

THE DISTILLERS' CHARITY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

Registered Charity no: 1038763

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THE DISTILLERS' CHARITY
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020

REFERENCE AND ADMINISTRATION DETAILS

Trustees The Worshipful Company of Distillers

Principal Address 1 The Sanctuary
London
SW1P 3JT

Registered Charity Number 1038763

Independent Examiner Joanna Dyne FCA
38 Letty Green
Hertford
Herts
SG14 2NZ

Bankers C Hoare & Co
37 Fleet Street
London
EC4P 4DQ

Investment Cazenove Capital
12 Moorgate
London
EC2R 6DA

THE DISTILLERS' CHARITY
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020

The trustees present their report and the financial statements for the year ended 31 October 2020, which have been prepared in compliance with the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard FRS 102.

Structure, Governance & Management

The Charity is governed by a Trust Deed dated 16th December 1955, constituted as a Charitable Trust.

The trustee is the Worshipful Company of Distillers, represented by its Court of Assistants.

Objectives and Activities

The activities of the charity places philanthropy firmly at the heart of the work of our Livery. The trustees confirm they have referred to The Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and setting its grant making policy.

The Charity's vision is to make a difference especially to young people, and those within the distilled spirits trade, helping them to reach their full potential, improve their life chances, and make a positive contribution to their communities.

The year was marked by the onset of a global pandemic, which led to a national emergency that impacted every corner of our economy and society. With respect to the third sector and charities, there was mounting pressure in terms of adapting services in the face of restrictions placed upon movement of citizens, rising demand for emergency poverty relief as well as significant pressures on fundraising. Many funders relaxed their grant agreements to provide unrestricted funding to their charitable beneficiaries. The majority of Distillers' Charity's grants were free of restrictions.

Distillers' Charity reacted strongly to the crisis by implementing a series of fundraising activities in order to provide greater support, where possible, to our existing beneficiaries. The response was exceptional, and income by way of donations from all sources increased approximately three-fold to £194,001.

The exceptional fundraising response was achieved through targeted initiatives which included a special appeal in Spring 2020 for Drinks Trust, followed by a charity auction benefitting the same organisation that was very strongly supported. The Master's 500 Bike Ride from Scotland to London in September 2020 was also a resounding success in terms of fundraising. Meanwhile, Livery members continued throughout the year to support the Charity generously with regular donations.

The Charity is indebted for the generosity of all those who donated to these campaigns or volunteered in whatever way to support these fundraising initiatives.

The income from Distillers' Charity endowment supplemented the Charity's ability to continue supporting its grant-making activities although, with a decline in markets, the value of our investments slipped back slightly during the year to £951,000.

THE DISTILLERS' CHARITY
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020
(CONTINUED)

Grant-making

Our activities during 2020 in support of our beneficiaries focused on the following primary areas of need:

- **Vocational training & education** (£6,750) provided recognition to students who have made outstanding achievement in exams related to distilled spirits. Support continued in the form of scholarships to successful students across the following three partner organisations: Institute of Brewing & Distilling, Heriot-Watt University International Centre for Brewing & Distilling (ICBD) and the Wine & Spirit Education Trust (WSET). During the year a committee convened to conduct a root and branch review of our activities across this area, concluding with a refreshed and significantly up-weighted long-term strategy that was approved by our trustee, the Court.
- **Alcohol related education** (£43,440) especially targeting young people, continued to be a key area of focus. The Charity continued to support the Alcohol Education Trust (AET), which included continued support for their programmes in Scotland. A landscape report was also produced by New Philanthropy Capital on alcohol education and harm reduction. The report provided an overview of the level of need and current approaches, primarily around policy, education and treatment as well as insights into funding priorities.
- **The drinks trade charities** (£110,080) through our funding for Drinks Trust and indirect support for The Ben in Scotland, these charities became the prime focus of the Charity's grant-making in 2020. A large part of our grant was directed towards emergency relief for members of the UK drinks industry. This included those working in hospitality services, who suffered severe hardship through sudden and unexpected loss of employment following the national lockdown.
- **Livery & City related charities** (£55,156) covered a variety of needs including the Lord Mayor's Appeal supporting disadvantaged young people through Future Youth Zone Barking & Dagenham (£32,500), which benefited funds raised in the Master's Bike Ride. The proceeds of the Bike Ride also benefited a range of other good causes (£20,406). City charities supported included Sheriffs' & Recorders' Fund, St Lawrence Jewry, St Paul's Cathedral and the Connection at St Martin in the Fields.

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'TRUSTEES' REPORT
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Future Plans

During the year, the charity conducted a comprehensive strategic review of its overall activities, with the overarching aim of ensuring that Distillers' Charity supports to the fullest extent charitable giving being at the heart of our Livery's values. The recommendations arising from the strategic review were presented to our Trustee in 2020 and were unanimously approved by the Court.

