day to day support and running administrative services for the successful Best Bar None (BBN) Professional & Safer Venues scheme. The BBN scheme promotes and maintains an inclusive national Awards Scheme for all licensed premises across England, Wales, Scotland and Northern Ireland. The schemes' aim is to promote responsible management and operation of alcohol licensed premises, improve standards in the night time economy, and reduce alcohol related crime and disorder in a town centre by building a positive relationship between the licensed trade, police and local authorities. Steven Alton is now Vice-Chair of BBN.

The Council reviews the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Council reports the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Council ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Council have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Council consider how planned activities will contribute to the aims and objectives that have been set. The British Institute of Innkeeping does not raise funds specifically for fundraising and so does not use professional fundraisers.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities are undertaken to further The British Institute of Innkeeping's charitable purposes for the public benefit.

Membership and member services

Our members have faced another challenging trading year with ongoing high operational costs through embedded inflation in food & drink costs, high energy costs and rapidly rising employment costs. In addition, many members have reported significant changes in customer trends with low trade later in the evening, reduced visits, reduced spend per head and an increasing number seeking low or non-alcoholic drinks. This environment presents significant challenges to our members. Through our regular membership insight surveys and extensive direct calls to members, the membership team conduct circa 60,000 call per annum targeting three calls per annum to each member, the BII team are clear on member priorities; business growth, implementing lean and sustainable practices and making representation to Government for targeted support.

Our representations to Government at all levels, ministers, MPs and officials, has been based upon creating a fairer tax environment for our members. Pubs are heavily exposed to property and employments costs and taxes. Whilst a welcome extension to the existing business rates relief is in place until April 2025 the announcements in the autumn budget are incredibly disappointing for our

members. In particular the increase in National Insurance Contributions (NICs) for employers including changing the threshold bringing many part time workers into scope for NICs and the reduction in Business Rates relief, which more than doubles these costs. We have conducted numerous member insight surveys throughout the year and, the one we conducted after the budget was announced captured that 80% of our members expect to be unprofitable when the new taxes are implemented in April 2025. We continue to make representations for our members sharing their trading realities and campaigning for rapid change in the high level of taxation pubs are facing.

The BII CEO has regular direct meeting with Ministers, MPs and officials and alongside industry colleagues via membership of the Hospitality Sector Council and the All-Party Parliamentary Beer Group. In addition to creating a fair tax environment we campaign for positive change in simplification of legislation and removing barriers for small pub operators to access key Government business initiatives. Through sharing the economic, skilled employment and social value of pubs we encourage Government to create the right conditions for our members pubs to thrive at the heart of every community. Our members have prioritised a lower rate of VAT for pubs, a fundamental reform of the unfair business rates systems and reducing barriers to employment.

With a change of Government this year the BII team have successfully re-engaged the new lead Ministers supported by effective relationships with officials that has provided a degree of continuity. In addition to this direct activity, we have asked members to engage their local MPs, over 300 new MPs are now in Westminster, to showcase their pub businesses, demonstrate their positive impact in its community and gain their MPs support for their local pub. The #MyPub campaign has also been supported through sharing any pubs achieving BII awards directly with MPs through letters. This has resulted in a number of MPs reaching out to their local pubs to congratulate them on their achievements. We will continue to support members gain the vital support of their local MPs.

The whole BII team remains passionate about its clear purpose to **keeping pubs thriving at the heart of every community**. The team continues to focus on continually improving engagement levels across all platforms, holding regular reviews of impact and collaborates with partners across the sector for the benefit of its members. The membership team continues to grow targeting three contacts per member each year and has made circa 60,000 calls in 2024. The calls continue to be very well received by members, allow us to signpost them to key resources depending upon their immediate needs and provide an invaluable source of regular insight.

Our members place great value on the independent advice of our specialist helplines, continuing to rank number one for value of all benefits. Calls to all helplines have increased significantly in 2024. Our legal and licensing helplines have received circa 400 calls, employment law circa 1000 calls and our Pubco and Landlord helpline, which provides clear guidance on the rights, obligations and options for licensees when tackling key relationship issues has received circa 400 calls. This has continued to rise in the early weeks in 2025 which is expected to accelerate with the trading challenges being faced. Our partners also support us with providing extensive proactive information on key issues which we feature in our weekly email digest on key issues, INNFocus. This email provides direct links to key briefing materials and actionable guides including impact of tax changes,

implementation of tipping legislation (TRONC) and advice around key safety trends including drinks spiking.

