Registered number: 01130269

PENSIONS AND LIFETIME SAVINGS ASSOCIATION

(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

PENSIONS AND LIFETIME SAVINGS ASSOCIATION
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	J D Chilman D C Coplin E E Douglas (Chair) K Hadley A Hatcher C Howells (appointed 21 June 2022) C J May J O Mund (Chief Executive) N Peaple C Young
Company secretary	C Howells
Registered number	01130269
Registered office	24 Chiswell Street London EC1Y 4TY
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

PENSIONS AND LIFETIME SAVINGS ASSOCIATION
(A Company Limited by Guarantee)

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

REVIEW OF 2022

We had a strong year with our policy and advocacy work, with pensions adequacy being our key focus, alongside an extensive research project on behalf of our local authority members, plus a number of regulatory priorities and reactive work for members. These included working closely with PLSA members and the Government on issues with wide impacts beyond pensions such as the Liability-Driven Investments (LDI) crisis, reporting on climate change investments and, following the invasion of Ukraine, pension fund investment in Russia.

2022 was characterised as a year of recovery following the Covid-19 pandemic and the normalisation of the PLSA’s finances. Our return to in-person events was highly successful, over-achieving on budgeted projections in terms of finances and delegate numbers, and we continued to support members with our varied programme of webinars.

Voice of workplace pensions and savings

The PLSA is the voice of workplace pensions and savings and one of the ways we represent our members’ views is through our parliamentary engagement work – building relationships and making the case of the sector to key players in Westminster and Whitehall. This is especially crucial during turbulent times. In the wake of the 2022 LDI crisis we appeared in front of the Work and Pensions Select Committee (WPSC) as part of its inquiry into LDI. We were at the forefront of the national debate through our press and media relations work and in September/October achieved an audience reach of 80 million with our press coverage. The PLSA had 249 mentions in the national news publications during 2022 and we maintained our significant “share of voice” in relation to other pension bodies.

Other highlights include our appearance in front of the WPSC to give oral evidence as part of its saving for later life enquiry and discussion of our Five Steps to Better Pensions report in the House of Commons during debates. We were delighted to welcome the Secretary of State for Work and Pensions to our ESG Conference and the Minister for Pensions to the PLSA Annual Conference. The Minister for Pensions also took part in our well-attended policy event at the Conservative party conference and the Shadow Labour Minister for Pensions did the same at our Labour party conference session.

Improving pensions policy

The policy and advocacy work that we do on behalf of members is central to our mission of helping everyone achieve a better income in retirement and fundamental to why we exist. It is a mix of thought leadership and proactive work on the one hand, and reactive work responding to government or regulator-led change on the other. It aims to both ensure everyone in the UK has an adequate retirement income and that the regulatory and operating environment is appropriate for our members.

Improving pensions adequacy, with a specific focus on ensuring the UK pension regime as a whole deliver adequate pensions, was the PLSA’s top strategic objective in 2022. Work in this area culminated in the launch of our Five Steps to Better Pensions proposals and consultation in October. This was set against our work helping pension schemes engage with Government in response to the financial system pressures triggered by the Autumn mini-budget and supporting savers with the cost-of-living crisis. We also co-led the multi-award-winning Pension Attention campaign, alongside the ABI, which was headed up by Grime artist and TV cook, Big Zuu, and designed to help boost saver engagement with pensions.

Our Retirement Living Standards, developed to help people picture what kind of lifestyle they could have in retirement, continued to gain traction with more than 35 million savers through more than 120 different organisations gaining access. At the PLSA Local Authority Conference, we launched the "LGPS: Today’s Challenges, Tomorrow’s Opportunities" report, recommending ways to fortify the scheme’s long-term sustainability on behalf of its 6.9 million members.

In 2022 we also made progress across the breadth of workplace pensions and savings issues, including a new industry report on small pots, multiple consultation responses on pensions dashboards, Voting Guidelines covering ESG and other stewardship issues, a market report and promotion of the PLSA’s solution to helping members make good retirement choices (GRIC), and the long-awaited second TPR consultation on the DB funding code, and guidance for the industry on Productive Finance investment. Around two thirds of our members felt we are doing well in improving pension policy.

Engaging our members effectively
The PLSA is the pensions industry's independent, authoritative, and expert member body, giving members the practical knowledge and support they need to excel in their roles. This is evidenced in our high-quality member communications including templates, reports, guidance, Viewpoint magazine, PolicyWatch newsletter, blogs and videos.

