

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

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE DRINKS TRUST



Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

THE DRINKS TRUST

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for the year ended 31 December 2022

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THE DRINKS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 December 2022

TRUSTEES	N P Barker Managing Director T Christensen Managing Director S N Difford Publisher E C Dove Plural A J Hawes Managing Director (resigned 19.7.22) G E Lawrence CEO J A Rackham Spirits Merchant (resigned 19.7.22) A L Reed Publisher (resigned 19.7.22) M P Saunders Managing Director (resigned 19.7.22) A J Smith Finance Director Ms J Maclean Founder & CEO Ms L Willoughby Director Ms K D A Keating Director Mrs N Forrest Director
COMPANY SECRETARY	J R Carter
REGISTERED OFFICE	Unit 4 Baden Place London SE1 1YW
REGISTERED COMPANY NUMBER	02783340 (England and Wales)
REGISTERED CHARITY NUMBER	1023376
SENIOR STATUTORY AUDITOR	Richard Weaver
AUDITORS	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
SOLICITORS	Lee Bolton Monier-Williams 1 The Sanctuary Westminster London SW1P 3JT
INVESTMENT ADVISORS	Credit Suisse (UK) Limited Five Cabot Square London E14 4QR

THE DRINKS TRUST

CHAIRMAN'S REPORT **for the year ended 31 December 2022**

In 2022 The Drinks Trust continued to deliver on its primary goal of delivering improved services to more of our industry colleagues. The year end outcome was a level of service provision close to that of the record year experienced during the pandemic, and a total of 4,413 individuals having benefited from one of the charities support services.

The charity continued to grow its supporter base, and revenues from business donors in the sector, and delivered a dedicated campaign to support those in our industry facing energy poverty.

Despite now having the global pandemic behind us, the compound impact on our industry of the war in Ukraine, the impact on energy prices, the post Brexit skill shortage, and the ultimate effect on inflation and the resulting current cost of living crisis, has without doubt, created the most challenging of circumstances for our industry workforce.

It is no surprise therefore, that the demand on the charity has continued to grow.

Charitable Revenues and Expenditure

The year end net income and expenditure of the charity show a loss of £1,001,865. Although this figure seems disproportionate to the year end activities of the previous year, the variance can be explained as follows. At the end of the year 2021, the charity had carried forward funds of over £400,000, which were budgeted to be used in its 2022 activities. Further to which, the investment fund the charity manages delivered an annual loss in 2022 of £585,588 (-11%) which was broadly in line with the declines elsewhere in the markets.

Additionally, our 2022 financial statement shows cash at bank of over £2.5 million at year end. In November of 2022 the trustees of the charity moved to transfer the funds held with our investment fund managed by Credit Suisse. This decision was taken as a result of consistently lower performance levels than expected, and the media speculation about Credit Suisse's solvency. As a result, half of the funds held with Credit Suisse were moved to our retail bank in November 2022, and have subsequently been reinvested with our new fund manager Julius Baer.

Fundraising in 2022 totalled £ 1,103,750. Restricted revenues performed well, delivering £366,727.36, with significant sums being donated towards the Develop initiative and also the Energy Poverty Campaign.

At year-end, the unrestricted revenue was down against budget. Despite lower than budgeted revenues, unrestricted funds are up on pre-pandemic (2019) levels by 28%, and net revenues are up by 33% overall. With 2022 representing the first year with no pandemic related revenue, this demonstrates an improving trend in terms of future net revenues and an opportunity for revenue growth in 2023 and beyond.

As part of the unrestricted income in 2022, the volume of business making Business Partnership donations, and the revenue these represented, increased to the highest level in the charity's history, with 108 annual donors from across the industry supporting the charity in a partnership capacity.

