



THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2018

Company Registered Number: 2783340

Charity Number: 1023376

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2018

| CONTENTS | Page |
|-----------------------------------|-------------|
| Chairman's Statement | 1 - 3 |
| Corporate Partners | 4 |
| List of Individual Members | 5 |
| Trustees' Report | 6 - 14 |
| Auditors' Report | 15 - 16 |
| Statement of Financial Activities | 17 |
| Charity Balance Sheet | 18 |
| Cash Flow Statement | 19 |
| Notes to Financial Statements | 20 - 29 |

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

CHAIRMAN'S STATEMENT

YEAR ENDED 31ST DECEMBER 2018

The year began with the appointment of a new Chief Executive, Christopher Porter, on January 2nd 2018, taking over the position held by David Cox.

The new Chief Executive outlined his strategic plan to

- Increase the number of beneficiaries that receive support
- Increase the number of corporate partnerships and engagement with the UK drinks trade
- Increase fundraising
- Improve the financial metrics of the charity

I am pleased to report that significant progress was made and the goals of increasing beneficiary numbers and Corporate Partners rose significantly during 2018. It is with regret that the goal of reducing the operational financial deficit of the charity, was not achieved, largely due to a significant reduction in the amount raised in separate fund-raising events £52,000 in 2018 (vs £107,400 in 2017).

On The Board of Trustees, Tom King (Treasury Wine Estates), Chris Mason (William Grant & sons), and Andrew Shaw (Conviviality PLC) all stood down. Neil Barker of Wm Grant replaced Chris Mason and two new Trustees, Michael Saunders (CEO Bibendum Wine) and Troy Christensen (CEO Enotria&Coe) joined the Board. Their nominations were unanimously agreed by the Board. The Board thanked Tom, Chris and Andrew for their contribution to the Board and for their ongoing commitment and support to The Benevolent.

In accordance with the first strategic imperative, The Benevolent continued to grow significantly the number of beneficiaries the charity helps. From the historical level of about 350 beneficiaries, by the end of 2018 the charity had supported 438 individual beneficiaries. In addition to this, there were 192 'acts of kindness' shown to these beneficiaries by way of emergency one-off grants. The scope of help and support available to beneficiaries continued to grow throughout the year and one person per day, on average called our Helpline. 2018 was the year where The Benevolent's suite of services and support came of age, with the provision of valuable emotional support as well as traditional and practical help that has always been offered. The Benevolent continues to prioritise the provision of meaningful one-off grants where the positive impact and need is greatest, as well as continuing to provide the regular monthly grants (which remain at £78 per grantee) made to support vulnerable or disadvantaged individuals who have worked, or are still working, in the drinks industry. Whilst establishing 'the need' with this increase in our beneficiary numbers, this of course also impacted on our funds. Expenditure on Welfare rose from £475k in 2017 to £492k in 2018.

Having launched the Charity's first Helpline in September 2017, 2018's campaign #NotAlone, focussed on removing the stigma around mental health in the workplace. This encouraged open debate and dialogue in the workplace to provide help to those suffering with anxiety, stress and depression that they need no longer to so alone and in silence. The campaign was (and remains) the most impactful one ever launched by The Benevolent. At least one person a day is contacting our Helpline and a further twelve went through to full telephone or face to face counselling.

For the first time in the history of The Benevolent, we worked with sister Charity, The BEN in Scotland, and Hospitality Ulster, the three organisations worked towards rolling out the #NotAlone message to a UK-wide audience with the effect of reaching even more people in need of emotional support from the Helpline.

The #NotAlone campaign last year further raised the awareness and profile of The Benevolent among companies and employees working in all sectors of the UK drinks industry, with a 'fresh' pool of potential beneficiaries from the bartenders and cocktail community. Successful, impactful but increasingly costly to help referrals and applications for support.

Applications received grow in number and are related to issues such as stress, depression, anxiety, family crisis, debts, bereavement and illness.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

CHAIRMAN'S STATEMENT

YEAR ENDED 31ST DECEMBER 2018

The second strategic imperative is to grow the number of corporate partners donating funds on an annual basis to The Benevolent and some good progress was made by the Chief Executive and the Partnership Development Manager during 2018. A total of 18 new corporate partners were added during the year. At the end of 2018 the charity had 130 corporate partners.

For the third strategic goal, fundraising, the number of events managed by The Benevolent held in 2018 was 5. It was agreed that the OnLine Auction, held the previous year, would be replaced by the re-introduction of an event in the North of England. The Chief Executive was determined to re-engage with our supporters here and in line with a wider geographical presence with our events. In summary, our 2018 events produced the following financial results. The Ball at the Dorchester in March and the Golf Day in September in particular raised a record breaking amounts, the Ball being the highest fundraiser for any Benevolent event

- Benevolent Ball, attended by 343 guests which raised £62,647 (vs £44,278 in 2017)
- The Benevolent Golf Day in September raised £14,564 (vs £5,774)
- The Vintners' New Year Lunch, raised £15,286 (vs £15,956)
- The Benevolent Quiz Night in April raised £3,479 (vs £4,024)
- The Party In the North raised £25,791

All events sold out. 'The Vintners' Benevolent Award' was presented to Ewan Murray of The Wine Society at The Vintners Lunch.

I was delighted that my Chairman's 'Grape Expectations' Challenge in November raised £12,787 and throughout the year funds raised by our Corporate Partner and Individual events and initiatives totalled £52,263. Whilst this on it's own this is a good amount, set against 2017's total of £107,000 it was slightly disappointing.

