

REGISTERED COMPANY NUMBER: 02783340 (England and Wales)
REGISTERED CHARITY NUMBER: 1023376

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
THE DRINKS TRUST

THE DRINKS TRUST

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

	Page
Reference and Administrative Details	1
Chairman's Report	2 to 3
Report of the Trustees	4 to 10
Report of the Independent Auditors	11 to 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Cash Flow Statement	18
Notes to the Financial Statements	19 to 32

THE DRINKS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 December 2023

TRUSTEES	Mr N P Barker Mr T Christensen (resigned 17.10.23) Mr S N Difford Mr E C Dove (resigned 17.10.23) Mr G E Lawrence Mr A J Smith Ms J Maclean (resigned 26.2.24) Ms L Willoughby Ms K D A Keating Mrs N Forrest Mr I A Burrell (appointed 7.8.23) Mr P M Haslam (appointed 18.7.24) Mr T J Clay (appointed 16.7.24) Ms J Baernreuther (appointed 16.7.24) Mr I D Bray (appointed 16.7.24) Mr A D Watson (appointed 16.7.24)
COMPANY SECRETARY	Mr J R Carter
REGISTERED OFFICE	Unit 4 Baden Place London SE1 1YW
REGISTERED COMPANY NUMBER	02783340 (England and Wales)
REGISTERED CHARITY NUMBER	1023376
AUDITORS	UHY Hacker Young Chartered Accountants & Statutory Auditors Thames House Roman Square Sittingbourne ME10 4BJ
SOLICITORS	Lee Bolton Monier-Williams 1 The Sanctuary Westminster London SW1P 3JT
INVESTMENT ADVISORS	Julius Baer London 20-23 Greville St London EC1N 8SS

THE DRINKS TRUST
CHAIRMAN'S REPORT
for the year ended 31 December 2023

In 2023 The Drinks Trust continued to execute its primary goal of delivering improved services to more of our industry colleagues in need. At year end, the Drinks Trust had undertaken 5,049 beneficiary acts, which represented a new record high of welfare provision provided by the charity.

The charity continued to diversify its donor and fundraising activities, with funds being received in more varied ways and across a broader section of the industry.

Demand for services in 2023 remained high, with more applications for support than in any year previously, including those received during the period of the COVID pandemic. As a result of the Cost-of-Living Crisis the challenges being faced by the industry workforce were profound, and the charity moved to support those applicants who were amongst the most vulnerable.

Charitable Revenues and Expenditure

The year to 31 December 2023 delivered a loss of £36,074.

Fundraising in 2023 totalled £953,218. Within the total funds raised, restricted revenues were £297,769, having been raised to deliver work across both the Restore and Develop services.

At year-end, unrestricted revenue delivered total income of £444,137. Remaining funds were raised from both events and other sources, such as the Business Advisory Programme service, and together represented total revenue of £211,312.

Assist - Hardship Relief Services

In 2023 The Drinks Trust provided a total of 2,451 financial assistance acts, with total expenditure of £474,691. As in 2022, the charity continued to prioritise One-Off Grant applicants and to reduce the number of Periodic Grants. The level of support and impact that can be achieved through One Off Grant support is more profound, and The Drinks Trust, much like other benevolent charities, has found this method of support has a higher likelihood of alleviating financial hardship in the long term.

Restore - Wellbeing Services

For the second year in succession, the level of support delivered through the Restore (wellbeing) service has continued to grow. Whilst in 2022 Restore beneficiary numbers grew by 19% to 988, the growth in 2023 was significantly higher, with a total of 1,702 beneficiaries having been supported, an increase of 72% over 2022 levels. This is the highest level of support delivered since the charity moved to introduce wellbeing support in 2016.

Expenditure on Restore services in 2023 totalled £36,990.

Develop - Vocational Hardship Services

Develop completed its second full year of service delivery in 2023. Since its introduction, this training and skills service to individuals experiencing financial hardship, has continued to deliver vital support to our industry workforce, and attract new people to join.

Through a variety of training workshops and industry qualifications, Develop was able to undertake 850 beneficiary acts in 2023, up from 564 in 2022. In the short time this service has been available, over 1,400 individuals have been able to access career changing skills and an opportunity to thrive within the drinks and wet-led hospitality sectors.

Expenditure on Develop services in 2023 totalled £93,613.

Equal Measures - Delivering Greater Equity in the Drinks Industry

The management contract with Equal Measures continued into 2023, delivering a total of 146 beneficiary acts across training and mentoring.

THE DRINKS TRUST
CHAIRMAN'S REPORT
for the year ended 31 December 2023

I would like to thank our outgoing trustees in 2023, Troy Christensen, Edward Dove and Jillian MacLean MBE. Their support of the charity is greatly appreciated.