Assist - Hardship Relief Services

As a result of applications to the Energy Fund Financial not beginning in significant numbers until early 2023, the year-end beneficiary figures for Assist services were lower than year forecast of 1,698. Additionally, the charity continued to shift its financial support emphasis towards one-off grant applicants, with fewer ongoing grants as a result. The result on beneficiary numbers was fewer overall, but a more profound impact for those receiving grants, with the average financial grant recipient being awarded £550 in 2022, up from £495 in 2021.

Restore - Wellbeing Services

The work that was proposed to increase the volume of Restore (wellbeing) beneficiaries in 2022 yielded positive results. Although falling behind targeted volumes, the total annual beneficiary volume increase by 19% to 988. There was an improvement in helpline usage, mindful drinking, insomnia, and counselling beneficiaries. Added to which, the newly launched wellbeing champions initiative delivered 45 wellbeing advocates in businesses across the sector.

The work achieved in 2022 has continued to grow in 2023, and record numbers of Restore beneficiaries are expected by year end.

Develop - Vocational Hardship Services

Develop made a significant impact in 2022, and at year end had narrowly surpassed its beneficiary target for the year. Expenditure for the year was below the budgeted total, which will be carried over into 2023. Revenues were significantly up on budget, almost double targeted income.

THE DRINKS TRUST
CHAIRMAN'S REPORT
for the year ended 31 December 2022

In what was the first full year of service for Develop, a total of 564 beneficiaries benefited from this skills and training initiative dedicated to lifting people out of financial hardship and tackling a very clear need within the industry.

Already, in June of 2023, the previous year's total beneficiary volume has been surpassed, and we expect to surpass 2023 target by some margin.

The Drinks Community

At the conclusion of 2022 The Drinks Community had grown to a total of 1,716 members, having grown by 34% over the 2021 year end total. Additionally, a total of 60 mentor/mentee partnerships were completed, up from 45 in 2022.

The service continues to be the only peer to peer vocational support network in the industry, comprising of people from diverse roles and levels of experience, from CEO to new entrants, and offers a unique opportunity for many of our colleagues to learn and engage with people who want to share their knowledge, a digital mentoring opportunity like no other.

Equal Measures - Delivering Greater Equity in the Drinks Industry

The management contract with Equal Measures continued into 2022, delivering significantly increased volumes of beneficiaries, and a total of 216 having benefitted from the services that the drinks industry's only dedicated diversity service offers.

Equal Measures delivered three beneficiary events in 2022, as well as continuing to deliver its mentoring and WSET spirits training.

Finally, I wanted to take this opportunity to thank our outgoing Chair of Trustees, Troy Christensen, for his two years of leadership of the board. Mr Christensen remains on the board as trustee. Also, I would like to thank our outgoing trustees in 2022, Andrew Reed, Andrew Hawes, James Rackham and Michael Saunders, who together served on a voluntary basis to the Drinks Trust for over 30 years.

Guy Lawrence
Chair of Trustees

A handwritten signature in black ink, appearing to be 'Guy Lawrence', with a long, sweeping vertical line extending downwards from the end of the signature.

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2022**

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 2022. 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 jeopardised. 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 £78 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) An additional Christmas gift to some regular grant beneficiaries
- f) Provision of Television licences to some regular grant beneficiaries

2. Fundraising

3. Governance Activities

Progress in these areas for 2022 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 2022**

ACHIEVEMENT AND PERFORMANCE

DIRECT CHARITABLE ACTIVITIES

The Assist programme (financial grants) provided financial support to 869 beneficiaries in 2022, these grants were made through our one-off, periodic, 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 through the helpline, to a total of 988 individuals. The Develop vocational hardship resources, were delivered to 564 beneficiaries in 2022, and The Drinks Community, peer-to-peer support a further 1776. The Drinks Trust's partnership with Equal Measures delivered diversity training and mentoring services to 216 individuals in 2022. The number of beneficiaries helped across all services in 2022 was therefore 4,413, an increase of 22% over 2021 levels.