Specific mention should be made of the support The Benevolent receives from The Vintners' Company. In addition to donating the proceeds of the Annual New Year Lunch, the Company's Vintners' Foundation also contributes to the annual salary of one member of staff employed by The Benevolent who is involved in marketing and campaigns. This support greatly assists with keeping our overheads down and also helps with the charity's engagement with the trade expands. The Benevolent has always received invaluable support from the Wine & Spirit Education Trust (WSET) with this organisation's generous provision of office space in Bermondsey Street. The trustees of the WSET kindly agreed to provide office space for a further four years and this gesture, combined with active participation and support at all Benevolent events and is truly appreciated.

The awareness of the charity's work and the engagement from members of our trade has grown significantly and we are helping. The marketing strategy and campaigning has been key to this and means that those who support us, and those potential supporters to whom we pitch our Charity clearly understanding that there are many more vulnerable beneficiaries who we need to identify in 2019.

The year has delivered a slightly wider deficit than in 2017 but the intention to progress and expand the strategic and charitable goals laid out by Christopher Porter has resulted in greater awareness and engagement, both from the industry and from beneficiaries seeking support. I have been very proud to have presided over this as Chairman 2017 & 2018, the record breaking events and an Award winning Campaign #NotAlone, recognised at the Drinks Business Awards at the London Wine Fair in May, the first award of it's kind to The Benevolent. I have enjoyed attending all the main events and contributed in every possible way to support the great work done by the team at The Benevolent Head Office.

I wish to thank them, together with my fellow Trustees and all our supporters and Corporate Partners.

Tom Yusef
Chairman

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY

(Company limited by guarantee)

CORPORATE PARTNERSHIP WITH THE BENEVOLENT

FOR THE YEAR ENDED 31ST DECEMBER 2018

The companies and organisations listed below were Corporate Partners of The Benevolent as at the end of December 2017.

Founding Patron

Worshipful Company of Vintners

Platinum Partners

Conviviality Plc
Diageo GB
Pernod Ricard UK
William Reed Business Media
Wine & Spirit Education Trust
Wine Trade Sports Club Foundation

Gold Partners

Accolade Wines
Berry Bros & Rudd
Brown-Forman
Kuehne & Nagel
JF Hillebrand
William Grant & Sons

Silver Partners

Concha y Toro UK
Constellation Brands Int
Decanter
E & J Gallo Winery Europe
Freixenet UK
Fuller Smith & Turner
Halewood International
Hi-Spirits
IWSC
London Wine Fair
Moet Hennessey UK
Treasury Wine Estates
Worshipful Company of Innholders
Worshipful Company of Distillers

Bronze Partners

Alcohols Ltd
Armit Wines
Asahi UK Ltd
Australian Vintage
Bacardi-Martini Limited
Beds & Bars
Berkmann Wine Cellars
Broadland Wineries
Carlsberg UK
Campari UK
Casella Family Brands
Davy & Co
Direct Wines Ltd
Enotria&Coe
Encirc

Bronze Partners Cont.

Global Brands
Hallgarten Druitt
Hatch Mansfield Agencies
Heineken UK
John E Fells
Kingsland Drinks
Les Grands Chais de France
Mast-Jägermeister UK
Maxxium UK
Mentzendorff & Co
Pol Roger UK
Shepherd Neame
The Drinks Business
The Wine Society
Thwaites
Worshipful Company of Brewers

Small Business Partners

ABS Wine Agencies
A E Chapman
Bablake Wines Ltd
Beam Suntory UK
Bestway
Buckingham Schenk
Budweiser Budvar UK
Cellar Trends
Circle Of Wine Writers
Codorniu UK
Copestick Murray
Corney & Barrow
Cotswolds Distillery
Crimson & Co
Decorum Vintners Ltd
Dourthe UK
Ehrmanns Wines
Ellis of Richmond
Emporia Brands Ltd
GrapePip
Goedhuis & Co
Gonzalez Byass UK
Guy Anderson Wines
Hanford Wines
Hayward Bros (Wines) Ltd
House of Townend Ltd
Hildon Water
Inver House Distillers
John Ansell & Partners
Justerini & Brooks
Laurent Perrier UK Ltd
Laytons Wines

Small Business Partners Cont.

Lea Sanderman
Lee Bolton Monier-Williams
Maisons Marques et Domaines
Myliko Wines
Oddbins
Porter & Laker
Seabrook Warehousing
Speciality Drinks
St Austell Brewery
Vintage Roots
Wine Intelligence
Whyte & McKay
Wine & Spirit Trade Association
WX Brands

Regional Associations

Midland W & S Association
North West W & S Association
West of England W & S Association
Yorks & NE W & S Association

The Benevolent would like to acknowledge the support of these companies and regional Wine and Spirit Associations and thank them for their annual donations and their on-going help and assistance.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

LIST OF INDIVIDUAL MEMBERS

FOR THE YEAR ENDED 31ST DECEMBER 2018

The Board of Trustees also wishes to express their thanks for the constant loyalty, through annual subscriptions to the following individuals who have generously agreed to subscribe to The Benevolent's funds with a minimum of £35 per annum. Without such support The Benevolent could not carry out its task of caring for the less fortunate members of the trade.