Guy Lawrence
Chair of Trustees

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

ORIGIN, OBJECTIVES AND PRINCIPLE AIMS OF CHARITY

The objectives of the Charity, which was formed in 1886, as defined in the Memorandum of Association, are to assist members of the Alcohol Drinks Trades and all ancillary trades, organisations and institutions in the United Kingdom, who are in need in particular:

- By granting regular monthly payments to alleviate financial hardship
- By making one-off grants or payments to help address suffering or crises
- By providing emotional or practical assistance for issues of wellbeing or hardship
- By providing support to the residents of the homes that the charity used to own and run

Practical, emotional and financial assistance is given to anyone in the drinks trade who is currently employed, or has been employed, and have derived their income principally from the alcoholic drinks business and who meet the criteria for eligibility.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

OBJECTIVES & ACTIVITIES

The Drinks Trust, acting upon its benevolent origins, continues to meet its objectives by way of support in the form of regular charitable donations and one-off grants and providing additional emotional and practical support to beneficiaries.

The objectives of The Drinks Trust are as follows:

Financial

The Charity aims to have a balanced budget at the same time as increasing its welfare grants in line with budget. All areas of cost will be examined and kept within budget, providing the standards of care and support are not jeopardized. Quarterly management reports will be subject to close consideration by the Chief Executive and the Trustees.

Welfare

The objective of The Drinks Trust is to increase the number of beneficiaries by actively seeking to find those in need who are eligible for support. This is achieved by a sustained awareness-raising campaign conducted within the UK drinks industry. The level of the regular monthly grant is typically £86 per month. The planned budget for welfare grants should be considered as the minimum amount to be given by The Drinks Trust and the budget will not be considered a restraint on welfare, providing The Drinks Trust is able to afford to increase the level of welfare from its reserves, if not from current income.

In pursuing its objectives the charity's activities fall into three main areas:

1. Direct Charitable activities: these consist of the following:

- a) Regular charitable donations to beneficiaries living in their own homes.
- b) One-off grants for the purchase of goods & services or the provision of support
- c) The provision of practical and emotional support to those in need
- d) Financial and well-being support to long-standing residents of the Vintry Estate in Eastbourne and Woodend in Chorley, properties formerly owned by The Drinks Trust until sale of both sites in 2013
- e) Provision of Television licences to some regular grant beneficiaries

2. Fundraising

3. Governance Activities

Progress in these areas for 2023 is reported below with relevant financial information in the Financial Statement pages.

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2023**

ACHIEVEMENT AND PERFORMANCE

DIRECT CHARITABLE ACTIVITIES

The Assist programme (financial grants) provided 2,451 acts of financial support to 1,066 beneficiaries in 2023, these grants were made through one-off and periodic grants, Christmas grants and television license grants. The Restore (wellbeing service) delivered emotional support, practical help, counselling services, sleep and insomnia treatment, mindful drinking courses and in-the-moment counselling through the helpline, to a total of 1,702 individuals. The Develop vocational hardship resources were delivered to 750 beneficiaries in 2023, and The Drinks Community, peer-to-peer support a further 2,132. The Drinks Trust's partnership with Equal Measures delivered diversity training and mentoring services to 146 individuals in 2023. As a result, in 2023 a total of 7,181 beneficiary acts were delivered (increase of 9% on 2022) to 5,796 individuals (increase of 31% on 2022).

Regular charitable welfare grants to beneficiaries living in their own homes

The total number of monthly (periodic) grants given during the year was 1,509 to 1,660 individuals assuming a regular grant paid on a monthly basis as one grant. The standard level of grant was £86 per month but in some special circumstances a higher grant was given.

All new beneficiaries are contacted by the Welfare Team before a grant is made. This ensures eligibility for the charity as well as checking income and expenditure and the need for financial assistance.

One-off welfare grants for the purchase of goods or the provision of support

During the year 376 one-off grants were approved and representing a total expenditure of £176,560. A proportion of this amount was spent on mobility aids or house adaptations required because of serious illness, disability or old age. There remained the regular requests for household appliances, furniture and home repairs. Requests for help with funeral costs still existed but emergency grants to help with financial crisis were significantly higher.

Enquiries for the above come via trade referrals, word of mouth, The Drinks Trust website and others come through organisations such as Turn2Us and the Citizens Advice Bureau, and many other local agencies and charities. In some cases where larger amounts of help have been required this charity has worked with other charities, in particular, the Wine Trade Sports Club Foundation, the LTC and Hospitality Action, to provide what is required. The Drinks Trust is able to respond quickly and to take account of the specific type of help, which is considered most appropriate using The Drinks Trust's Welfare Guidelines.

The provision of practical and emotional support to those in need

In 2023 The Drinks Trust provided services to support current and past employees of the drinks and hospitality industry who are in need of practical and emotional support. These services included the delivery of a helpline service from Spectrum, which provides 24 hour a day in the moment emotional and practical support, a new counselling service from the online provider Dr Julian, offering therapy sessions, a mindful drinking course from Club Soda and a sleep and insomnia treatment program from Sleepstation.

Financial and well-being support to residents

The Drinks Trust continues to support the provision of life-line arrangements to qualifying residents in a number of the bungalows the charity once owned in Eastbourne, as well as continuing with welfare grants and other on-going support to all our ex-residents.

Additional Christmas Gift Television licences

Given the general increase in service provision on Assist services and grants, and the significant levels of demand in 2023, a decision was taken to not pay Christmas Grants, as the recipients are already supported throughout the year by way of the Periodic Grant service.