Regular charitable welfare grants to beneficiaries living in their own homes

The total number of monthly grants given during the year was 252 assuming a regular grant paid on a monthly basis as one grant. The standard level of grant was £78 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 553 one-off grants were approved and representing a total expenditure of £282,408. 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 2022 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 an updated 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

In 2022 a total of 158 people benefitted from an additional charitable Christmas donation of £78 each, aside from some exceptional circumstances where a larger grant was approved. Television Licenses were purchased on behalf of 43 beneficiaries.

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2022**

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 funding in 2022 was £895,955, achieving the goal set out for corporate funding. Individual Donations in 2022 totalled £33,759.02.

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 2022 total unrestricted funds carried forward amounted to £5,031,990. Of this sum, £2,535,337 is represented in the 2022 accounts within the investment fund. Additionally, a further £2,417,471.88 of the funds held as Cash at Bank are funds removed from the Investment Fund in November 2022, pending reinvestment, making the total investment funds either held in investment, or pending investment £4,952,808.88.

Going Concern

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

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2022**

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.

Until the end of 2022 The Drinks Trust continued to use Credit Suisse (UK) Ltd as its investment advisers 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 June 2022.

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

The strategy update presented in January of 2022 set out goals to deliver services and revenues over the volumes 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.

Services

Having delivered on pre-pandemic goals of launching new wellbeing services, the new Restore programme set out goals to increase service delivery in 2022.

Fundraising

The charity set out plans to deliver revenues from fundraising and donations in 2022 below the total achieved in 2021, which were recognised as having been elevated due to pandemic related donations. The goal was therefore to achieve greater revenues through donations and fundraising than in 2019.

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 2022**

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 10 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.

Risk management

Having assessed the major risks to which the charitable company 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 charitable company, they have established effective systems to mitigate those risks.

The trustees recognise their responsibility for the management of risks faced by the charitable company, 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 charitable company 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 charitable company, as identified by the trustees, are described below together with the principal ways in which they are mitigated:

- The charitable company provides financial assistance to those who 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 charitable company'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 charitable company's needs - both now and in the future.

The other risks for the charitable company, 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.

THE DRINKS TRUST

REPORT OF THE TRUSTEES **for the year ended 31 December 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management (continued)

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 charitable company 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 charitable company, they have established effective systems to mitigate those risks.

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 charitable company 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and subsidiary's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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.

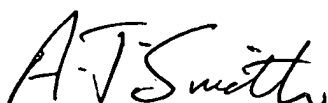
SMALL COMPANY EXEMPTIONS

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

AUDITORS

A resolution reappointing Haysmacintyre LLP will be proposed at the AGM in accordance with S485 of the Companies Act 2006.

Approved by order of the board of trustees on **11th July 2023** and signed on its behalf by:



.....
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 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2022 and of its 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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

Our 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 a Report of the Independent Auditors 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the use of restricted funds in accordance with trust law and compliance with employment law, 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 Charity Act 2011 and the Companies Act 2006.

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 the recognition of income from legacies and donations. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Reviewing allocations and disclosures relating to restricted funds;
- 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 journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These related to depreciation.

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 Report of the Independent Auditors.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 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.



Richard Weaver (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Date: 15th September 2023

THE DRINKS TRUST

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	474,511	366,727	841,238	1,140,113
Other trading activities	3	262,512	-	262,512	174,054
Investment income	4	63,023	-	63,023	49,849
Other income		-	-	-	975
Total		<u>800,046</u>	<u>366,727</u>	<u>1,166,773</u>	<u>1,364,991</u>
EXPENDITURE ON					
Raising funds	5	240,735	66,218	306,953	225,328
Charitable activities	6				
Provision of financial assistance to those who worked in the drinks industry		944,462	293,001	1,237,463	1,202,063
Other		(33,725)	72,359	38,634	41,259
Total		<u>1,151,472</u>	<u>431,578</u>	<u>1,583,050</u>	<u>1,468,650</u>
Net gains/(losses) on investments		<u>(585,588)</u>	<u>-</u>	<u>(585,588)</u>	<u>434,617</u>
NET INCOME/(EXPENDITURE)		<u>(937,014)</u>	<u>(64,851)</u>	<u>(1,001,865)</u>	<u>330,958</u>
Transfers between funds	19	<u>(8,646)</u>	<u>8,646</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(945,660)</u>	<u>(56,205)</u>	<u>(1,001,865)</u>	<u>330,958</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		5,977,650	172,072	6,149,722	5,818,764
TOTAL FUNDS CARRIED FORWARD		<u><u>5,031,990</u></u>	<u><u>115,867</u></u>	<u><u>5,147,857</u></u>	<u><u>6,149,722</u></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.