| | | |
|------------------|----------------|------------|
| Adamson W | Last N | Towsend M |
| Amdor G | Lawrence G | Triffo J |
| Anderson N | Leonard N | Turnbull A |
| Baggott A | MacFarlane D | Wintle P |
| Barford JS | March S | Wright K |
| Barrett J | Marchwood Lord | WrigleyD |
| Baxter C | Mason C | Yusef T |
| Beale M | Masters J | |
| Berry S | Mawer G | |
| Brind J | McMillan R | |
| Bull G Sir | Miles J | |
| Burk K Professor | Milns V | |
| Butler Adams D | Minprio F | |
| Cambell M | Moran J | |
| Chapman A | Morgan R | |
| Cheshire H | Morrell A | |
| Child W | Murray E | |
| Clay L | Nightingale G | |
| Coles R | Oddy W | |
| Collins G | Page W | |
| Corrigan H | Parker D | |
| Davy James | Parker S | |
| Davy John | Porter C | |
| Dee P | Porter D | |
| Demery E | Porter H | |
| Dent E | Prichett | |
| Dixon R | Puddy D | |
| Don R | Reed A | |
| Elkin N | Rishworth R | |
| Fenner M | Rolls R | |
| Fielden C | Rowett J | |
| Fortune G | Rowsome A | |
| Gibbs H | Ryan J | |
| Goodban P | Seabrook M | |
| Gordon Clark F | Searle C | |
| Gowda N | Sheppard J | |
| Green D | Shaw A | |
| Guignard D | Simpson J | |
| Hall A | Simpson L | |
| Hamilton R | Skinner D | |
| Harris I | Skyrne C | |
| Harrison R | Smith J | |
| Hayman C | Smith W | |
| Hore S | Stroud C | |
| Howard –Sneyd J | Thatcher K | |
| Hunt C | Thomas R | |
| Hunter D | Thomson S | |
| Jackaman M | Todd Young R | |
| Jones P | V Milns | |
| Lagnan W | R Morgan | |
| Larvan C | W. Oddy | |

Finally, The Benevolent wishes to acknowledge and thank those many organisations and individuals, far too numerous to mention who, through many and varied acts of kindness, help enormously with our work.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

REFERENCE AND ADMINISTRATIVE DETAILS (Continued)

| | |
|-----------------------------|---|
| REGISTERED OFFICE: | 39 - 45 Bermondsey Street London SE1 3XF |
| AUDITORS: | Haysmacintyre LLP Chartered Accountants 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 |

| | |
|-----------------------------------|---------|
| COMPANY REGISTERED NUMBER: | 2783340 |
| CHARITY NUMBER: | 1023376 |

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Benevolent and receive information and training if required as to their responsibilities as a Trustee. The Board determines the general policy of The Benevolent. The day to day management of the charity is delegated to the Chief Executive. The Board currently comprises 13 members including the Chairman and meets four times per year.

The key management of the charity comprise the Chief Executive, the Finance Manager, the Partnership Development Manager, the Marketing and Communications Manager and the Events 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.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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

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 Benevolent, 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 Benevolent 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.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

OBJECTIVES & ACTIVITIES (continued)

Welfare

The objective of The Benevolent 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 £78 per month. The planned budget for welfare grants should be considered as the minimum amount to be given by The Benevolent and the budget will not be considered a restraint on welfare, providing The Benevolent 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 Benevolent 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
 - g) Visits from Welfare Officers
2. Fundraising
3. Governance Activities

Progress in these areas for 2018 is reported below with relevant financial information in the Financial Statement pages.

DIRECT CHARITABLE ACTIVITIES

In total the charity provides financial support to over 440 beneficiaries per annum. The cases of 'acts of kindness' adds to this by way of emotional support, practical help and further additional 'one-off grants' to existing beneficiaries where the need is at its greatest. The number of beneficiaries helped has therefore grown and cases of support grown steadily over the last four years as the scope of support offered has increased. There have been 1,000 cases of support during the year as a result of the above activity.

Regular charitable welfare grants to beneficiaries living in their own homes

The total number of monthly grants given during the year was 361 assuming a regular grant paid on a monthly basis as one grant. During 2018, 15 beneficiaries passed away and a total of 41 applications for regular monthly grants were agreed. One grant was transferred to the spouse of a beneficiary who had died. 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 local Welfare Officers before a grant is made. This ensures eligibility for the charity as well as checking income and expenditure and the need for financial assistance. Contact and in-house reviews are made on a regular basis to ensure continued help is required.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

DIRECT CHARITABLE ACTIVITIES (continued)

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

During the year 306 one-off grants were approved and given bringing the total to £139,731 donated in one-off grants. 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 Benevolent website and others come through organisations such as SSAFA, Royal British Legion, 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 Benevolent is able to respond quickly and to take account of the specific type of help, which is considered most appropriate using The Benevolent's Welfare Guidelines.

The provision of practical and emotional support to those in need

Through its 'Here to Help' and #NotAlone campaigns, The Benevolent aims to support current and past employees of the drinks industry who are in need of practical and emotional support. This especially applies to issues relating to wellbeing, stress, anxiety and depression. The emotional support is underpinned by our Helpline providers, Connect Assist, whose call handlers use their team to guide and direct those in need of further face to face or telephone counselling.

Financial and well-being support to residents

We continue to support the provision of life-line arrangements in some of the bungalows in Eastbourne as well as continuing with welfare grants and other on-going support to all our ex-residents.

Additional Christmas gift

In 2018 a total of 198 people benefitted from an additional charitable Christmas donation of £78 each, aside from some exceptional circumstances where a larger grant was approved.

Provision of Television licences

Television Licenses were purchased on behalf of 59 beneficiaries

Visits from Welfare Officers

Visits from the Welfare Officers are considered a vital part of the Charity's work. In many cases our Welfare Officer is treated as a family friend and their visits are of great importance to the beneficiary. Normally visits are made annually and all new beneficiaries are contacted before a regular charitable grant is made.