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2023**

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

Fundraising refers to all revenue generating activities. No income is received from Government or State funds. Almost all fundraising and voluntary income is generated through the drinks industry.

The charity undertakes fundraising activity, in line with the Fundraising Code of Practice set by the Fundraising Regulator, to its supporters via direct mail, telephone, fundraising events, sponsored events, gala dinners and is in line with our Email Marketing, Fundraising Donations and Legacy Pledges, which appears on our website to reassure supporters of our approach. We have robust policies in place regarding vulnerable people and treating donors fairly. We have received no complaints during the year regarding our fundraising activity.

The Drinks Trust continues to receive important funds through Corporate and Individual Donations. The total corporate and individual funding in 2023 was £741,906, which was 24% short of the targeted total for the year. Of the total funds received individual donations in 2023 totalled £20,657.

Reserves Policy

The Charity's principal activity is the provision of welfare support for people connected with the drinks and ancillary trades and the provision of monthly and one-off charitable grants to those in need. The income generated from investments is a vital continuing source of income, and also provides some longer-term security in the most extreme case that fundraising may cease or be dramatically reduced. The investment portfolio is treated as part of the general fund, and in an extreme situation of no fundraising being possible, these reserves would be used to allow the charity to continue its obligations to its beneficiaries until such fundraising is resumed.

Given the positive momentum of awareness and help to the charity, existing and new drinks companies in the UK agreeing to support the charity with annual donations and the high regard in which the charity is held, the risks of the charity experiencing significantly reduced income from fundraising in the near future, as stated above, is regarded as low.

At 31st December 2023 total unrestricted funds carried forward amounted to £5,083,653. Of this sum, £5,095,348 is represented in the 2023 accounts within the investment fund.

Going Concern

The Trustees have assessed the principal risks and formulated a suitable reserves policy as stated above. They are satisfied that the Drinks Trust has adequate resources to continue as a going concern.

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2023**

FINANCIAL REVIEW

INVESTMENT POWERS, POLICY AND PERFORMANCE

Per the Memorandum and Articles of Association, the Trustees have the power to invest the money of The Drinks Trust as they see fit subject to the conditions required by law. The Trustees Investment Act 2000 therefore applies.

In April 2023 The Drinks Trust completed the second and final transfer of funds to its new investment advisors Julius Baer, and has agreed, in writing, an investment policy with this adviser, which states the scope, limits and restrictions and investment objectives. This policy is reviewed on a regular basis by the Investments Committee. Assets may be invested in stocks, shares, units in collective investment schemes, Government securities, debentures, loan stocks, bonds but not options, futures or contracts for differences. No investment is permitted on an exchange, which has not been recognised or designated by the Securities and Investment Boards, without the written instructions of The Drinks Trust .

In agreeing the investment objectives The Drinks Trust has set a target to be achieved, as well as the balance between capital growth and income. The mix between UK and international equity exposure has also been agreed. Valuations of the investment portfolio will be carefully monitored and will be sent to The Drinks Trust every 3 months. The performance of the investments is measured against the relevant benchmarks and has been broadly in line with these.

GRANT POLICY

A new welfare policy was created in November 2021 which covers all aspects of eligibility and scope of support. This is updated and approved by trustees annually, and published to the organisation's website. Latest review and update was May 2023.

In all cases, the eligibility of prospective beneficiaries is established in line with the Articles of Association. In many cases beneficiaries are of pensionable age and are in retirement, however The Drinks Trust is increasingly helping those within the current workplace that need financial help as well as practical and emotional support.

Potential beneficiaries are contacted before a regular charitable donation is offered to assess their needs and eligibility. In addition, beneficiaries are normally contacted at least once a year by the Welfare Officers to ensure their circumstances remain unchanged.

FUTURE PLANS

Strategy and Business Plan

A three year strategy plan was presented in October of 2022, setting out goals to deliver services and revenues over those achieved in 2021.

This strategy recognised the distinct circumstances created by the COVID19 pandemic and the revenues attained by the charity in 2020 and 2021 and sought to deliver in 2023 at increased levels over pre-pandemic services.

Services

Having delivered on pre-pandemic goals of launching new wellbeing services, the new Restore programme set out goals in 2023 to deliver significant increases across all wellbeing serves. Improvements in beneficiary uptake were achieved across all Restore services.

Fundraising

The charity set out plans to deliver improved revenues from fundraising and donations in 2023, although at year end the total revenues from fundraising were 25% below the budgeted volumes. This shortfall was offset by decreased overhead spend, and the availability of funds by way of carry forward from 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2023**

The principal structure and reporting lines for the charity are shown below:

Trustees are or have been senior executives employed in the Drinks Industry or have been appointed for their expertise. Any new appointees are fully briefed on the aims and objectives of The Drinks Trust and receive information and training if required as to their responsibilities as a Trustee. The Board determines the general policy of The Drinks Trust. The day to day management of the charity is delegated to the Chief Executive. The Board currently comprises 13 members including the Chair and meets four times per year.

The key management of the charity comprise the Chief Executive, the Operations Manager, the Welfare Manager and the Marketing and the Communications Manager. Remuneration for all staff is set by the Trustees when considering and agreeing the annual budget. Consideration is taken of published benchmarking salary surveys such for the sector.