The new strategic plan included the recommendation to establish a new charitable structure in the form of a CIO, retaining the identity 'Distillers' Charity'. In order to maintain indirect control over the new structure the Court will appoint the majority of trustees for fixed three-year terms of office. The objects of the new charity, which was registered in March 2021, maintain continuity in terms of vision and mission with focus across three giving themes: education and vocational training, young people particularly from disadvantaged backgrounds and support for Livery and City related causes. We are confident that the new governance and legal structure will provide the basis for growing the Charity's impact in years to come.

Reserves Policy

The Unrestricted Fund is to use both capital and income to maintain and augment its objectives.

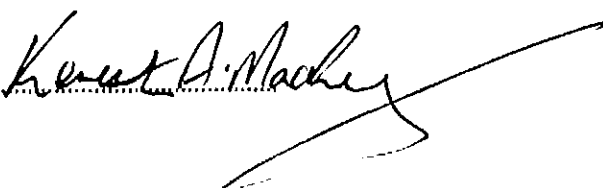
The present level of reserves are deemed necessary in order to generate sufficient income to fund future regular donations and scholarships.

Going Concern

The trustees are satisfied that the charity will continue as a going concern for the foreseeable future. The potential impact of Covid-19 (coronavirus) upon the charity has been considered. As a grant making charity with assets exceeding £1 million held in readily marketable listed investments, the Distillers' Charity is well placed to weather the economic effects of the global pandemic.

Signed on behalf of the Trustees

Kenny Mackay:



Date: 23 June 2021

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE DISTILLERS' CHARITY

I report to the charity trustees on my examination of the accounts of the Distillers' Charity ("the Trust") for the year ended 31 October 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts as carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Joanna Dyne FCA
38 Letty Green
Hertford
Herts
SG14 2NZ

Date: 14 September 2021

THE DISTILLERS' CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2020

| | Note | Unrestricted Fund £ | Restricted Fund £ | Total 2020 £ | Total 2019 £ |
|--|------|---------------------------|-------------------------|--------------------|--------------------|
| Income | | | | | |
| Fundraising Activities | | | | | |
| Charity Auction | | - | 60,080 | 60,080 | - |
| Master's Cask | | 7,817 | - | 7,817 | 6,563 |
| Carol Service | | 660 | - | 660 | 585 |
| Spirits Tasting | | - | - | - | 3,283 |
| Master's Bike Ride | | - | 40,405 | 40,405 | - |
| | | <u>8,477</u> | <u>100,485</u> | <u>108,962</u> | <u>10,431</u> |
| Donations (Including Gift Aid) | | 45,438 | 39,601 | 85,039 | 54,507 |
| Investment income - | | | | | |
| Dividends and Interest | | 30,641 | - | 30,641 | 39,081 |
| Total Income | | <u>84,556</u> | <u>140,086</u> | <u>224,642</u> | <u>104,019</u> |
| Expenditure | | | | | |
| Charitable Activities: | | | | | |
| Donations, Grants and Scholarships | 7 | 75,340 | 140,086 | 215,426 | 52,136 |
| Sundry | | 978 | - | 978 | 1,845 |
| Raising Funds: | | | | | |
| Investment Management Fees | | 2,483 | - | 2,483 | 2,545 |
| Other Expenditure: | | | | | |
| Legal Fees | | 2,400 | - | 2,400 | - |
| Consultancy Fees | | 3,570 | - | 3,570 | - |
| Total Expenditure | | <u>84,771</u> | <u>140,086</u> | <u>224,857</u> | <u>56,526</u> |
| Net (Expenditure)/Income Before (Losses)/Gains on Investments | | | | | |
| | | (215) | - | (215) | 47,493 |
| Net (Losses) on Investments | | <u>(141,416)</u> | <u>-</u> | <u>(141,416)</u> | <u>(3,500)</u> |
| Net Movement in Funds | | <u>(141,631)</u> | <u>-</u> | <u>(141,631)</u> | <u>43,993</u> |
| Total Funds Brought Forward | | <u>1,117,736</u> | <u>25,000</u> | <u>1,142,736</u> | <u>1,098,743</u> |
| Total Funds Carried Forward | | <u>£ 976,105</u> | <u>£ 25,000</u> | <u>£ 1,001,105</u> | <u>£ 1,142,736</u> |