In addition to our expert helplines we continue to grow our network of Accredited Advisors in the three core areas of Chartered Surveyors, Accountants and Solicitors. This ensures our members can access the highest professional level of advice when tackling key lifecycle events i.e. when entering into an agreement or considering business investments. This network is supported by expert industry panels setting the rules for accreditation and conducting the accreditation assessment and professional interview. The Accredited Advisor network will continue to grow in 2025 and will be expanded to include additional disciplines.

Supporting the increasing number of new licensees coming into the trade is a key priority for the BII. We continue to promote and see high take up of the BII Pre Entry Awareness Training (PEAT) course which ensures new licensees understand all the areas they must consider to effectively operate a pub. We have 19 leased and tenanted estate pub companies that now support their licensees with paid membership of the BII. As a key part of this agreement the BII provides access to membership for any potential licensee considering an agreement with these companies which allows them to access all the resources of the BII including access to the Accredited Advisor network to get independent expert support before entering into agreement. This is clearly to the benefit of all parties and ensure licensees are clear on their rights, obligations and have a sustainable business plan in place.

We also continue to grow the BII's Trusted Partner network expanding into a wider set of essential capabilities, products and services for our members tailored around member priorities. We continue to engage all Trusted Partners to develop specific content and insight on key themes. We operate a Partners Event which engages all partners in a face to face event to share BII developments, hear directly from BII members on their trading realities and creates an opportunity for networking.

The BII focuses its approach in three key areas; inspire, support and develop. Inspiring our members through sharing best practice, innovation and excellence from our members is key. Our two key award platforms; BII Licensee of the Year Award (LOYA) and the BII National Innovation in Training Award (NITA) both continue to grow and develop. They provide an opportunity to recognise, celebrate and share best practice and innovation across our membership. Both award events are the culmination of day events; the BII Summer Event and the BII People Conference.

We have also developed the BII Sustainability Champion Award designed to recognise best practice in sustainability. The award is available for all pub operators delivering key activities in energy reduction, waste reduction, sustainable procurement and engaging customer & staff in their approach. This has awarded over 650 operators and provides a platform to promote sustainability in pubs, highlight the commercial opportunities through lean operating & engaging customers with sustainable options. We continue to work closely with the Zero Carbon Forum is supporting our award and best practice assets for our members.

The BII People Conference and NITAs was held in November in London with a full capacity day and evening event. This year's People Conference content was designed around core themes of authentically engaging teams, male mental health and innovation in wellbeing & professional development. The event was supported by industry experts and leading operators with recognised expertise in professional development, wellbeing and developing resilience in teams. Our circa 300 guests were from across the sector; BII members & Ambassadors, pub operator people teams and industry partners.

The evening provided a platform to celebrate our National Innovation in Training Award winners. With a wide range awards recognising the very best in training, development and wellbeing. A highlight was the award of two Apprentices of the Year with two outstanding winners.

In June the BII Summer Event was held again at the HAC in London to a capacity crowd of circa 900 people. The event provides a platform to celebrate our Licensee of the Year Award (LOYA) finalists and eventual winners. At the event a number of proven current operators were recognised as BII Ambassadors due to their commitment to supporting the BII, its members and the wider sector. These Ambassadors, and previously recognised individuals, have continued to heavily support the BII with insight, at events and in representing the BII with key stakeholders including Government. Our winner this year is a community wet-led sports pub at the heart of Burnley led by an outstanding young female operator, Justine Lorrinan. All of our finalists reflected the diversity of our memberships with food-led, wet-led, sports bar, city centre and rural operators. Justine has been a powerful Ambassador for the BII throughout 2024 supporting our events and engaging wider stakeholders including Government.

Membership, despite the challenges, has remained strong at over 13,000. The BII team continue to pursue further opportunities for growth in the coming year in particular focusing on free traders. Overall feedback remains strong on the quality and breadth of support the BII team provide to members. Our annual support survey reconfirmed the most valued benefits including the helplines, INNFocus and a continued importance of the representation of independent pubs into Government. Our further growth will unlock further opportunities to grow our membership capabilities for the benefit of all members.

The BII team have very proudly launched a new membership platform for pub team members, BII Workforce. This platform has been designed to inspire and support their careers within our sector. This provides our core members with capabilities for their team members around professional development, career advice, wellbeing resources, individual perks and a large set of podcasts and blogs sharing stories from people developing their careers alongside experts. With the support of the BIIAB, Sky Sports and the Licensed Trade Charity as foundation partners we have been able to create this membership platform and provide it free of charge to pub team members. With a fully developed suite of information, tools and resources we are now targeting significant growth in the years ahead.