Internal Control

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- An annual budget approved by the Trustees
- Review and circulation of Management Accounts to all Trustees four times per year
- A review of the remuneration of all staff during the budget review process by all Trustees
- Regular consideration by the Board of financial results, variance from budgets, non-financial performance indicators and reviews.
- Delegation of authority, including welfare payments, and segregation of duties
- Identification and management of risks.

THE DRINKS TRUST

REPORT OF THE TRUSTEES for the year ended 31 December 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Having assessed the major risks to which the Drinks Trust is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the Drinks Trust, they have established effective systems to mitigate those risks.

The trustees recognise their responsibility for the management of risks faced by the Drinks Trust, the employees and the beneficiaries.

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Drinks Trust currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them.

The key risks for the Drinks Trust, as identified by the trustees, are described below together with the principal ways in which they are mitigated:

The Drinks Trust provides financial assistance to those who work or have worked in the drinks industry. The trustees always ensure that they are fully briefed about the potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained.

The Drinks Trust's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet regularly with the investment managers and the managers' performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the Drinks Trust's needs - both now and in the future.

The other risks for the Drinks Trust, as identified by the trustees, are described below;

Governance and management - this includes the risks involved in change in the Leadership Team or the Board which might lack direction; lack of skills and training among members of staff and the poor use of its resources.

Operational - these are risks inherent in the charity's activities including shortcomings in the services provided; difficulties with staff; poor health and safety; lack of disaster recovery plan etc.

Financial - these risks include those arising as a result of poor budgetary control; inappropriate spending; poor accounting; inappropriate investment policy etc.

Reputational - these are risks that might result from damage to the charity's reputation.

Regulatory - these include those risks outside the charity's control such as changes in government policies and non-compliance with laws and regulations.

Having assessed the major risks to which the Drinks Trust is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the Drinks Trust, they have established effective systems to mitigate those risks.

THE DRINKS TRUST

REPORT OF THE TRUSTEES
for the year ended 31 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees 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 Drinks Trust and of the result for that year.

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

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgments and accounting estimates that are reasonable and prudent;
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Drinks Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Drinks Trust and subsidiary's transactions and disclose with reasonable accuracy at any time the financial position of the Drinks Trust and subsidiary 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees are aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees 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.

SMALL COMPANY EXEMPTIONS

In preparing this report the directors have taken advantage of small company exemptions.

AUDITORS

A resolution reappointing UHY Hacker Young will be proposed at the AGM in accordance with S485 of the Companies Act 2006.

Approved by order of the board of trustees on 31st October 2024 and signed on its behalf by:


.....

Mr A J Smith - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE DRINKS TRUST**

Opinion

We have audited the financial statements of The Drinks Trust ('the charity') for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements including 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 charitable company's affairs as at 31 December 2023 and of the charitable company'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; 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 charitable 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 Trustees' use of the going concern basis of accounting in 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE DRINKS TRUST**

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 Trustees Report for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees 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 Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees 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 Trustees 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 Trustees are responsible for assessing the 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE DRINKS TRUST**

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

Non-compliance with laws and regulations

Based on:

- our understanding of the charitable company and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining an understanding of the charitable company's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK tax legislation.

The charitable company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Health and Safety at Work etc Act 1974, the Data Protection Act 2018, Employment Rights Act 1996 and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of the financial statement disclosures and agreeing to supporting documentation;
- Review of minutes of meetings of those charged with governance for any instance of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the charitable company's policies and procedures relating to:
 - o Detecting and responding to the risks of fraud; and
 - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE DRINKS TRUST**

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journals and key estimates and judgements.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates and judgements made by management for bias, including the allocation of support costs;
- Testing the existence and accuracy of income recognised in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 Report of the Independent Auditors.

Other Matters

The financial statements for the year ended 31 December 2022 were audited by the predecessor auditor, Haysmacintyre LLP. The audit report was issued on 15 September 2023 and expressed an unqualified opinion on the financial statements.

Use of our report

This report is made solely to the charitable company's members, as body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit 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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

Tracey Moore, BFP ACA (Senior Statutory Auditor)

For and on behalf of
UHY Hacker Young
Chartered Accountants & Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 31 October 2024

THE DRINKS TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	444,137	297,769	741,906	841,239
Other trading activities	5	211,312	-	211,312	262,512
Investment income	6	<u>70,201</u>	<u>-</u>	<u>70,201</u>	<u>63,023</u>
Total		<u>725,650</u>	<u>297,769</u>	<u>1,023,419</u>	<u>1,166,774</u>
 EXPENDITURE ON					
Raising funds	7	83,017	138,950	221,967	345,588
Charitable activities	8				
Provision of financial assistance to those who worked in the drinks industry		<u>909,554</u>	<u>310,965</u>	<u>1,220,519</u>	<u>1,237,463</u>
Total		<u>992,571</u>	<u>449,915</u>	<u>1,442,486</u>	<u>1,583,051</u>
Net gains/(losses) on investments		<u>382,993</u>	<u>-</u>	<u>382,993</u>	<u>(585,588)</u>
NET INCOME/(EXPENDITURE)		116,072	(152,146)	(36,074)	(1,001,865)
Transfers between funds	21	<u>(64,409)</u>	<u>64,409</u>	<u>-</u>	<u>-</u>
Net movement in funds		51,663	(87,737)	(36,074)	(1,001,865)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>5,031,990</u>	<u>115,867</u>	<u>5,147,857</u>	<u>6,149,722</u>
TOTAL FUNDS CARRIED FORWARD		<u>5,083,653</u>	<u>28,130</u>	<u>5,111,783</u>	<u>5,147,857</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