FUNDRAISING

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 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 continue to receive very important funds through Corporate Partnership and Individual Membership. Details of those supporters are shown on pages 4 and 5. Progress was made with increasing the amount of income from Corporate Partnership donations during 2018 as this increased to £345,700. Individual Membership also increased to £17,306. A drive to increase both these income streams further will continue during 2019.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

FUNDRAISING (continued)

The 'Benevolent Ambassador' programme, launched in 2015, saw a small increase of new ambassadors reaching a total of 50 signed up by the end of 2018. Their duties continue to persuade those in the trade to adopt and conduct fundraising activities, by encouraging in-house fund-raising events in aid of The Benevolent and for their companies and colleagues to attend as many Benevolent run events as possible.

Key Fundraising Events

A total of 59 fundraising events and activities were run by drinks companies and individuals on behalf of the charity during 2018. In addition, The Benevolent raised significant funds from its four flagship events. These were the Benevolent Ball in London, the Vintners' Annual Wine Trade Lunch, the Benevolent Golf Day and the Benevolent Quiz Night sponsored by Farr Vintners. Collectively they raised a total of £95,976 which was a significant increase on the amounts raised by these events in 2018. The Vintners' Wine Trade Lunch is hosted and fully funded by the Vintners' Company with all proceeds coming to The Benevolent. The regional associations of the WSTA, namely the Yorkshire & North East, the West of England and the Midland Wine & Spirit Associations all donated funds from events and from fundraising at their respective AGMs. The total donated from the regional Associations in 2018 was £9,541 compared with £6,475 in 2017 with all regional associations contributing. A significant uplift in support therefore from WSTA associations and we are grateful to these and other organisations that have raised vital funds for us.

The 'Thanks for Giving' online silent auction was not held in 2018 but the year did see the return of The Benevolent Party in the North held at The Lowry Hotel in Salford on November 1st and which raised £25,791.

GOVERNANCE ACTIVITIES

Membership of the Board is reviewed by the Nominations Committee to ensure continuity and an appropriate level of expertise. Board membership and succession plans for future Chairmen and Trustees are also regularly reviewed.

ACHIEVEMENTS AND PERFORMANCE

Two important 'Key Performance Indicators' for the charity did register an increase at the end of 2018. Annual donations from existing and new Corporate Partners and Individual Members was less than budget but increased in value and one-off welfare payments to new beneficiaries increased.

FINANCIAL REVIEW

A deficit of (£858,646) on unrestricted funds was reported at year end. This was principally attributed to the loss in capital value of the investment portfolio of (£534,498) and so the charity's actual net operating deficit was (£324,148). Whilst the investment portfolio is diversified, it suffered from poor market conditions across all categories in the latter part of the year. We expect market conditions to improve in 2019 although considerable uncertainty remains. The 2019 budget shows strong growth in corporate partnership and fund-raising income and hence the Trustees plan to reduce this operating deficit with further reductions in the following years. Investment income in 2018 was £71,238 and we would expect a similar amount in 2019.

Principal Risks

The Board have assessed the major risks to which the charity is exposed and they are:

- A decision by UK corporate drinks companies and organisations to terminate or significantly lower their annual corporate partnership donations to the charity either due to cost-cutting measures or a review of charitable donations policies thus jeopardising the affordability of sustained welfare payments to beneficiaries.
- Mergers and acquisitions of companies within the UK drinks industry whereby duplicated corporate partnership donations are reduced or terminated also potentially affecting adversely the affordability of welfare.
- Sustained adverse performance of invested funds affecting the regular income from dividends and the capital reserves.
- An unforeseen rise in demand for the charity's services whereby the 'Here to Help' and #NotAlone awareness campaign, as well as increased demand for counselling received via the Helpline results in a significant increase in applications for help and support
- Uncertainty over individual Corporate Partners supporters' strategy in preparation Brexit.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

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 2018 unrestricted funds amounted to £4,924,022 of which £4,819,890 is represented by the investment portfolio. The Charity's free reserves are therefore £104,132. The charity currently receives a significant contribution to its working capital from the investment portfolio. The Trustees intend to further review the reserve position in 2019 given the losses incurred with the investment portfolio in 2018.

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.

INVESTMENT POWERS, POLICY AND PERFORMANCE

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

The Benevolent uses 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 Benevolent 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 Benevolent.

In agreeing the investment objectives The Benevolent 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 Benevolent every 3 months. The performance of the investments is measured against the relevant benchmarks and has been broadly in line with these.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

GRANT POLICY

The Welfare Grant guidelines were reviewed by the Trustees to ensure clear criteria and clarity of purpose. New guidelines were developed and issued in 2016 reducing the working tenure required from potential beneficiaries in the UK drinks trade from 5 years to 2 years, or 20% on a person's working life if young.

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 Benevolent 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 core aim of the charity is a grant-giving organisation supporting vulnerable families from the drinks industry. The charity continues to adopt this as its central strategy.

Regular Charitable Donations and One-Off Grants

During 2018, The Benevolent identified and grew the amount of total welfare grants (regular and one-off) In addition to financial and practical support. In 2018 the Charity launched a new Mental Health campaign to raise awareness of Mental Health issues within the drinks industry community. This work will continue throughout 2019.