On-going partnership with the BIIAB

The BIIAB is the awarding organisation and end point organisation for work-based learning providers, FE Colleges and employers. They offer Qualifications, Apprenticeship Frameworks and End Point Assessments. The BIIAB, now formally part of the Skills and Education Group since March 2021, remains a strategic long-term partner of the BII. Despite challenges across the pub and education sectors, the partnership has grown and we are pleased that the BIIAB have supported our new Workforce membership platform.

Overall levels of qualifications have remained strong in particular with APLH and security awards. Apprenticeship end point assessment is still very slow to grow in line with the broader market. We are pleased to have now become a BIIAB accredited learning centre late in 2024 and will be launching a number of online training packages in 2025 starting with APLH which fits really well with our complete support for new licensee entrants to the sector.

Beneficiaries of our services

The BII aims to inspire, develop and support individuals in the licensed retail and hospitality industry as its primary beneficiaries. The BII continues to believe that the benefits derived by individuals in its focus on raising professional standards, recruiting, developing, and retaining talent alongside providing support, advice and guidance to individuals, provides a wider public benefit. These benefits will be further enhanced through BII Workforce which has been specifically designed to inspire team members to develop their careers in the pub sector.

The BII remains passionate about the role its members and their pubs play in communities across the UK through local employment, providing skilled careers, supporting local suppliers & brewers and being an accessible, safe space for people to connect. Their role is supporting mental wellbeing and community connections irradiating loneliness and isolation remains critical. The BII #MyPub campaign will continue to be used effectively to promote the wider social and community value of pubs alongside their clear economic and employment value. This approach will continue in the coming year as a positive platform and a call to action to engage local MPs, many new, for their support for the key measures needed to allow our members' pubs to thrive.

BII continues to support Best Bar None Professional & Safer Venues ensuring that the public benefits from the schemes in improving standards and providing a safer night time economy. The scheme is expanding across the UK and continues to have great success in achieving its aims of reducing alcohol related crime and disorder, reducing the harmful effects of binge drinking and improving knowledge and skills of individuals, and the enforcement and regulation agencies to help them responsibly manage licensed premises. In particular the safety of all individuals in the late night economy is paramount within the aims of Best Bar None. The BII CEO is an active director of the Best Bar None organisation and has now been appointed Vice-Chair.

Financial review

The BII team look to fully deploy all its revenues into services delivering value to its members. Budgets are constructed to create a small surplus to ensure the charity has the resilience to cope with any market, member or cost changes throughout the year. This year we have chosen, supported

by strong reserves generated through the sale of the BIIAB, to invest further with additional people to drive more member engagement and launch and manage our Workforce membership platform.

The BII is in a robust financial position to cope with any exceptional pressures and still invest for the future. The Senior Leadership Team (SLT) continue to develop plans for large scale investment that will return the maximum benefit to members. In addition to this the SLT continue to invest in core services and capabilities. They continue to work extremely hard to reduce overheads to a viable minimum allowing further investment in team members to drive member value.

Reserves

Our reserves policy has been reviewed and updated with an aim to ensure the support to members is protected from the risk of disruption due to any potential future lack of funds. The target level for reserves is £1m (2023 £700,000) and is subject to an on-going review.

Strong cash management has continued through this year which has allowed a further improvement in cash reserves to around £1.8m (2023 £1.5m). Free reserves held by the group were also £1.7m (2023 £1.5m) (unrestricted funds less the net book value of tangible fixed assets) at the year end. This improved position stems from the proceeds from the sale of the BIIAB and ongoing profit share.

During 2024 the council decided to add a further £550k into a longer-term investment portfolio, taking the total capital investment to £1,450k (2023 £900k), with a view to help cover inflationary costs increases, at the end of the year the value had increased by £106,312 (2023 £32,420).

The value of total cash and investment exceed the target value of reserves by £872k, and this will continue whilst we are receiving a profit share from the sale of BIIAB. Overall funds being accumulated beyond the reserves policy will be used for a number of defined capital investment programs for the benefit of the membership.

Going concern

The council are very pleased with the further improved cash and investment position in 2024. A small operating deficit, through accelerated investment in people, has supported the delivery of core membership services. Overall the team continues to focus on effective and lean approach to operating cost. The team have worked hard to further reduce overheads and implement new technologies to streamline processes wherever possible. The plans for further growth are well founded and the quality of the existing membership services provides a platform for growth.