THE DRINKS TRUST

BALANCE SHEET
31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	15	2,642	-	2,642	3,423
Investments	16	<u>5,095,348</u>	<u>-</u>	<u>5,095,348</u>	<u>2,535,337</u>
		5,097,990	-	5,097,990	2,538,760
CURRENT ASSETS					
Debtors	17	60,066	13,195	73,261	76,511
Cash at bank and in hand		<u>3,691</u>	<u>14,935</u>	<u>18,626</u>	<u>2,574,525</u>
		63,757	28,130	91,887	2,651,036
CREDITORS					
Amounts falling due within one year	18	<u>(78,094)</u>	<u>-</u>	<u>(78,094)</u>	<u>(41,939)</u>
NET CURRENT ASSETS		<u>(14,337)</u>	<u>28,130</u>	<u>13,793</u>	<u>2,609,097</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,083,653</u>	<u>28,130</u>	<u>5,111,783</u>	<u>5,147,857</u>
NET ASSETS		<u>5,083,653</u>	<u>28,130</u>	<u>5,111,783</u>	<u>5,147,857</u>
FUNDS	21				
Unrestricted funds				5,083,653	5,031,990
Restricted funds				<u>28,130</u>	<u>115,867</u>
TOTAL FUNDS				<u>5,111,783</u>	<u>5,147,857</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 31st October 2024 and were signed on its behalf by:



Mr A J Smith - Trustee

REGISTERED COMPANY NUMBER: 02783340

The notes form part of these financial statements

THE DRINKS TRUST
CASH FLOW STATEMENT
for the year ended 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(383,892)</u>	<u>(194,991)</u>
Net cash used in operating activities		<u>(383,892)</u>	<u>(194,991)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,047)	(2,182)
Purchase of investments		(5,991,682)	(1,593,201)
Proceeds from sale of investments		3,814,664	4,211,517
Interest received		<u>7,649</u>	<u>995</u>
Net cash (used in)/provided by investing activities		<u>(2,170,416)</u>	<u>2,617,129</u>
Change in cash and cash equivalents in the reporting period		<u>(2,554,308)</u>	2,422,138
Cash and cash equivalents at the beginning of the reporting period	2	<u>2,571,669</u>	<u>149,531</u>
Cash and cash equivalents at the end of the reporting period	2	<u>17,361</u>	<u>2,571,669</u>

The notes form part of these financial statements

THE DRINKS TRUST

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 December 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023	2022	
	£	£	
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(36,074)	(1,001,865)	
Adjustments for:			
Depreciation charges	1,828	1,776	
(Gain)/losses on investments	(382,993)	585,588	
Interest received	(7,649)	(995)	
Decrease in debtors	3,250	215,340	
Increase in creditors	<u>37,746</u>	<u>5,165</u>	
Net cash used in operations	<u>(383,892)</u>	<u>(194,991)</u>	
2. ANALYSIS OF CASH AND CASH EQUIVALENTS	2023	2022	
	£	£	
Cash in hand	(571)	(441)	
Notice deposits (less than 3 months)	19,197	2,574,966	
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(1,265)</u>	<u>(2,856)</u>	
Total cash and cash equivalents	<u>17,361</u>	<u>2,571,669</u>	
3. RECONCILIATION OF NET DEBT			
	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank and in hand	2,574,525	(2,555,899)	18,626
Bank overdraft	<u>(2,856)</u>	<u>1,591</u>	<u>(1,265)</u>
	<u>2,571,669</u>	<u>(2,554,308)</u>	<u>17,361</u>
Total	<u>2,571,669</u>	<u>(2,554,308)</u>	<u>17,361</u>

The notes form part of these financial statements

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS **for the year ended 31 December 2023**

1. GENERAL INFORMATION

The Drinks Trust is a charitable company limited by guarantee, incorporated in England and Wales. The charity's registered number is 02783340. The address of the charity's registered office and principle place of business is : Unit 4, Baden Place, London, SE1 1YW.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the Drinks Trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, with the exception of investments which are included at market value.

Going concern

The trustees' consider that there are no material uncertainties over the Trust's ability to continue as a going concern for the foreseeable future being a period of at least 12 months from the date of signing the financial statements.

The considerations made in this review include the review of current and future activities of the Trust, together with a review of its cash and reserves position up to 31 October 2025.

Income

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

Donations and gifts are included in full in the period in which they are received. Donations in kind are valued at the estimated market value of the transaction.

Grant income is included in the period in which the grant is receivable unless it relates to a specific future period in which case it is deferred.

Expenditure

Charitable expenditure represents the costs of fundraising, housing, welfare, and support costs. It includes staff costs which are directly attributable to these activities. Redundancy and termination costs are accrued in the period in which the decision is made and communicated to the affected employee(s).