Fundraising

In 2018, the amount raised from fundraising grew.- the Vintners Lunch, The Benevolent Ball, Quiz Night and Golf Day will all be repeated in 2019. The Ball venue will move from The Dorchester to the Natural History Museum, resulting in greater attendance, greater awareness but it is anticipated that with this move will come greater cost to stage the event. It is therefore anticipated that the amount raised in 2018 may not be achievable in 2019. The Northern Ball was rebranded as a Northern Event and took place again after a 3year absence. The thanks for Giving online Auction did not happen in 2018 but will return in 2019.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2018

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:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

AUDITORS

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

BY ORDER OF THE TRUSTEES

.....
A. Smith

Dated: 15 May 2019

Registered office:
39 - 45 Bermondsey Street
London
SE1 3XF

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)**

Opinion

We have audited the financial statements of The Wine and Spirit Trades' Benevolent for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows 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, 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 2018 and of the charitable company's net movement in funds, including the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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 auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY (continued)
(Company limited by guarantee)**

Other information

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

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.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (which incorporates the Directors' Report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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
- 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 requirement to prepare a strategic report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jeremy Beard, Senior Statutory Auditor,
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

.....

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2018

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2018 £ | Total 2017 £ |
|--|-------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | |
| Donations and legacies | | 434,328 | 41,200 | 475,258 | 429,502 |
| Fundraising activities in the charity | | 302,138 | - | 302,138 | 313,018 |
| Income from investments | | 71,238 | - | 71,238 | 59,273 |
| Other income | | | | | |
| Profit on disposal of fixed assets | | - | - | - | 110 |
| Total income and endowments | | 807,704 | 41,200 | 848,904 | 801,903 |
| Expenditure on | | | | | |
| Cost of generating funds | | | | | |
| Fundraising: Donations and gifts | | 217,469 | - | 217,469 | 208,948 |
| Fundraising: Activities costs | | 105,779 | - | 105,779 | 77,895 |
| Charitable activities | | | | | |
| Provision of financial assistance to those who worked in the drinks industry | 3 | 808,604 | 41,200 | 849,804 | 810,367 |
| Total expenditure | 3 | 1,131,852 | 41,200 | 1,173,052 | 1,097,210 |
| Net expenditure before net (losses)/gains on investments | | (324,148) | - | (324,148) | (295,307) |
| Net gains/(losses) on investments | | (534,498) | - | (534,498) | 612,402 |
| NET MOVEMENT IN FUNDS | | (858,646) | - | (858,646) | 317,095 |
| Funds brought forward at 1 January 2018 | | 5,782,668 | 65 | 5,782,733 | 5,465,638 |
| FUNDS CARRIED FORWARD AT 31ST DECEMBER 2018 | | 4,924,022 | 65 | 4,924,087 | 5,782,733 |

The notes on pages 19 to 29 form part of these financial statements.

BALANCE SHEET

AT 31ST DECEMBER 2018

| | Note | £ | 2018 | £ | £ | 2017 | £ |
|---|------|----------------|------|-------------------|----------------|------|-------------------|
| FIXED ASSETS | | | | | | | |
| Tangible assets | 6 | | | 3,882 | | | 1,242 |
| Investments | 7 | | | 4,819,890 | | | 5,680,042 |
| | | | | <u>4,823,772</u> | | | <u>5,681,284</u> |
| CURRENT ASSETS | | | | | | | |
| Debtors | 8 | 117,470 | | | 112,850 | | |
| Cash at bank | | 36,813 | | | 12,870 | | |
| | | <u>154,283</u> | | | <u>125,720</u> | | |
| CREDITORS: amounts falling due within one year | 9 | (53,968) | | | (24,271) | | |
| NET CURRENT ASSETS | | | | 100,315 | | | 101,449 |
| NET ASSETS | | | | <u>£4,924,087</u> | | | <u>£5,782,733</u> |
| FUNDS | | | | | | | |
| Restricted funds | 10 | | | 65 | | | 65 |
| Unrestricted funds: | | | | | | | |
| General | | | | 4,924,022 | | | 5,782,668 |
| | | | | <u>£4,924,087</u> | | | <u>£5,782,733</u> |

The notes on pages 19 to 29 form part of these financial statements.

The financial statements were approved and authorised for issue by The Board of Trustees on 15 May 2019 and were signed below on its behalf by:

.....
A. Smith

.....
T. Yusef

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

| | 2018 | 2017 |
|---|----------------|----------------|
| | £ | £ |
| Cash flows from operating activities | (368,053) | (424,731) |
| Cash flows from investing activities | | |
| Dividends and interest | 71,238 | 56,673 |
| Purchase of property, plant and equipment | (4,896) | (967) |
| Purchase of investments | (1,453,714) | (2,023,968) |
| Proceeds from sale of tangible assets | - | 110 |
| Proceeds from sale of investments | 1,821,297 | 2,280,356 |
| Net cash provided by/(used) in investing activities | 433,925 | 312,204 |
| Change in cash and cash equivalents in the reporting period | 65,872 | (109,927) |
| Cash and cash equivalents at the beginning of the reporting period | 76,079 | 186,006 |
| Cash and cash equivalents at the end of the reporting period | 141,951 | 76,079 |

NOTES TO THE CASH FLOW STATEMENT

| | 2018 | 2017 |
|--|------------------|------------------|
| | £ | £ |
| Reconciliation of net income to net cash flow from operating activities | | |
| Net movement in funds for the reporting period | (858,646) | 317,095 |
| Depreciation charges | 2,256 | 1,601 |
| (Increase) in debtors | (4,620) | (37,317) |
| Increase/(decrease) in creditors | 29,697 | (34,325) |
| Interest and dividends | (71,238) | (59,273) |
| Profit on sale of fixed assets | - | (110) |
| Losses/(gains) on investments | 534,498 | (612,402) |
| Net cash provided by/(used) in investing activities | (368,053) | (424,731) |
| Analysis of cash and cash equivalents | | |
| Cash at bank and in hand | 36,813 | 12,870 |
| Cash held with Investment Management | 105,138 | 63,209 |
| | 141,951 | 76,079 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES

a) Accounting basis

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

b) Critical accounting judgements and estimates

In preparing these accounts, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. 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.

c) 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 Benevolent's general charitable objectives.