The BII Team has strong relationships across the market and are making good progress expanding membership into regional pub groups with a number being converted this year. Relationships with brands supporting free trade growth are strong and already yielding results. Even with the pressure on individual members and some business failure, the BII team are well positioned to continue growing their membership base.

The partnership with the Skills and Education Group also provides a solid source of income from the continued delivery of BIIAB products and services for BII members and the wider hospitality sector. The partnership is developing well and alongside the launch of Workforce early in 2024 further progress in volumes of qualifications and apprenticeships are expected which will benefit the BII directly through the partnership.

Based on the above assessment the Council considers that there are no material uncertainties on the going concern assumption.

Principal risks and uncertainties

In accordance with SORP 2015, the business risks of the BII and the steps taken to manage those risks are documented on a risk register, which is reviewed by the management team and presented to Council. Council is satisfied that the risks are managed adequately. Risks are graded in terms of both potential financial impact and likelihood of occurrence.

One of the biggest risks remains the loss of members as pub businesses potentially fail due to the cost of doing business, with escalating costs in energy, food & drink, labour and additional Government taxation. The sector has actually seen relatively low failure so far with high interest in both acquiring and operating pubs. We are keeping this under regular review and have budgeted for a modest level of lost members in our free trade membership portfolio.

Overall membership continues to grow, and the team have delivered agreements with the larger pub groups supporting their licensees through centrally paid membership which has been secured on multiyear commitments. This also supports BII's ability to provide free membership and access to all our independent expert advice to prospective licensees prior to taking a pub agreement. The membership base remains broadly split between free trade, leasehold and tenanted licensees providing further resilience in the longer term.

Privacy, data protection and cyber security risks, while rated as a low possibility, still carry severe implications. These continue to be addressed by strict system controls, adhering to guidance and regulation under the Data Protection Act and team wide training.

Plans for the future

The BII team remains focused on exploring new ways to fulfil its purpose whilst ensuring its core membership deliverables are maintained to the very highest standard. Checking in with members and gaining their feedback is critical to ensure members priorities are addressed, the growth in the membership team has significantly accelerated this. The whole team are committed to long term growth of membership and are engaged in multiple initiatives to deliver this. The team continues to aim to increase membership in the medium term to 20,000 members and is confident the core platforms and capabilities can all be scaled to deliver this.

Trusted Partners remain an important element of our membership offer providing expertise, products and services to improve our members businesses. We continue to develop deeper

Council's annual report

For the year ended 31 December 2024

relationships with our core partners and seek out additional partners for new capabilities. In addition the BII Awards and events remain key platforms to recognise, celebrate and share innovation & best practice. The event quality continues to develop each year which has also improved financial performance whilst always ensuring excellent value for members and partners.

We have focused on enhancing engagement with members and good progress has been made. This remains a key focus in the coming year to ensure all off our members are engaged with our services and feel connected to their membership organisation. Our new team members and improved technology platform will enable this to be delivered effectively.

A key strategic challenge remains for our members which is the attraction, development and retention of talent. The BII's new membership offer for team members, BII Workforce has provided a platform to inspire, support and develop their careers and retention to the sector. This membership platform has been developed by a group of key partners and will be target scale growth of members in 2025.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 1 December 1981 and registered as a charity on 11 February 1982. The charity is registered under the name The British Institute of Innkeeping and it trades under the title of BII.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All the Council give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

The members have delegated the day to day running of the BII to the National Council. The council consists of a Chair, 3 Regional chairs and 6 industry experts.

Council delegates to the Chief Executive the day to day management and direction of the BII's business, together with the right to appoint and remove such paid officers and employees as he/she may deem necessary for the purposes of the BII together with the right to prescribe their respective duties and remuneration.

Committees and Advisory Groups are appointed by Council from time to time to exercise such powers and to perform such duties under the control of Council as may be delegated to them by Council.

Appointment of Council

The BII is governed by its National Council, which is formed of Statutory Members who hold office in accordance with the Articles of Association. For the purposes of company law the members of

Council are treated as the directors mentioned in that section. All directors of the BII are trustees of the charity.

Trustee induction and training

New Council members receive formal training about the roles and responsibilities of trustees generally. They are also issued with comprehensive documentation about all aspects of the BII's operations.

Refresher training continues to be available on request for any Council member. Additionally, whenever new legislation affecting the BII is introduced the full National Council are appraised of the potential impact of the changes.