Support costs comprise all services supplied centrally, identifiable as wholly or mainly in support of direct charitable purposes and include an appropriate proportion of general overheads.

Where costs cannot be directly attributed, they have been allocated to activities on the basis of the estimate of the time spent on the relevant functions.

Central overheads are allocated to direct costs, supports costs and grants in two key areas: fundraising and charitable activities. The basis of the allocation is to ensure that the costs within administration related to the management of the Charity's assets, operational administration and compliance with constitutional and statutory requirements are appropriately apportioned within these areas.

Governance costs are the costs associated with the governance arrangements relating to the general running of the charity, including costs of strategic planning for the longer term development of the charity.

Grants payable

Grants are recognised in the accounts when awarded by the Trustees and notified to the recipients.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

2. ACCOUNTING POLICIES - continued

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Debtors

Debtors and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

Cash at bank and in hand

Cash and cash equivalents consist of cash in hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

Creditors

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 discounts due.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- Straight line over 5 years
Computer equipment	- Straight line over 4 years

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.

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.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains/ (losses) on investments.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Trust is that of volatility in the investment market due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors of sub- sectors.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

2. ACCOUNTING POLICIES - continued

Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds

These funds comprise accumulated surpluses and deficits on the General Fund. They are available for use at the discretion of the Trustees in furtherance of The Drinks Trust's general charitable objectives.

Restricted funds

These funds are subject to specific restricted conditions imposed by the donors.

Investment income

Investment income is accounted for as it accrues.

Operating leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

Pension costs and other post-retirement benefits

The Drinks Trust has arranged a defined contribution pension scheme for its employees. Contributions are charged to the Statement of Financial Activities in the year they became payable.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The key assumptions concerning the future and key sources of estimation of uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- estimation of the useful economic life of furniture and office equipment, IT equipment; and,
- the level of investment return and performance of the investment markets.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

4. DONATIONS AND LEGACIES

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Donations	<u>444,137</u>	<u>297,769</u>	<u>741,906</u>

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Donations	<u>474,511</u>	<u>366,727</u>	<u>841,238</u>

5. OTHER TRADING ACTIVITIES

	2023 £	2022 £
Fundraising events	176,645	262,512
Other income	<u>34,667</u>	<u>-</u>
	<u>211,312</u>	<u>262,512</u>

In 2022, all other trading activities income represented unrestricted funds.

6. INVESTMENT INCOME

	Unrestricted	
	2023 £	2022 £
Income from investments	62,552	62,028
Deposit account interest	<u>7,649</u>	<u>995</u>
	<u>70,201</u>	<u>63,023</u>

In 2022, £63,023 of investment income represented unrestricted funds.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

7. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Support costs	<u>176,693</u>	<u>299,806</u>

Other trading activities

	2023	2022
	£	£
Bad debts	<u>1,375</u>	<u>-</u>

Investment management costs

	2023	2022
	£	£
Portfolio management	<u>43,899</u>	<u>45,782</u>

Aggregate amounts	<u>221,967</u>	<u>345,588</u>
-------------------	----------------	----------------

8. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Provision of financial assistance to those who worked in the drinks industry	<u>461,543</u>	<u>623,108</u>	<u>135,868</u>	<u>1,220,519</u>
2022	<u>448,038</u>	<u>656,231</u>	<u>133,194</u>	<u>1,237,463</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

9. GRANTS PAYABLE

	2023	2022
	£	£
Provision of financial assistance to those who worked in the drinks industry	<u>623,108</u>	<u>656,231</u>

The total grants paid to individuals during the year was as follows:

	2023	2022
	£	£
Grants to individuals	<u>623,108</u>	<u>656,231</u>

10. SUPPORT COSTS

	Management £	Information technology £	Finance £	Governance costs £	Totals £
2023					
Provision of financial assistance to those who worked in the drinks industry	<u>75,729</u>	<u>(1,282)</u>	<u>556</u>	<u>60,865</u>	<u>135,868</u>
2022					
Provision of financial assistance to those who worked in the drinks industry	<u>72,269</u>	<u>1,930</u>	<u>-</u>	<u>58,995</u>	<u>133,194</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration- statutory audit	10,350	19,200
Depreciation - owned assets	1,828	1,776
Amounts payable under operating leases	<u>29,568</u>	<u>29,568</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

13. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	387,112	374,621
Social security costs	36,213	35,809
Pension contributions	<u>38,218</u>	<u>37,608</u>
	<u>461,543</u>	<u>448,038</u>

Included in the total emoluments figure above is an ex-gratia payment of £5,000 to one employee. This cost was incurred on the termination of employment as part of a programme of work to ensure we have the right people with the right skills to meet the needs of our beneficiaries effectively. Where redundancy, termination and compensation payments were made, payments were based on service. These payments are managed by the Chief Executive in line with policy and procedures and authorised accordingly to the scheme of delegation based on size of payment.

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

	2023	2022
Welfare Activities	3	3
Support, management and administration	<u>6</u>	<u>8</u>
	<u>9</u>	<u>11</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£90,001 - £100,000	-	1
£100,001 - £110,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

The key management personnel of the charity are the trustees, the Chief Executive Officer and the Executive team of 3 (3 in 2022). Aggregate remuneration and benefits for the key management personnel in 2023 was £255,688 (2022: £218,501).