We published six Made Simple Guides – jargon-free guides to the pensions industry – and our Cost Transparency Initiative templates and guidance have been downloaded over 4,000 times in the year.

Our priorities are informed by our influential Policy Board and Policy Committees, which set the policy agenda as well as providing vital insight from schemes and suppliers, and by our valued Advisory Groups and other regular meetings with members. We held 150 meetings in 2022, mostly one-to-one, but also including some small group meetings. We also held eight meetings of our Networks for CEOs, CIOs and Trustee Chairs. We improved our communications with members about the work we do on their behalf, for example by introducing monthly email updates from the Membership Engagement Team and posting video updates on social media platforms.

We also engaged with business members throughout the year and to ensure that we continue to provide an excellent range of opportunities for our members to promote their brand and network across the industry.

Bringing the industry together
Bringing the industry together is something the PLSA does best. Our return to face-to-face events was successful and we exceeded budgeted projections in terms of finances and delegate numbers. We brought together nearly 3,500 delegates at 30 events and received ratings of good or excellent by 85% of attendees. Events in 2022 achieved an income of £4,363k, costs of £1,479k and an overall contribution of £2,884k. This income helps us meet the running costs of the PLSA and keep subscription fees as low as possible, whilst balancing inflationary pressures.

We took the return to face-to-face events as an opportunity to review and improve the way we deliver them, making sure the conferences continue to attract members and deliver value. We introduced new sessions, formats and additional networking events, as well as the new digital elements to our face-to-face conferences. Around three quarters of our members felt that we providing a suitable range of high-quality events. We also paid close attention to sustainability.

Our three annual major industry conferences achieved highly rated delegate feedback of good or excellent by 88% of attendees, and there was a fantastic atmosphere on-site. It is very important for us to provide a strong programme of online events and content, recognising that a significant number of members prefer to engage this way rather than at our in-person events. We continued with our successful programme of Policy Insight Webinars to update members on our work with politicians and regulators, while also helping members to plan for the next set of regulatory developments. These covered issues such as Pensions Dashboards, TCFD reporting and the forward agenda for smaller schemes. We also ran our popular trustee training courses.

Investing in our people and systems
We have a great team who work incredibly hard for our members. In 2022 – as part of our three-year strategy – we focused on investing, developing and retaining staff and equipping them with tools to have the maximum impact for members. Staff pay awards and bonuses were made at the end of 2022, and a one-off cost of living payment was given to staff in October. We continue to introduce more support to staff including both development and wellbeing. Our employee surveys show increased engagement and satisfaction working at the PLSA.

We have been developing our digital workplace to improve how we work, collaborate, and communicate both internally and with our members. Implementation started in early 2023 with a move to the Cloud.

Financial stability
The PLSA is a not-for-profit organisation, owned by our members. We typically aim to generate a small surplus each year to allow us to maintain healthy reserves and to invest in our business.

Our membership subscription base and our events traditionally provide the majority of PLSA income. Renewals among Fund Members and Master Trust Members were particularly strong in 2022, at 97% of the amount invoiced. For Business Members, the figure was 91% – higher than in 2021 but continuing to reflect the general retrenchment in the market.

2022 saw the first year of phasing of increased subscriptions for some members, which hadn't changed structurally in close to a decade. This was met by general support from members – though of course we continue to make sure subscriptions represent good value for members.

Our return to in person events proved successful financially, with the Investment, Local Authority and Annual Conferences all over-achieving on budgeted contribution. At the beginning of the year, we safeguarded against continued uncertainty regarding Covid-19 by taking the decision to move our Investment Conference, traditionally in March, to later in the year to June.

Our year-end financial position was:

Key Financials:	**2022**	**2021**
Membership Subscriptions	£3.2m	£2.9m
Event Income	£4.2m	£1.5m
Surplus / (Deficit)	£0.1m	(£0.1m)
Reserves	£3.1m	£3.0m

Plans for 2023
In 2023 – the PLSA's centenary year – we will be halfway through our three-year strategy which runs to the end of 2024, with a continuation of our current policy and advocacy goals and an increased focus on face-to-face events and bringing the pensions industry together, as well as further investment in our systems and developing people.

Our policy work will continue its strong focus on making sure the UK regime achieves adequate pensions for savers, preparing our members for the pensions dashboards, continuing developments in responsible investment and stewardship, DB Funding Code, DC decumulation and DC value for money, and the future challenges of the Local Government Pension scheme. Beyond these targeted priorities, the PLSA will also undertake a wide range of other policy work, including responding to a large number of Government consultations or statements such as the recent proposals on small pots and CDC pension schemes. In addition, in 2023 we expect to do a lot of work on the degree to which pension funds can, or should, provide capital for UK growth.