Related parties and relationships with other organisations

The BII has the following relationships with related parties, subsidiaries and other connected organisations:

- BII – A private company limited by guarantee number 4310751 and is a dormant company.
- BII Business Limited – A company limited by share capital number 2835362 and is the trading company for the BII. The single issued share is held by the BII.
- BIIAB Qualifications Limited is owned by the Skills and Education Group. A long-term partnership agreement is in place to jointly promote and sell qualifications and apprenticeships to the benefit of both parties. Steve Alton CEO of the BII is a trustee on the Skills and Education Board.

Remuneration policy for key management personnel

The aim of the BII's remuneration policy is to ensure BII achieves best value whilst ensuring it can attract the best talent for its key roles. Salary levels of key management personnel are benchmarked against pay levels in similar charitable organisations but also with organisations in the licensed retail sector. The remuneration benchmark is the mid-point range for similar roles but can be adjusted for additional responsibilities or specialised skills. Salaries are reviewed annually and normally increased in accordance with average earnings.

Funds held as custodian trustee on behalf of others

The BII does not hold any funds on behalf of other organisations.

Statement of responsibilities of the Council

The Council (who are also directors of The British Institute of Innkeeping for the purposes of company law) are responsible for preparing the Council's annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources, the application of resources, including the income and expenditure, of the charitable

company or group for that period. In preparing these financial statements, the Council are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Council are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The Council have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The Council are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2024 was 12 (2023: 14). The Council are members of the charity, but this entitles them only to voting rights. The Council have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Council's annual report has been approved by the Council on 12 June 2025 and signed on their behalf by

Mark Robson
Chairman

Independent auditor's report

To the members of

The British Institute of Innkeeping

Opinion

We have audited the financial statements of The British Institute of Innkeeping (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent charitable company 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 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 Council'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 British Institute of Innkeeping ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council 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 Council's annual report, other than the group financial statements and our auditor's report thereon. The Council is responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Council's annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Council's annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Council's annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Council members' 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 take advantage of the small companies' exemptions in preparing the Council's annual report and from the requirement to prepare a strategic report.

Responsibilities of the Council

As explained more fully in the statement of Council's responsibilities set out in the Council's annual report, the Council members (who are also the directors of the parent charitable company for the purposes of company law) are 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 the Council determines 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 Council is responsible for assessing the group's and the parent charitable company'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 Council either intends to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent auditor's report

To the members of

The British Institute of Innkeeping

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators where applicable.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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 charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable

Independent auditor's report

To the members of

The British Institute of Innkeeping

company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

7 July 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

The British Institute of Innkeeping

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2024

		2024	2023
	Note	Total £	Total £
Income from:			
Donations and legacies	3	11,333	17,000
Charitable activities			
Membership		1,123,659	972,757
Other trading activities		671,799	700,362
Interest		6,305	2,321
Total income		1,813,096	1,692,440
Expenditure on:			
Raising funds	4	231,516	245,875
Charitable activities			
Membership	6	1,616,336	1,409,355
Total expenditure		1,847,852	1,655,230
Net income before other recognised gains and losses	7	(34,756)	37,210
Gains on disposal of subsidiary		225,241	318,923
Net investment revaluation		106,312	32,420
Net income for the year		296,797	388,553
Net movements in funds		296,797	388,553
Reconciliation of funds:			
Total funds brought forward		1,539,556	1,151,003
Total funds carried forward		1,836,353	1,539,556

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed above. All funds are unrestricted.

The gain on disposal of subsidiary is the net proceeds in the year from the sale of BIABQL to the Skills and Education Group which is a five year deal. The income comes from two streams a fixed consideration and a profit share.

The British Institute of Innkeeping

Balance sheets

Company no. 1601185

As at 31 December 2024

	Note	The group 2024 £	2023 £	The charity 2024 £	2023 £
Fixed assets:					
Tangible assets	12	104,160	19,684	104,160	19,684
Investments	13	1,588,732	932,420	1,588,733	932,421
Debtors: amounts falling due after one year	14	262,466	130,393	262,466	130,393
		1,955,358	1,082,497	1,955,359	1,082,498
Current assets:					
Debtors: amounts falling due within one year	15	263,530	446,215	242,411	484,472
Cash at bank and in hand		284,112	593,863	122,908	414,374
		547,642	1,040,078	365,319	898,846
Liabilities:					
Creditors: amounts falling due within one year	16	666,647	583,019	484,324	441,788
		(119,005)	457,059	(119,005)	457,058
Net current assets		(119,005)	457,059	(119,005)	457,058
Total assets less current liabilities		1,836,353	1,539,556	1,836,354	1,539,557
Total net assets		1,836,353	1,539,556	1,836,354	1,539,557
Funds:					
Unrestricted income funds:					
General funds		1,836,353	1,539,556	1,836,354	1,539,557
Subsidiary trading funds		–	–	–	–
Total unrestricted funds		1,836,353	1,539,556	1,836,354	1,539,557
Total funds		1,836,353	1,539,556	1,836,354	1,539,557