Trustees

Total of donations given by trustees in the year is £28,250 (2022: £39,875).

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	474,512	366,727	841,239
Other trading activities	262,512	-	262,512
Investment income	<u>63,023</u>	<u>-</u>	<u>63,023</u>
Total	<u>800,047</u>	<u>366,727</u>	<u>1,166,774</u>
 EXPENDITURE ON			
Raising funds	207,011	138,577	345,588
Charitable activities			
Provision of financial assistance to those who worked in the drinks industry	<u>944,462</u>	<u>293,001</u>	<u>1,237,463</u>
Total	<u>1,151,473</u>	<u>431,578</u>	<u>1,583,051</u>
 Net gains/(losses) on investments	<u>(585,588)</u>	<u>-</u>	<u>(585,588)</u>
 NET INCOME/(EXPENDITURE)	 (937,014)	 (64,851)	 (1,001,865)
Transfers between funds	<u>(8,646)</u>	<u>8,646</u>	<u>-</u>
Net movement in funds	(945,660)	(56,205)	(1,001,865)
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>5,977,650</u>	<u>172,072</u>	<u>6,149,722</u>
 TOTAL FUNDS CARRIED FORWARD	 <u>5,031,990</u>	 <u>115,867</u>	 <u>5,147,857</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

15. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2023	56,842	897	57,739
Additions	<u>-</u>	<u>1,047</u>	<u>1,047</u>
At 31 December 2023	<u>56,842</u>	<u>1,944</u>	<u>58,786</u>
DEPRECIATION			
At 1 January 2023	54,092	224	54,316
Charge for year	<u>1,342</u>	<u>486</u>	<u>1,828</u>
At 31 December 2023	<u>55,434</u>	<u>710</u>	<u>56,144</u>
NET BOOK VALUE			
At 31 December 2023	<u>1,408</u>	<u>1,234</u>	<u>2,642</u>
At 31 December 2022	<u>2,750</u>	<u>673</u>	<u>3,423</u>

16. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2023	2,535,337
Additions at cost	5,991,682
Disposal proceeds	(3,814,664)
Net gains/(losses) on disposal and revaluations	<u>382,993</u>
At 31 December 2023	<u>5,095,348</u>
NET BOOK VALUE	
At 31 December 2023	<u>5,095,348</u>
At 31 December 2022	<u>2,535,337</u>

	2023 £	2022 £
Historic cost carried forward	<u>4,760,453</u>	<u>2,352,650</u>

Investments comprise the following

	2023 £	2022 £
Equities and Unit Trusts listed on UK Stock Exchange	1,963,095	980,993
Listed on overseas stock exchange	2,830,895	1,416,656
Cash balance	<u>301,358</u>	<u>137,688</u>
Total	<u>5,095,348</u>	<u>2,535,337</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

16. FIXED ASSET INVESTMENTS - continued

As at 1st January 2023, the investment funds were not fully invested, and a proportion of funds awaiting investment were held in the charity's deposit account.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	58,949	83,872
Other debtors	385	307
Prepayments	<u>13,927</u>	<u>(7,668)</u>
	<u>73,261</u>	<u>76,511</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts	1,265	2,856
Trade creditors	44,852	13,943
Social security and other taxes	9,791	7,375
Pensions	2,765	2,045
Other creditors	3,700	-
Accrued expenses	<u>15,721</u>	<u>15,720</u>
	<u>78,094</u>	<u>41,939</u>

Bank overdraft facility is repayable on demand.

19. FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Financial assets	<u>5,113,972</u>	<u>5,109,862</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments and cash at bank.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	29,520	29,568
Between one and five years	<u>40,086</u>	<u>69,745</u>
	<u>69,606</u>	<u>99,313</u>

21. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	5,031,990	116,072	(64,409)	5,083,653
Restricted funds				
Case Related fund	1,000	(10)	-	990
Energy Poverty fund	104,854	(106,669)	1,815	-
Diageo fund	1,041	(1,041)	-	-
Equal Measures fund	1,714	(26,618)	38,099	13,195
Restore fund	2,995	(27,490)	24,495	-
Develop fund	<u>4,263</u>	<u>9,682</u>	<u>-</u>	<u>13,945</u>
	<u>115,867</u>	<u>(152,146)</u>	<u>64,409</u>	<u>28,130</u>
TOTAL FUNDS	<u>5,147,857</u>	<u>(36,074)</u>	<u>-</u>	<u>5,111,783</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Income £	Expenses £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	725,650	(992,571)	382,993	116,072
Restricted funds				
Rent fund	28,296	(28,296)	-	-
Case Related fund	9,790	(9,800)	-	(10)
Energy Poverty fund	-	(106,669)	-	(106,669)
Diageo fund	-	(1,041)	-	(1,041)
Equal Measures fund	67,923	(94,541)	-	(26,618)
Restore fund	9,500	(36,990)	-	(27,490)
Champions	13,000	(13,000)	-	-
Develop fund	139,180	(129,498)	-	9,682
Community Fund	30,080	(30,080)	-	-
	<u>297,769</u>	<u>(449,915)</u>	<u>-</u>	<u>(152,146)</u>
TOTAL FUNDS	<u>1,023,419</u>	<u>(1,442,486)</u>	<u>382,993</u>	<u>(36,074)</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	5,977,650	(937,014)	(8,646)	5,031,990
Restricted funds				
Vintry fund	-	(2,315)	2,315	-
Rent fund	-	(4,916)	4,916	-
Case Related fund	1,000	-	-	1,000
Energy Poverty fund	-	104,854	-	104,854
Diageo fund	52,259	(51,218)	-	1,041
Equal Measures fund	88,349	(86,635)	-	1,714
Champions Fund	1,529	(2,944)	1,415	-
Restore fund	28,935	(25,940)	-	2,995
Develop fund	-	4,263	-	4,263
	<u>172,072</u>	<u>(64,851)</u>	<u>8,646</u>	<u>115,867</u>
TOTAL FUNDS	<u>6,149,722</u>	<u>(1,001,865)</u>	<u>-</u>	<u>5,147,857</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Income £	Expenses £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	800,047	(1,151,473)	(585,588)	(937,014)
Restricted funds				
Vintry fund	1,145	(3,460)	-	(2,315)
Rent fund	28,296	(33,212)	-	(4,916)
Case Related fund	6,000	(6,000)	-	-
Energy Poverty fund	167,753	(62,899)	-	104,854
Diageo fund	-	(51,218)	-	(51,218)
Equal Measures fund	34,832	(121,467)	-	(86,635)
Champions Fund	1,396	(4,340)	-	(2,944)
Restore fund	10,000	(35,940)	-	(25,940)
Develop fund	<u>117,305</u>	<u>(113,042)</u>	-	<u>4,263</u>
	<u>366,727</u>	<u>(431,578)</u>	-	<u>(64,851)</u>
TOTAL FUNDS	<u><u>1,166,774</u></u>	<u><u>(1,583,051)</u></u>	<u><u>(585,588)</u></u>	<u><u>(1,001,865)</u></u>

Vintry fund

These funds represent monies received towards the support of the residents at the Vintry home in Eastbourne. This facility was once owned by The Benevolent (previous name of The Drinks Trust) and subsequent to its sale The Drinks Trust continues to support residents who worked in the drinks and hospitality sectors who are resident there. Support is supplied by way of Lifeline emergency call system grants, gas utility grants, Christmas hampers, and the vehicle tax on the minibus for the home.

Rent Fund

The rent fund is held to manage donations made on behalf of the WSET, and in order to cover rent charges for the Drinks Trust office space.

Case-related fund

The case related fund represents donations specifically to assist individual cases being handled by The Drinks Trust. These are most often high-cost cases, where individuals require expert services or equipment, and are often facing significant hardship, mental health concerns or critical illness.

Energy Poverty Fund

The Energy Poverty Fund was launched in September 2022 to receive donations towards grant giving for individuals in the drinks and on-premise industry struggling to pay energy bills. This was in response to the significant increase in wholesale energy prices and the impact on the financial wellbeing of beneficiaries.

Cost-of-Living Fund

The Cost-of-Living Fund was introduced in 2023 to raise funds for the provision of financial hardship relief to those qualifying beneficiaries who had been particularly impacted by the recent economic environment created by the cost-of-living crisis.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **for the year ended 31 December 2023**

21. MOVEMENT IN FUNDS - continued

Diageo Fund

The Diageo fund was created to manage the one-off donation made by Diageo towards financial support of Drinks Trust beneficiaries. The donation was made with additional requirements regarding work history, and the Diageo restricted fund was used to manage grant giving and on the basis on the requirements set by the donor.

Equal Measure Fund - Previously Diversity and inclusion Fund

The D&I Fund was also set up in 2020 to manage grants and donations made with the specific intention of developing greater diversity in the drinks and hospitality sectors. A transfer of £38,099 was made from the unrestricted funds to cover the fund overspend in the year.

Restore Fund - Previously Wellbeing fund

The Wellbeing Fund was set up in 2020 to manage monies donated to cover the cost of three of The Drinks Trust's wellbeing services. They are; Counselling services provided by the Dr Julian digital counselling platform, Mindful Drinking tuition supplied by Club Soda and Sleep & Insomnia treatment from Sleepstation. A transfer of £24,495 was made from the unrestricted funds to cover the fund overspend in the year.

Develop Fund

The Develop Fund is used to manage funds donated toward the Drinks Trust's Develop initiative, a programme dedicated to delivering skills and education across drinks and drinks service, and specifically to beneficiaries struggling due to financial hardship.

Community Fund

The community Fund is funding to deliver the Drinks Trust online community platform, which has the purpose of creating opportunity for those in the industry to learn through peer-to-peer support.

Champions Fund

The Champions Fund is funding received to delivering Wellbeing Champions training.

22. EMPLOYEE BENEFIT OBLIGATIONS

The Drinks Trust operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Drinks Trust in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund amounting to £38,218 (2022 - £37,608).

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the years ended 31 December 2023 and 31 December 2022.