Regarding PLSA bringing the industry together, we will build on the successful return to face-to-face events by offering more opportunities to network with the launch of the new PLSA Forums, while continuing to provide a range of digital events to retain the new audiences we reached during the pandemic.

The continued normalisation of our finances will allow for further investment in our people – through increased headcount and a focus on training and development – and investing in our systems, by developing a member platform and transitioning to a digital workplace. In 2023 we will be moving to a new, smaller office more suitable to our business needs in 2023, taking the opportunity to save money and invest into the business.

Results and dividends

The profit for the year, after taxation, amounted to £59,447 (2021 - loss £92,100).

As the PLSA is a not-for-profit organisation, the Company does not make any distributions to members.

Directors

The directors who served during the year were:

J D Chilman
D C Coplin
E E Douglas (Chair)
K Hadley
A Hatcher
C Howells (appointed 21 June 2022)
C J May
J O Mund (Chief Executive)
N Peaple
C Young

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Emma Douglas

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E E Douglas (Chair)
Director

Date: 21 June 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PENSIONS AND LIFETIME SAVINGS ASSOCIATION

Opinion

We have audited the financial statements of Pensions and Lifetime Savings Association (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' 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 Company's 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 directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PENSIONS AND LIFETIME SAVINGS ASSOCIATION (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 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.

Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 is detailed below:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the company, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management’s controls designed to prevent and detect irregularities.
- Identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kathryn Burton (Senior Statutory Auditor)
for and on behalf of
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG
Date: 23 June 2023

PENSIONS AND LIFETIME SAVINGS ASSOCIATION
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	4	**7,954,694**	5,173,412
Administrative expenses		**(7,904,049)**	(5,271,339)
Other operating income	5	**-**	5,409
Operating profit/(loss)	6	**50,645**	(92,518)
Interest receivable and similar income	9	**8,802**	418
Profit/(loss) before tax		**59,447**	(92,100)
Tax on profit/(loss)	10	**-**	-
Profit/(loss) for the financial year		**59,447**	(92,100)

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 14 to 27 form part of these financial statements.

PENSIONS AND LIFETIME SAVINGS ASSOCIATION

(A Company Limited by Guarantee)
REGISTERED NUMBER: 01130269

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	11		**473,735**		1,036,955
			473,735		1,036,955
Current assets					
Debtors: amounts falling due within one year	12	**3,715,034**		3,534,479	
Cash at bank and in hand		**4,872,489**		4,164,066	
		8,587,523		7,698,545	
Creditors: amounts falling due within one year	13	**(5,985,887)**		(5,719,576)	
Net current assets			**2,601,636**		1,978,969
Total assets less current liabilities			**3,075,371**		3,015,924
Net assets			**3,075,371**		3,015,924
Capital and reserves					
Profit and loss account	17		**3,075,371**		3,015,924
			3,075,371		3,015,924

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

Emma Douglas

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E E Douglas (Chair)
Director

Date: 21 June 2023

The notes on pages 14 to 27 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Profit and loss account	Total equity
	£	£
At 1 January 2021	**3,108,024**	**3,108,024**
Comprehensive income for the year		
Loss for the year	**(92,100)**	**(92,100)**
Total comprehensive income for the year	**(92,100)**	**(92,100)**
At 1 January 2022	**3,015,924**	**3,015,924**
Comprehensive income for the year		
Profit for the year	**59,447**	**59,447**
Total comprehensive income for the year	**59,447**	**59,447**
At 31 December 2022	**3,075,371**	**3,075,371**

The notes on pages 14 to 27 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Cash flows from operating activities		
Profit/(loss) for the financial year	**59,447**	(92,100)
Adjustments for:		
Depreciation of tangible assets	**609,927**	253,391
Interest received	**(8,802)**	(418)
(Increase) in debtors	**(180,555)**	(1,727,785)
Increase in creditors	**266,311**	772,734
Net cash generated from operating activities	**746,328**	(794,178)
Cash flows from investing activities		
Purchase of tangible fixed assets	**(46,707)**	(184,521)
Interest received	**8,802**	418
Net cash from investing activities	**(37,905)**	(184,103)
Net increase/(decrease) in cash and cash equivalents	**708,423**	(978,281)
Cash and cash equivalents at beginning of year	**4,164,066**	5,142,347
Cash and cash equivalents at the end of year	**4,872,489**	4,164,066
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**4,872,489**	4,164,066
	4,872,489	4,164,066

The notes on pages 14 to 27 form part of these financial statements.