Restricted funds

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

d) 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.

e) 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 WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

f) Resources expended

Charitable expenditure represents the costs of fundraising, housing, welfare and support costs. It includes staff costs which are directly attributable to these activities.

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 Company'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).

g) Grants Payable

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

h) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost.

Depreciation is calculated to write down the cost of assets to their estimated residual values over their expected useful lives as follows:-

| | |
|-------------------------------------|---------------|
| Fixtures and fittings and equipment | - 20% on cost |
| Motor Vehicles | - 20% on cost |
| IT Equipment | - 33% on cost |

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

i) Operating leases

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

j) Pension costs

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.

k) Going Concern

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

l) Cash Flow Statement

The charitable company's cash flow statement reflects the presentation requirements of FRS 102. In addition, the cash flow statement reconciles cash and cash equivalents whereas under previous UK GAAP the statement reconciled to cash.

m) 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.

n) 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.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

| 2. GRANTS PAYABLE | 2018 £ | 2017 £ |
|---|-------------------|-------------------|
| Beneficial grants paid to 361 (2017: 324) individuals | 324,004 | 325,329 |
| Discretionary grants paid to 306 (2017: 192) individuals | 156,133 | 140,528 |
| TV licence scheme. Grants paid to 59 (2017: 57) individuals | 8,708 | 8,700 |
| | <u>£488,845</u> | <u>£474,557</u> |

Beneficial grants are paid to individuals to provide financial assistance for general living expenses. Discretionary grants are provided for one off items such as the purchase of large household items and any unexpected expenses.

| 3. ANALYSIS OF TOTAL RESOURCES EXPENDED | Staff costs £ | Other costs £ | Depreciation £ | 2018 Total £ | 2017 Total £ |
|--|---------------------------|--------------------------|----------------------------|-----------------------------|-----------------------------|
| Cost of generating funds | | | | | |
| Fundraising: Donations and gifts | 121,340 | 96,129 | - | 217,469 | 208,948 |
| Fundraising: Activities costs | - | 105,779 | - | 105,779 | 77,895 |
| Charitable expenditure: | | | | | |
| Provision of financial assistance to those who worked in the drinks industry | 196,344 | 651,204 | 2,256 | 849,804 | 810,367 |
| Total | <u>£317,684</u> | <u>£853,112</u> | <u>£2,256</u> | <u>£1,173,052</u> | <u>£1,097,210</u> |
| | Direct costs £ | Grants £ | Support Costs £ | 2018 Total £ | 2017 Total £ |
| Cost of generating funds | | | | | |
| Fundraising: Donations and gifts | 61,035 | - | 156,434 | 217,469 | 208,948 |
| Fundraising: Activities costs | 105,779 | - | - | 105,779 | 77,895 |
| Charitable expenditure: | | | | | |
| Provision of financial assistance to those who worked in the drinks industry | 64,321 | 488,845 | 296,638 | 849,804 | 810,367 |
| Total | <u>£231,135</u> | <u>£488,845</u> | <u>£453,072</u> | <u>£1,173,052</u> | <u>£1,097,210</u> |

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

**3. ANALYSIS OF TOTAL RESOURCES
EXPENDED (continued)**

| | Provision of financial assistance to those who worked in drinks industry £ | Fundraising for voluntary Income £ | Total 2018 £ | Total 2017 £ |
|-----------------------------------|---|--|--------------------|--------------------|
| <i>Support Costs</i> | | | | |
| Travel and subsistence | 11,861 | 2,093 | 13,954 | 13,494 |
| Insurance | 3,175 | 2,106 | 5,281 | 5,876 |
| Maintenance, cleaning and repairs | 4,486 | 2,385 | 6,871 | 5,040 |
| Print, post and stationery | 1,024 | 615 | 1,639 | 1,792 |
| Telephone and fax | 652 | 391 | 1,043 | 1,211 |
| General expenses | 7,429 | 6,917 | 14,346 | 8,356 |
| Bank charges and interest | 3,621 | - | 3,621 | 2,874 |
| Rent and rates | 40,625 | 24,375 | 65,000 | 65,000 |
| Salaries | 176,963 | 103,081 | 280,048 | 272,425 |
| Professional fees | 32,336 | - | 32,336 | 18,347 |
| Governance costs | 14,466 | 14,467 | 28,933 | 24,376 |
| | <u>£296,638</u> | <u>£156,434</u> | <u>£453,072</u> | <u>£418,791</u> |
| <i>Governance costs</i> | | | | |
| Audit | | | 11,850 | 11,600 |
| Staff costs and other expenses | | | 12,251 | 11,889 |
| Other professional fees | | | 4,832 | 886 |
| | | | <u>£28,933</u> | <u>£24,375</u> |