THE DISTILLERS' CHARITY
BALANCE SHEET AS AT 31 OCTOBER 2020

| | Note | 2020 | | 2019 | |
|-------------------------------------|------|---------------|--------------------|---------------|--------------------|
| | | £ | £ | £ | £ |
| Fixed Assets: | 2 | | | | |
| Listed Investments | | | 951,619 | | 1,036,837 |
| Cash Held for Investment | | | 7,671 | | 48,021 |
| | | | <u>959,290</u> | | <u>1,084,858</u> |
| Current Assets: | | | | | |
| Debtors | 3 | 33,609 | | 19,273 | |
| Cash at Bank | | 48,611 | | 38,605 | |
| | | <u>82,220</u> | | <u>57,878</u> | |
| Liabilities: | | | | | |
| Creditors - Payable within one year | 4 | 40,405 | | - | |
| Net Current Assets | | | 41,815 | | 57,878 |
| Net Assets | | | <u>£ 1,001,105</u> | | <u>£ 1,142,736</u> |
| Total Charity Funds | | | | | |
| Unrestricted Fund | | | 976,105 | | 1,117,736 |
| Restricted Fund | 6 | | 25,000 | | 25,000 |
| | | | <u>£ 1,001,105</u> | | <u>£ 1,142,736</u> |

Approved by the trustees on 23 June 2021 and signed on their behalf by:

Kenny Mackay 
Master of The Worshipful Company of Distillers (2019/20)

THE DISTILLERS' CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

1. Accounting Policies

These accounts have been prepared under the historic cost convention (except investments which are shown at market value) in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

a) Recognition of Income

Income is recognised once the charity has entitlement, it is probable that the income will be received and the amount of income can be measured reliably.

Investment income is recognised upon notification from the investment advisor of the dividends due.

b) Recognition of Expenditure

Liabilities are recognised, on an accruals basis, as soon as there is a legal or constructive obligation committing the charity to that expenditure.

Grants payable are accrued when the charity committee has resolved to make unconditional payment to the beneficiary.

c) Fixed Asset Investments

Investments are included at market value at the year end. Gains and losses on revaluation and disposals are included in the Statement of Financial Activities.

THE DISTILLERS' CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

| | | |
|--|----------------|------------------|
| 2. Investments | 2020 | 2019 |
| | £ | £ |
| UK Listed Investments | | |
| Market Value at 1 November 2019 | 1,036,837 | 895,746 |
| Additions at Cost | 56,364 | 144,591 |
| Disposal at Carrying Value | (166) | - |
| Net Loss on Revaluation | (141,416) | (3,500) |
| Market Value at 31 October 2020 | <u>951,619</u> | <u>1,036,837</u> |
| 3. Debtors | 2020 | 2019 |
| | £ | £ |
| Due from Distillers' Company | 7,817 | 3,283 |
| Accrued Dividends | 5,154 | 8,620 |
| Tax Recoverable (Gift Aid) | 9,969 | 7,370 |
| Master's Bike Ride Pledged Donations | 10,669 | - |
| | <u>33,609</u> | <u>19,273</u> |
| 4. Creditors - Payable Within One Year | 2020 | 2019 |
| | £ | £ |
| Grants and Donations Pledged - Master's Bike Ride | <u>40,405</u> | <u>-</u> |

5. Trustees Remuneration

The trustees received no remuneration or reimbursement of expenses during the year.

There were no employees in the year.

6. Restricted Fund

A grant of £25,000 was received in the year ended 31 October 2017 from The Diageo Foundation as kick-start funding of the Distillers' Charity Rare and Collectable Auction, and is carried forward to be used against future auctions.

THE DISTILLERS' CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

| 7. Donations, Grants and Scholarships | 2020 £ | 2019 £ |
|--|-----------------------|----------------------|
| a) To support education within the trade, including the Macdonald Buchanan Bursaries and other scholarships | | |
| Wine & Spirit Education Trust | 4,500 | 4,500 |
| Heriot-Watt/ICBD | - | 2,500 |
| Institute of Brewing & Distilling | 2,250 | 1,750 |
| | <u>6,750</u> | <u>8,750</u> |
| b) To support alcohol related education, especially targeted at young people | | |
| Alcohol Education Trust | 30,000 | 15,000 |
| The Drinks Trust | 110,080 | 7,500 |
| New Philanthropy Capital | 13,440 | - |
| | <u>153,520</u> | <u>22,500</u> |
| c) To support the Livery and City related charities | | |
| The Connection, St Martin in the Fields | - | 2,500 |
| Lord Mayor's Appeal for Onside 'Future' Youth Zone | 32,500 | 12,500 |
| Lord Mayor's Appeal | - | 3,636 |
| Sheriffs' & Recorders' Funds | 1,000 | 1,000 |
| St Lawrence Jewry | 750 | 750 |
| St Paul's Cathedral | 500 | 500 |
| Other Charities specified by the participants in the Master's Bike Ride | 20,406 | - |
| | <u>55,156</u> | <u>20,886</u> |
| Total Donations | <u><u>215,426</u></u> | <u><u>52,136</u></u> |