1. General information

Pensions and Lifetime Savings Association ("PLSA") is a private company limited by guarantee, incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company information page. The nature of the Company's operations and principal activities are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Company's functional and presentational currency is Sterling.

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

The Company has taken advantage of the available exemption under Section 402 of the Companies Act 2006, and not prepared consolidated financial statements, as all of its subsidiaries are dormant.

2.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. In light of this, the Directors consider it appropriate to continue to prepare the financial statements on a going concern basis 12 months from the date of signing of the Financial Statements.

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

- Sales of membership subscriptions: the value of goods and services is recognised across the period of subscription.
- Sales of conferences and events: the value of goods and services is recognised in the period the event occurs.
- Publications and other income: this is generally recognised on a receivable basis where entitlement to the income and the amount can be measured with reasonable certainty. It is reported gross of related expenditure.

2.5 Interest income

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

2. Accounting policies (continued)

2.6 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Long-term leasehold property	- straight line over the remaining length of the lease
Office equipment	- 20% straight line
Computer equipment	- 33.33% straight line or 20% straight line
Website	- 33.33% straight line

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

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

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Cash at bank and in hand

Cash is represented by cash in hand and deposits repayable on demand.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an

2. Accounting policies (continued)

2.9 Financial instruments (continued)

impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. Estimates and assumptions used in the preparation of the financial statements are continually reviewed and revised as necessary. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Taxation:

The Company establishes provisions based on reasonable estimates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax that can be recognised, based upon likely timing and the level of future taxable profits.

The PLSA is a not-for-profit membership organisation, owned by its members as a company limited by guarantee. Under its articles its members cannot receive any distribution of surplus from the Company.

The Company aims to make a modest surplus each year to ensure it maintains an appropriate level of reserves against future contingencies. It would therefore be expected to pay a small amount of corporation tax on that surplus.

The PLSA has, however, a substantial amount of unused tax losses arising from earlier years' activities. These mainly arose in 2016 when the Company used a large amount from its reserves to enable its former defined benefit pension scheme to transfer its liabilities to an insurance Company. This protected the interests of both the Company and its employees and former employees who were members of the scheme. Under tax law the Company is allowed to use these losses, subject to certain conditions which have been met, to offset any taxable surpluses that arise from future trading. It is therefore unlikely that PLSA will actually pay any corporation tax in the foreseeable future.

The Company limits the deferred tax asset in its balance sheet to the amount of the tax losses it expects to be able to offset against taxable surpluses over the foreseeable future, approximately the next three years.

The Board has carefully considered whether the valuation of the deferred tax asset remains appropriate, taking account of their plans and the financial prospects of the Company. They have concluded that it remains probable that the current valuation will be realised, but that this will need to be regularly reviewed to ensure that this remains the case.

There are no key sources of estimation uncertainty.

4. Revenue

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Membership subscriptions	**3,240,349**	2,932,768
Events income	**4,241,241**	1,478,267
Other income	**473,104**	639,402
Costs recharged	**-**	122,976
	7,954,694	5,173,413

All turnover arose within the United Kingdom.

5. Other operating income

	2022 £	2021 £
Furlough income	**-**	5,409
	-	5,409

Included within other operating income are claims to cover wages and salaries for the group's employees placed on temporary leave ('furlough') under the Coronavirus Job Retention Scheme, as well as other government grants claimed due to lockdown restrictions.

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2022 £	2021 £
Research	**111,069**	74,182
Depreciation of tangible fixed assets	**612,667**	253,391
Fees payable to the Company's auditor for the audit of the Company'sannual financial statements	**20,500**	21,000
Fees payable to the Company's auditors for other services		
- Taxation compliance services	**5,000**	8,418
- Other non-audit services	**2,500**	4,100
Other operating lease rentals	**334,992**	334,992
Defined contribution pension cost	**352,567**	323,217

7. Employees

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

	2022	2021
	No.	No.
Average number of employees	**50**	46

8. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	**706,573**	653,178
	706,573	653,178

Directors' remuneration includes on average 3.3 FTE Executive Directors in 2022 (3.4FTE in 2021).