Approved by the trustees on 12 June 2025 and signed on their behalf by

Mark Robson
Chairman

The British Institute of Innkeeping

Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	2024 £	£	2023 £	£
Cash flows from operating activities	18				
Net cash provided by operating activities			57,776		74,820
Cash flows from investing activities:					
Dividends, interest and rents from investments		6,305		2,319	
Net proceeds from sale of subsidiary		277,233		284,773	
Purchase of fixed assets		(101,064)		(9,359)	
Purchase of Investments		(550,000)		(900,000)	
Net cash used in investing activities			(367,526)		(622,267)
Change in cash and cash equivalents in the year			(309,751)		(547,447)
Cash and cash equivalents at the beginning of the year			593,863		1,141,310
Cash and cash equivalents at the end of the year	19		284,112		593,863

1 Accounting policies

a) Basis of preparation and statutory information

The British Institute of Innkeeping is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address (and principal place of business) is Office 3 Sentinel House, Ancells Business Park, Harvest Crescent, Fleet GU51 2UZ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The financial statements for 2024 consolidate the results of the charitable company and its wholly-owned subsidiary BIIBusiness Ltd on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Key judgements that the charity has made which have a significant effect on the accounts include discounted long term debtors receivable from the sale of BIIAB Qualifications Limited.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The Council has taken steps to reposition the group's business model to improve the long term financial position. Focus has been given to the growth of membership, cost efficiencies and identification of new business opportunities. As the Council considers the group is able to pay their debts as they fall due for a period for 12 months from signing these accounts, the going concern basis remains appropriate. The Council has considered there are no material uncertainties on the group's operations or on the going concern assumption.

1 Accounting policies (continued)

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Both fixed consideration and profit share received from the sale of the Awarding Body to the Skills and Education Group on 28th February 2021 are included in gains on disposal of subsidiary.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

	2024	2023
● Membership	59%	65%
● Support costs	36%	30%
● Governance costs	1%	1%
● Trading	4%	4%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

● Membership	100%	100%
--------------	------	------

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

g) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

h) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Computer equipment	33%
● Computer systems and database	50%
● Fixtures and fittings	20%
● Cycle to work	33%

i) Investments in subsidiaries

Investments in subsidiaries are at cost.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued profit share income from the sale of BIIAB Qualifications limited has been valued with a discount rate of 10% to reflect the net present value.

k) Cash at bank and in hand

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

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The charity only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

n) Pensions

The Institute operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Institute in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the Institute to the fund. The Institute has no liability under the scheme other than for the payment of those contributions.

o) Gains on disposal of subsidiary

These are calculated as the excess of discounted receipts over related discounted costs.

The British Institute of Innkeeping

Notes to the financial statements

For the year ended 31 December 2024

2 Parent charity results for the year

	2024 Total £	2023 Total £
Turnover	1,546,434	1,241,836
Expenditure	(1,478,035)	(1,293,450)
	68,399	(51,614)
Gains on disposal of subsidiary	225,241	318,924
Gift aid donations from subsidiary undertakings	3,157	121,243
Net result of the charity	296,797	388,553

3 Donations and legacies

	2024 Total £	2023 Total £
Other corporate donations	11,333	17,000
	11,333	17,000

4 Costs of raising funds

	2024 Total £	2023 Total £
Staff costs	15,000	15,000
Hosting Fees	15,790	17,339
Events	196,101	210,386
Other costs	4,625	3,150
	231,516	245,875

5 Income from trading subsidiaries

The wholly owned trading subsidiary BIIBusiness, which is incorporated in the United Kingdom, donates taxable profits to the Institute by gift aid. A summary of their trading results is shown below. The wholly owned trading subsidiary, BII, has been dormant since incorporation. BIIBusiness Ltd undertakes the trading activities of the Institute.