COMPARATIVE ANALYSIS OF TOTAL RESOURCES EXPENDED 2017

| | Staff costs £ | Other costs £ | Depreciation £ | 2017 Total £ |
|---|----------------------|---------------------|-----------------------|--------------------|
| Cost of generating funds | | | | |
| Fundraising: Donations and gifts | 117,871 | 91,077 | - | 208,948 |
| Fundraising: Activities costs | - | 77,895 | - | 77,895 |
| Charitable expenditure: | | | | |
| Provision of financial assistance to those who worked in the drinks industry | 191,102 | 617,664 | 1,601 | 810,367 |
| Total | <u>£308,973</u> | <u>£786,636</u> | <u>£1,601</u> | <u>£1,097,210</u> |
| | Direct costs £ | Grants £ | Support costs £ | 2017 Total £ |
| Cost of generating funds | | | | |
| Fundraising: Donations and gifts | 61,394 | - | 147,554 | 208,948 |
| Fundraising: Activities costs | 77,895 | - | - | 77,895 |
| Charitable expenditure: | | | | |
| Provision of financial assistance to those who worked in the drinks industry | 64,573 | 474,557 | 271,237 | 810,367 |
| Total | <u>£203,862</u> | <u>£474,557</u> | <u>£418,791</u> | <u>£1,097,210</u> |

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

**3. ANALYSIS OF TOTAL RESOURCES
EXPENDED 2017 (continued)**

| | Provision of financial assistance to those who worked in drinks industry £ | Fundraising for voluntary Income £ | Total 2017 £ |
|-----------------------------------|---|--|--------------------|
| <i>Support Costs</i> | | | |
| Travel and subsistence | 11,470 | 2,024 | 13,494 |
| Insurance | 3,497 | 2,379 | 5,876 |
| Maintenance, cleaning and repairs | 3,726 | 1,314 | 5,040 |
| Print, post and stationery | 1,120 | 672 | 1,792 |
| Telephone and fax | 757 | 454 | 1,211 |
| General expenses | 4,347 | 4,009 | 8,356 |
| Bank charges and interest | 2,874 | - | 2,874 |
| Rent and rates | 40,625 | 24,375 | 65,000 |
| Salaries | 172,286 | 100,139 | 272,425 |
| Professional fees | 18,347 | - | 18,347 |
| Governance costs | 12,188 | 12,188 | 24,376 |
| | <u>£271,237</u> | <u>£147,554</u> | <u>£418,791</u> |
| <i>Governance costs</i> | | | |
| Audit | | | 11,600 |
| Staff costs and other expenses | | | 11,889 |
| Other professional fees | | | 886 |
| | | | <u>£24,375</u> |

4. EMPLOYEES AND TRUSTEES

| | 2018 | 2017 |
|-------------------------|-----------------|-----------------|
| a) All employees | | |
| Wages and salaries | 268,191 | 260,862 |
| Social security costs | 28,033 | 27,634 |
| Pension contributions | 21,460 | 20,477 |
| | <u>£317,684</u> | <u>£308,973</u> |

| | No. | No. |
|---|------------|------------|
| Average number of employees: | | |
| Welfare activities | 4 | 4 |
| Support, Management and administration | 5 | 4 |
| | <u>9</u> | <u>8</u> |
| One employee received remuneration totalling £60,000 or more. | | |
| £80k - £90k | 1 | - |
| £90k - £100k | - | 1 |

The key management personnel of the charity are the Chief Executive Officer and the Executive team of 4 (4 in 2017). Aggregate remuneration and benefits for the key management personnel in 2018 was £239,142 compared to £238,693 in 2017.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

4. EMPLOYEES AND TRUSTEES (continued)

b) Trustees

No trustee received remuneration for services provided during the year.
 No trustees received reimbursed travelling expenses during the year (2017: £nil).
 Total of donations given by trustees in the year is £2,170 (2017: £6,282)

5. NET MOVEMENTS IN FUNDS

| | 2018 | 2017 |
|---|-------------|-------------|
| | £ | £ |
| Net movement in funds is stated after charging: | | |
| Depreciation | 2,256 | 1,601 |
| Auditors' remuneration | 9,875 | 9,550 |
| Operating lease rentals: Value in Kind | 65,000 | 65,000 |

6. TANGIBLE FIXED ASSETS

| | Fixtures & Fittings | Motor Vehicles | Total |
|-----------------------|--------------------------------|-----------------------|--------------|
| | £ | £ | £ |
| Cost | | | |
| At 1st January 2018 | 46,130 | 28,688 | 74,818 |
| Additions | 4,896 | - | 4,896 |
| At 31st December 2018 | 51,026 | 28,688 | 79,714 |
| Depreciation | | | |
| At 1st January 2018 | 44,888 | 28,688 | 73,576 |
| Charge for year | 2,256 | - | 2,256 |
| At 31st December 2018 | 47,144 | 26,688 | 75,832 |
| Net Book Value | | | |
| At 31st December 2018 | £3,882 | £ - | £3,882 |
| At 31st December 2017 | £1,242 | £ - | £1,242 |

7. FIXED ASSET INVESTMENTS

| | Total 2018 | Total 2017 |
|-------------------------|-------------------|-------------------|
| | £ | £ |
| Market valuation | | |
| At 1st January 2018 | 5,680,042 | 5,297,445 |
| Additions | 1,453,714 | 2,023,968 |
| Disposals | (1,779,368) | (2,253,773) |
| Unrealised (loss)/gain | (488,331) | 508,820 |
| Realised (loss)/gain | (46,167) | 103,582 |
| At 31st December 2018 | 4,819,890 | 5,680,042 |
| Cost | 4,558,577 | 4,705,084 |

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

7. FIXED ASSET INVESTMENTS (Continued)

| | Total 2018 £ | Total 2017 £ |
|--|-----------------------------|-----------------------------|
| Equities and Unit Trusts listed on UK Stock Exchange | 2,011,252 | 2,093,081 |
| Listed on overseas stock exchange | 2,703,500 | 3,523,752 |
| Cash deposits | 105,138 | 63,209 |
| | <u>£4,819,890</u> | <u>£5,680,042</u> |