Key management personnel

Key management personnel are considered to be the directors who have the responsibility and authority or planning, directing and controlling the activities of the Company. As a result, the disclosures required for these individuals are met by existing directors' disclosures.

9. Interest receivable

	2022	2021
	£	£
Bank interest receivable	**8,802**	418

10. Taxation

	2022	2021
	£	£
Current tax on profits for the year	**-**	-
Total current tax	**-**	-
Deferred tax		
Origination and reversal of timing differences	**-**	-
Total deferred tax	**-**	-
Taxation on profit on ordinary activities	**-**	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022	2021
	£	£
Profit/(loss) on ordinary activities before tax	**59,447**	(92,100)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	**11,295**	(17,499)
Effects of:		
Depreciation not deductible for tax	**115,886**	48,144
Capital allowances for year in excess of depreciation	**(19,278)**	(52,908)
Expenses not deductible for tax	**1,799**	1,069
Relief for losses brought forward/losses carried forward	**(109,702)**	21,194
Total tax charge for the year	**-**	-

10. Taxation (continued)

Factors that may affect future tax charges

The standard corporation tax in the UK was 19% throughout the reporting period. As announced in the Spring Budget 2023, the main rate of corporation tax will increase to 25% from 1 April 2023.

11. Tangible fixed assets

	Long-term leasehold property £	Website £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2022	**838,687**	**97,363**	**353,442**	**1,197,105**	**2,486,597**
Additions	**-**	**-**	**-**	**46,707**	**46,707**
At 31 December 2022	**838,687**	**97,363**	**353,442**	**1,243,812**	**2,533,304**
Depreciation					
At 1 January 2022	**276,050**	**96,590**	**289,977**	**787,025**	**1,449,642**
Charge for the year on owned assets	**463,151**	**773**	**34,087**	**111,916**	**609,927**
At 31 December 2022	**739,201**	**97,363**	**324,064**	**898,941**	**2,059,569**
Net book value					
At 31 December 2022	**99,486**	**-**	**29,378**	**344,871**	**473,735**
At 31 December 2021	562,637	773	63,465	410,080	1,036,955

12. Debtors

	2022 £	2021 £
Trade debtors	**2,891,681**	2,777,968
Other debtors	**126,428**	126,168
Prepayments and accrued income	**446,925**	380,343
Deferred taxation	**250,000**	250,000
	3,715,034	3,534,479

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	**316,334**	318,424
Other taxation and social security	**763,273**	822,972
Other creditors	**343,033**	507,566
Accruals and deferred income	**4,563,247**	4,070,614
	5,985,887	5,719,576

14. Financial Risk Management

The Company considers it faces two main areas of financial risk - liquidity risk and customer credit exposure.

Liquidity risk

The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through operating cash flows. The Company is in a position to meet its commitments and obligations as they fall due.

Customer credit exposure

The Company may offer credit terms to its customers which allow payment of the debt after delivery of the services. The Company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by embedding strong customer relationship management.

15. Financial instruments

The Company's income, expense, gains and losses in respect of financial instruments are summarised below:

	2022	2021
	£	£
Total interest income for financial assets at amortised cost	**8,802**	418

16. Deferred taxation

	2022 £
At beginning of year	**250,000**
At end of year	**250,000**

The deferred tax asset is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	**(63,912)**	(125,434)
Losses and other deductions	**313,747**	375,434
Short term timing differences	**165**	-
	250,000	250,000

17. Reserves

Profit and loss account

Profit and loss reserve represents a cumulative surplus.

18. Commitments under operating leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	**237,137**	419,018
Later than 1 year and not later than 5 years	**-**	237,137
	237,137	656,155

19. Members' funds and articles of association

The Company is limited by guarantee and has no issued share capital. Every member, in pursuance with Clause 4 of the Articles of Association, undertakes to contribute a sum not exceeding £1 in the event of the Company being wound up whilst they are a member or within one year after they cease to be a member.

20. Subsidiary undertakings

At the year end, the Company controlled Pension Quality Mark Limited, a dormant Company limited by guarantee. The Company's registered office is 24 Chiswell Street, London, England, EC1Y 4TY.

The Company also controlled PLSA Ltd, a dormant Company. This Company's registered office is 24 Chiswell Street, London, England, EC1Y 4TY.

The Company is also the sole member of the National Association of Pension Funds Limited, a dormant Company limited by guarantee. This Company's registered office is 24 Chiswell Street, London, England, EC1Y 4TY.

21. Subsidiary undertaking