Summary profit and loss accounts

	2024	2023
	BIIBusiness £	BIIBusiness £
Turnover	654,556	720,600
Contribution by BII	–	–
Cost of sales	<u>(381,702)</u>	<u>(361,781)</u>
Gross profit	272,854	358,819
Interest receivable	–	–
Administrative expenses	<u>(269,697)</u>	<u>(237,576)</u>
Net (loss)/profit	3,157	121,243
Taxation	–	–
Donation to the Institute	<u>(3,157)</u>	<u>(121,243)</u>
Retained in subsidiary	<u>–</u>	<u>–</u>
The assets and liabilities of the subsidiaries at 31 December:		
Current assets	264,936	237,978
Creditors: amounts falling due within one year	<u>(264,936)</u>	<u>(237,978)</u>
	<u>–</u>	<u>–</u>
Aggregate share capital and reserves	<u>–</u>	<u>–</u>

The British Institute of Innkeeping

Notes to the financial statements

For the year ended 31 December 2024

6 Analysis of charitable expenditure (current year)

2024	Charitable			2024 Total £	2023 Total £
	Membership £	Governance costs £	Support costs £		
Staff costs (Note 8)	590,124	10,211	520,443	1,120,778	986,818
Office and office admin costs	61,627	–	156,904	218,531	160,850
Member benefits	153,646	–	–	153,646	131,434
Training	7,371	–	–	7,371	–
Consultancy	–	–	–	–	4,800
Staff travel and motoring costs	16,362	–	25,794	42,156	43,236
Marketing	7,738	–	–	7,738	16,484
Events	17,901	–	–	17,901	20,873
Professional fees	–	20,452	–	20,452	20,885
Council meetings and expenses	–	10,850	–	10,850	8,728
Membership processing costs	3,718	–	–	3,718	3,221
Other costs	–	–	2,264	2,264	(2,189)
Depreciation and loss on disposal of fixed assets	10,931	–	–	10,931	14,215
	869,418	41,513	705,405	1,616,336	1,409,355
Support costs	705,405	–	(705,405)	–	–
Governance costs	41,513	(41,513)	–	–	–
Total expenditure 2024	1,616,336	–	–	1,616,336	1,409,355

The British Institute of Innkeeping

Notes to the financial statements

For the year ended 31 December 2024

6b Analysis of charitable expenditure (prior year)

2023	Charitable			2023 Total £
	Membership £	Governance costs £	Support costs £	
Staff costs (Note 8)	484,880	13,500	488,438	986,818
Office and office admin costs	33,061	–	127,789	160,850
Member benefits	131,434	–	–	131,434
Consultancy – new qualifications growth strategy	4,800	–	–	4,800
Staff travel and motoring costs	20,510	–	22,726	43,236
Marketing	16,484	–	–	16,484
Events	20,873	–	–	20,873
Professional fees	–	20,885	–	20,885
Council meetings and expenses	–	8,728	–	8,728
Membership processing costs	3,221	–	–	3,221
Other costs	730	–	(2,919)	(2,189)
Depreciation and loss on disposal of fixed assets	3,577	–	10,638	14,215
	719,570	43,113	646,672	1,409,355
Support costs	646,672	–	(646,672)	–
Governance costs	43,113	(43,113)	–	–
Total expenditure 2024	1,409,355	–	–	1,409,355

7 Net income for the year

This is stated after charging

Group

	2024 £	2023 £
Depreciation	10,931	14,216
Operating lease rentals:		
Property	53,737	51,354
Other	5,651	5,458
Auditors' remuneration (excluding VAT):		
Audit	15,363	15,946

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	932,017	824,577
Redundancy and termination costs	12,681	22,042
Social security costs	81,641	78,280
Employer's contribution to defined contribution pension schemes	75,137	58,305
Freelance & Temporary staff	–	–
Other forms of employee benefits	34,302	18,614
	1,135,778	1,001,818

The following number of employees received employee benefits (excluding employer pension costs and national insurance) during the year between:

	2024 No.	2023 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	1	–
£160,000 – £169,998	–	1
£170,000 – £179,999	1	0

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £575k (2023: £537k).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,812 (2023 £477) relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Membership	16.2	14.1
Support	7.0	7.0
Trading activities	1.0	0.7
Governance	0.1	0.1
	<u>24.3</u>	<u>21.9</u>

The full time equivalents number of employees (head count based on a 35 hour week) during the year was as follows:

	2024 No.	2023 No.
Membership	15.0	13.1
Support	6.3	6.3
Trading activities	1.0	0.7
Governance	0.1	0.1
	<u>22.4</u>	<u>20.1</u>

10 Related party transactions

Steven Alton, CEO of BII is on the Skills and Education Group board and Paul Eeles CEO of Skills and Education Group is on the BII board. BII sold BIIAB Qualifications to the Skills and Education Group on 28th Feb 2021. BII will receive fixed and profit share consideration. In 2024 BII received £100,000 in relation to the fixed consideration and consultancy fees (2023: £100,000).