Market value of holdings greater than 5%:

| | | |
|--|---------|---------|
| JO Hambro Cap Mngt-Umbrella Fund plc – UK Growth A 98p | 407,137 | 524,987 |
| GVQ Investment Funds (Dublin) Plc – UK Tours Fund – 1 GBP | 489,717 | 623,462 |
| Findlay Park - America - American Fund USD | 278,064 | 279,237 |
| Investec Global Strategy Fund SICAV UK Alpha fund | 450,586 | 314,268 |
| Fidelity Active Strategy SICAV Emerging Market Fund Shares | 244,718 | - |
| Morgan Stanley Investment Funds - US growth Fund ZX | - | 271,545 |
| Lombard Odier Funds SICAV Commodity Risk Premia | - | 288,295 |
| | <u></u> | <u></u> |

8. DEBTORS

| | 2018 £ | 2017 £ |
|--------------------------------|-------------------|-------------------|
| Trade debtors | 44,650 | 72,275 |
| Other debtors | 2,267 | 3,399 |
| Prepayments and accrued income | 70,553 | 37,176 |
| | <u>£117,470</u> | <u>£112,850</u> |

9. CREDITORS: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------|-------------------|-------------------|
| Trade creditors | 29,224 | 4,807 |
| Accruals and deferred income | 24,744 | 19,464 |
| | <u>£53,968</u> | <u>£24,271</u> |

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

10. RESTRICTED FUNDS

| | At 1st January 2018 £ | Movement in funds | | Transfers £ | At 31st December 2018 £ |
|-------------------------|--|-------------------------------------|-------------------------------------|------------------------|--|
| | | Incoming Resources £ | Outgoing Resources £ | | |
| Mike Mackenzie fund | 65 | 1,200 | (1,200) | - | 65 |
| Salary restricted fund | - | 20,000 | (20,000) | - | - |
| Connect assist helpline | - | 20,000 | (20,000) | - | - |
| | <u>£65</u> | <u>£41,200</u> | <u>£(41,200)</u> | <u>£-</u> | <u>£65</u> |

| | At 1st January 2017 £ | Movement in funds | | Transfers £ | At 31st December 2017 £ |
|------------------------|--|-------------------------------------|-------------------------------------|------------------------|--|
| | | Incoming Resources £ | Outgoing Resources £ | | |
| Mike Mackenzie fund | 65 | 1,200 | (1,200) | - | 65 |
| Salary restricted fund | - | 20,000 | (20,000) | - | - |
| | <u>£65</u> | <u>£21,200</u> | <u>£(21,200)</u> | <u>£-</u> | <u>£65</u> |

Mike Mackenzie Fund

This fund is used to support Mike Mackenzie.

Salary restricted fund

These funds represent monies received towards the salary of a member of staff to help with corporate fundraising. This was fully utilised for this purpose in the year.

Connect assist helpline restricted fund

These funds represent monies received towards the cost connect assist helpline run by the charity. This was fully utilised for this purpose in the year.

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | General funds £ | Restricted Funds £ | Total Funds £ |
|------------------------------|--------------------------------|-----------------------------------|------------------------------|
| Tangible fixed assets | 3,882 | - | 3,882 |
| Investments | 4,819,890 | - | 4,819,890 |
| Current assets | 154,218 | 65 | 154,283 |
| Current liabilities | (53,968) | - | (53,968) |
| | <u>£4,924,022</u> | <u>£65</u> | <u>£4,924,087</u> |
| Comparative analysis: | | | |
| | General funds £ | Restricted Funds £ | Total Funds £ |
| Tangible fixed assets | 1,242 | - | 1,242 |
| Investments | 5,680,042 | - | 5,680,042 |
| Current assets | 125,655 | 65 | 125,720 |
| Current liabilities | (24,271) | - | (24,271) |
| | <u>5,782,668</u> | <u>65</u> | <u>5,782,733</u> |

12. OPERATING LEASE COMMITMENTS

The charity had total commitments at the year-end under operating leases expiring as follows:

| | 2018 £ | 2017 £ |
|---------------|-------------------|-------------------|
| Within 1 year | 1,742 | 1,742 |
| 2 – 5 years | <u>1,408</u> | <u>2,664</u> |

13. PENSION COMMITMENTS

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 cost charge represents contributions payable by the charity to the fund amounting to £21,460 (2017: £20,477).

THE WINE AND SPIRIT TRADES' BENEVOLENT SOCIETY
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

14. ACTIVITIES BY FUND IN PREVIOUS YEAR

Activities in both unrestricted and restricted funds for the previous year are as follows:-

| | Unrestricted funds £ | Restricted funds £ | Total 2017 £ |
|--|-------------------------------------|-----------------------------------|-----------------------------|
| Income and endowments from: | | | |
| Donations and legacies | 408,302 | 21,200 | 429,502 |
| Fundraising activities in the charity | 313,018 | - | 313,018 |
| Income from investments | 59,273 | - | 59,273 |
| Other income | | | |
| Profit on disposal of fixed assets | 110 | - | 110 |
| Total income and endowments | 780,703 | 21,200 | 801,903 |
| Expenditure on | | | |
| Cost of generating funds | | | |
| Fundraising: Donations and gifts | 208,948 | - | 208,948 |
| Fundraising: Activities costs | 77,895 | - | 77,895 |
| Charitable activities | | | |
| Provision of financial assistance to those who worked in the drinks industry | 789,167 | 21,200 | 810,367 |
| Total expenditure | 1,076,010 | 21,200 | 1,097,210 |