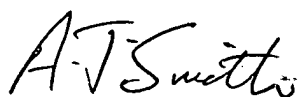
THE DRINKS TRUST

BALANCE SHEET **31 December 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	3,423	-	3,423	3,017
Investments	14	2,535,337	-	2,535,337	5,739,241
		<u>2,538,760</u>	<u>-</u>	<u>2,538,760</u>	<u>5,742,258</u>
CURRENT ASSETS					
Debtors	15	76,511	-	76,511	291,851
Cash at bank and in hand		<u>2,458,658</u>	<u>115,867</u>	<u>2,574,525</u>	<u>176,760</u>
		2,535,169	115,867	2,651,036	468,611
CREDITORS					
Amounts falling due within one year	16	(41,939)	-	(41,939)	(61,147)
NET CURRENT ASSETS		<u>2,493,230</u>	<u>115,867</u>	<u>2,609,097</u>	<u>407,464</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,031,990</u>	<u>115,867</u>	<u>5,147,857</u>	<u>6,149,722</u>
NET ASSETS		<u>5,031,990</u>	<u>115,867</u>	<u>5,147,857</u>	<u>6,149,722</u>
FUNDS	19				
Unrestricted funds				5,031,990	5,977,650
Restricted funds				<u>115,867</u>	<u>172,072</u>
TOTAL FUNDS				<u>5,147,857</u>	<u>6,149,722</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 and were signed on its behalf by:
11 July 2023



A J Smith - Trustee

THE DRINKS TRUST

CASH FLOW STATEMENT
for the year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(194,991)	(564,673)
Net cash used in operating activities		<u>(194,991)</u>	<u>(564,673)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(2,182)	(1,306)
Purchase of fixed asset investments		(1,593,201)	(2,020,361)
Sale of tangible fixed assets		-	975
Sale of fixed asset investments		4,211,517	2,017,627
Interest received		995	-
Dividends received		-	252,365
Net cash provided by investing activities		<u>2,617,129</u>	<u>249,300</u>
 Change in cash and cash equivalents in the reporting period		<u>2,422,138</u>	<u>(315,373)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>149,531</u>	<u>464,904</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>2,571,669</u></u>	<u><u>149,531</u></u>

The notes form part of these financial statements

THE DRINKS TRUST

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 December 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(1,001,865)	330,958
Adjustments for:		
Depreciation charges	1,776	1,474
Losses/(gain) on investments	585,588	(434,617)
Profit on disposal of fixed assets	-	(975)
Interest received	(995)	-
Dividends received	-	(252,365)
Decrease/(increase) in debtors	215,340	(208,495)
Increase/(decrease) in creditors	5,165	(653)
Net cash used in operations	<u><u>(194,991)</u></u>	<u><u>(564,673)</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	(441)	-
Notice deposits (less than 3 months)	2,574,966	176,760
Overdrafts included in bank loans and overdrafts falling due within one year	(2,856)	(27,229)
Total cash and cash equivalents	<u><u>2,571,669</u></u>	<u><u>149,531</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	176,760	2,397,765	2,574,525
Bank overdraft	(27,229)	24,373	(2,856)
	<u>149,531</u>	<u>2,422,138</u>	<u>2,571,669</u>
Total	<u><u>149,531</u></u>	<u><u>2,422,138</u></u>	<u><u>2,571,669</u></u>

The notes form part of these financial statements

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS **for the year ended 31 December 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 under the historical cost convention, with the exception of investments which are included at market value.