Accrued income for future fixed consideration at the year end was £130,393 (2023 £205,525)

During the year BII recharged £269,976 (2023: £237,576) to BIIBusiness for management and administration support. At the end of the year BIIBusiness owed BII £82,613 (2023: £125,409).

During the year BII paid KAM Media £2,250 + VAT (2023 £2,250 + VAT) where a trustee is the sole director. £0 was outstanding at the year end and all transactions were carried out on an arms length basis.

During the year BII paid Amanda Hemming £5,456 (2023 £0) where a trustee has been selected as a judge for the Licensee of the Year award. £0 was outstanding at the year end and all transactions were carried out on an arms length basis.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries gift aid available profits to the parent charity.

12 Tangible fixed assets

The group

	Computer systems & database £	Computer equipment £	Cycle to Work £	Total £
Cost				
At the start of the year	90,881	38,539	4,062	133,482
Additions in year	97,697	2,299	1,068	101,064
Disposals	(6,558)	(8,885)	–	(15,443)
At the end of the year	182,020	31,953	5,130	219,103
Depreciation				
At the start of the year	79,606	32,012	2,180	113,798
Charge for the year	5,585	3,979	1,367	10,931
Disposals	(900)	(8,886)	–	(9,786)
At the end of the year	84,291	27,105	3,547	114,943
Net book value				
At the end of the year	97,729	4,848	1,583	104,160
At the start of the year	11,275	6,527	1,882	19,684

All of the above assets are owned by the charity & used for charitable purposes.

13 Investments

	The group		The charity	
	2024 £	2023 £	2024 £	2023 £
At the start of the year	932,420	–	932,421	1
Additions in year	550,000	900,000	550,000	900,000
Disposals	–	–	–	–
Investment gain	106,312	32,420	106,312	32,420
At the end of the year	1,588,732	932,420	1,588,733	932,421

14 Debtors: amounts falling due after one year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Accrued income	262,466	130,393	262,466	130,393
	262,466	130,393	262,466	130,393

This represents proceeds from Skills and Education Group over the next 2 years for the sale of the awarding body. BII is also entitled to a portion of profits of BIIAB up to 2026. However, the profit share cannot currently be ascertained with reasonable certainty, and is therefore a contingent asset and is not recognised as income as at the balance sheet date. The profit share is recognised when the profit has been

15 Debtors: amounts falling due within one year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	163,509	154,229	78,431	108,205
Amounts due from group undertakings			82,614	96,747
Accrued Income	35,838	219,897	35,838	219,897
Prepayments	64,183	72,089	45,528	59,623
	263,530	446,215	242,411	484,472

16 Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	49,255	29,578	32,731	22,073
Taxation and social security	36,720	19,299	36,720	19,299
VAT	36,810	44,111	36,810	44,111
Accruals	36,260	19,692	23,231	14,612
Pension	14,750	9,236	14,750	9,236
Deferred income	492,852	461,103	340,082	332,457
	666,647	583,019	484,324	441,788

17 Deferred income

Deferred income comprises advance payments for services not yet delivered as well as subscription income received which relates to a future period.

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Balance at the beginning of the year	461,103	384,172	332,457	267,030
Amount released to income in the year	(461,103)	(384,172)	(332,457)	(267,030)
Amount deferred in the year	492,852	461,103	340,082	332,457
Balance at the end of the year	492,852	461,103	340,082	332,457

18 Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	296,797	388,553
Depreciation charges	10,931	14,216
Other non-cash movements relating to disposals	5,657	–
(Profit) on disposal of subsidiary	(225,241)	(318,924)
Gains on investment	(106,312)	(32,420)
Dividends, interest and rent from investments	(6,305)	(2,321)
(Increase) in debtors	(1,379)	(63,088)
Increase in creditors	83,628	88,804
Net cash provided by / (used in) operating activities	57,776	74,820

19 Analysis of cash and cash equivalents

	At 1 January 2024	Cash flows	At 31 December 2024
	£	£	£
Cash at bank and in hand	593,863	(309,751)	284,112
Total cash and cash equivalents	593,863	(309,751)	284,112

20 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Buildings		Other	
	2024	2023	2024	2023
	£	£	£	£
Less than one year	43,157	53,740	5,651	5,458
One to five years	-	43,157	7,007	6,538
	<u>43,157</u>	<u>96,897</u>	<u>12,658</u>	<u>11,996</u>

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.