Going concern

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

As a result of the significant and ongoing uncertainty created by the Cost of Living Crisis, management of The Drinks Trust have provided evidence to trustees to show that the charity continues to be going concern in the foreseeable future. This has been evidenced through the sharing of up to date forecasts. Additionally, the charity has a very strong balance sheet with large investment and cash balances.

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 buildings, furniture and office equipment, IT equipment; and,
- the level of investment return and performance of the investment market

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, gifts and donations in kind

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.

Grants

Grants are included in the period in which they are receivable unless they relate to a specific future period in which case they are deferred. Furloughing grants are recognised on a receivable basis.

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.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **for the year ended 31 December 2022**

1. ACCOUNTING POLICIES - continued

Expenditure

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, support 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. These costs are now included in charitable activities in line with SORP (FRS102).

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.

Grants payable

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

Debtors, creditors and provisions

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.

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	- 20% on cost
Computer equipment	- 25% on cost

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 those funds subject to specific restricted conditions imposed by the donors.

Investment income and investments

Investment income is accounted for as it accrues. Investments are acquired in accordance with the powers available to the Trustees. Investments are shown at market value. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

1. ACCOUNTING POLICIES - continued

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 charitable company 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.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	841,238	1,140,113

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	262,512	174,054

4. INVESTMENT INCOME

	2022	2021
	£	£
Income from investments	62,028	49,845
Deposit account interest	995	4
	63,023	49,849

5. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Support costs	261,171	178,478

Investment management costs

	2022	2021
	£	£
Portfolio management	45,782	46,850
Aggregate amounts	306,953	225,328

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

6. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Provision of financial assistance to those who worked in the drinks industry	<u>448,038</u>	<u>656,231</u>	<u>133,194</u>	<u>1,237,463</u>
2021	<u>221,706</u>	<u>764,294</u>	<u>216,063</u>	<u>1,202,063</u>

7. GRANTS PAYABLE

	2022 £	2021 £
Provision of financial assistance to those who worked in the drinks industry	<u>656,231</u>	<u>669,679</u>

8. SUPPORT COSTS

	Manage ment £	Inform ation technol ogy £	Governan ce costs £	Totals £
Provision of financial assistance to those who worked in the drinks industry	<u>72,269</u>	<u>1,930</u>	<u>58,995</u>	<u>133,194</u>
2021	<u>174,647</u>	<u>-</u>	<u>41,416</u>	<u>216,063</u>

9. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Depreciation - owned assets	1,776	1,474
Surplus on disposal of fixed assets	<u>-</u>	<u>(975)</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	374,621	337,353
Social security costs	35,809	31,172
Pension contributions	37,608	34,577
	<u>448,038</u>	<u>403,102</u>

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

	2022	2021
Welfare Activities	3	2
Support, management and administration	8	8
	<u>11</u>	<u>10</u>

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

	2022	2021
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>1</u>	<u>1</u>

The key management personnel of the charity are the Chief Executive Officer and the Executive team of 3 (3 in 2021). Aggregate remuneration and benefits for the key management personnel in 2022 was £218,501 (2021: £307,707).

Trustees

Total of donations given by trustees in the year is £39,875 (2021: £36,832).

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	800,857	339,256	1,140,113
Other trading activities	174,054	-	174,054
Investment income	49,849	-	49,849
Other income	975	-	975
Total	<u>1,025,735</u>	<u>339,256</u>	<u>1,364,991</u>
 EXPENDITURE ON			
Raising funds	217,173	8,155	225,328
Charitable activities			
Provision of financial assistance to those who worked in the drinks industry	991,727	210,336	1,202,063
Other	41,259	-	41,259
Total	<u>1,250,159</u>	<u>218,491</u>	<u>1,468,650</u>
 Net gains on investments	<u>434,617</u>	<u>-</u>	<u>434,617</u>
 NET INCOME	 210,193	 120,765	 330,958
 RECONCILIATION OF FUNDS			
Total funds brought forward	5,767,457	51,307	5,818,764
 TOTAL FUNDS CARRIED FORWARD	 <u><u>5,977,650</u></u>	 <u><u>172,072</u></u>	 <u><u>6,149,722</u></u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2022	55,557	28,688	-	84,245
Additions	1,285	-	897	2,182
Disposals	-	(28,688)	-	(28,688)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	56,842	-	897	57,739
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2022	52,540	28,688	-	81,228
Charge for year	1,552	-	224	1,776
Eliminated on disposal	-	(28,688)	-	(28,688)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	54,092	-	224	54,316
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2022	2,750	-	673	3,423
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	3,017	-	-	3,017
	<hr/>	<hr/>	<hr/>	<hr/>

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	5,739,241
Additions	1,593,201
Disposals	(4,211,517)
Revaluations	(585,588)
	<hr/>
At 31 December 2022	2,535,337
	<hr/>
NET BOOK VALUE	
At 31 December 2022	2,535,337
	<hr/>
At 31 December 2021	5,739,241
	<hr/>

There were no investment assets outside the UK.

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	83,872	287,873
Other debtors	307	62
Prepayments	(7,668)	3,916
	<u>76,511</u>	<u>291,851</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 17)	2,856	27,229
Trade creditors	13,943	8,841
Social security and other taxes	7,375	6,422
Pensions	2,045	1,894
Other creditors	-	1,041
Accrued expenses	15,720	15,720
	<u>41,939</u>	<u>61,147</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>2,856</u>	<u>27,229</u>

18. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	1,272	1,252
Between one and five years	1,363	2,635
	<u>2,635</u>	<u>3,887</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

19. 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>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	800,046	(1,151,472)	(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	117,305	(113,042)	-	4,263
	<u>366,727</u>	<u>(431,578)</u>	<u>-</u>	<u>(64,851)</u>
TOTAL FUNDS	<u>1,166,773</u>	<u>(1,583,050)</u>	<u>(585,588)</u>	<u>(1,001,865)</u>

THE DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	5,767,457	210,193	5,977,650
Restricted funds			
Rent fund	34,965	(6,030)	28,935
Case Related fund	1,000	-	1,000
Diageo fund	-	52,259	52,259
Equal Measures fund	-	78,349	78,349
Champions Fund	5,342	(3,813)	1,529
Diversity and Inclusion	10,000	-	10,000
	<u>51,307</u>	<u>120,765</u>	<u>172,072</u>
TOTAL FUNDS	<u>5,818,764</u>	<u>330,958</u>	<u>6,149,722</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,025,735	(1,250,159)	434,617	210,193
Restricted funds				
Rent fund	1,353	(7,383)	-	(6,030)
Case Related fund	2,789	(2,789)	-	-
Energy Poverty fund	28,000	(28,000)	-	-
Diageo fund	100,000	(47,741)	-	52,259
Equal Measures fund	172,000	(93,651)	-	78,349
Champions Fund	35,114	(38,927)	-	(3,813)
	<u>339,256</u>	<u>(218,491)</u>	<u>-</u>	<u>120,765</u>
TOTAL FUNDS	<u>1,364,991</u>	<u>(1,468,650)</u>	<u>434,617</u>	<u>330,958</u>

Vintry fund

These funds represent monies received towards the support of the residents at the Vintry home in astbourne. 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 DRINKS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **for the year ended 31 December 2022**

19. MOVEMENT IN FUNDS - continued

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.

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.

Champions Fund - Previously Wellness events fund

The Champions Fund is used to manage donations made to support the Drinks Trust Champions initiative, a programme designed to train and educate industry staff on mental health in the workplace, and to help deliver best practice in the workplace.

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.

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.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund amounting to £37,608 (2021 - £34,577)

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the years ended 31 December 2022 and 31 December 2021.