

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

CONTENTS

	Page
Trustee's report	1 - 3
Independent examiner's report	4
Statement of financial activities	5 - 6
Balance sheet	7
Notes to the financial statements	8 - 11

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustee presents their report and financial statements for the year ended 31 December 2022. The financial statements comply with current statutory requirements and the requirements of the Charity's Declaration of Trust.

Objectives and activities

The Trustee delivers public benefit through grant making and has paid due regard to the public benefit guidance issued by the Charity Commission in deciding what activities the Charity should support.

The objects of the charitable trust, as laid out in the Declaration of Trust Deed, state that the unrestricted income should be used for general charitable purposes as determined by the Court of the Brewers' Company.

Achievements and performance

During the year the Charity awarded grants of £81,105 (2021: £90,015) as detailed in note 2 to the accounts and other educational awards and prizes of £6,806 (2021: £2,450).

Financial review

Expendable Endowment:

On 9 October 2014 the Charity took over the assets and liabilities of the IBD Grant Fund and, in accordance with the deed of transfer, established an expendable endowment fund and a restricted fund named 'Brewers' Research and Education Fund' ('BREF').

The purpose of the fund is the advancement of education of benefit to the public or a section of the public, especially in the science of brewing, fermentation and distillation. In particular it is agreed that the BREF will be used to support the following areas of activity:

- To promote brewing education, training and research;
- To research and educate the public about beer consumption;
- To research the composition and nutritional value of beer in relation to diet and wellbeing;
- To promote research relating to the environmental and economic sustainability of the brewing sector.

An Advisory Committee has been established to:

- Report to the Trustee;
- Recommend and review the grant making policy;
- Recommend grants to be supported;
- Monitor grant funded projects.

The Charity received £4,656,543 on 9 October 2014. The fund is represented by a portfolio of investments. No accumulated unspent income (2021: £nil) was transferred from the restricted fund in the year, and in addition, the value of the fund decreased by £470,991 in the period to 31 December 2022 (2021: increased by £965,953). At 31 December 2022, the fund stood at £6,329,731 (2021: £6,800,722). The income generated by the fund is restricted to BREF.

In 2021, a Quinquennial investment review was commissioned by the Investment Committee of the Brewers' Company. It was noted that the Newton Global Growth & Income Fund, in which the BREF assets are invested, has lagged CCLA's COIF Investment Fund in total return terms, but has generally performed in line with the other major multi-asset funds for charities. The total returns achieved have been good, as compared to the composite benchmarks and most comparable multi-asset funds for charities, as well as the peer group measurement of the ARC Steady Growth Index.

The listed investments are managed by Newton Investment Management. In 2021, the Trustee reviewed the investment policy in line with the recommendations from the Quinquennial investment review. The investment objective was redefined as "Principally the maintenance of Capital in real terms as measured by CPI over a rolling 5-year period, and then an average annual growth in income in the longer term. The total return target is CPI+3% over a rolling 5-year period on a net of fees basis". Additionally, the Trustee agreed to charge investment management fees to capital from 1 January 2022. Performance is monitored by the Investment Committee of the Brewers' Company.

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Restricted Fund – BREF:

The Charity received a total income of £142,755 (2021: £138,980) from investments and interest of £107 (2021: £34). Grants of £56,565 (2021: £66,275) were awarded and administration and management fees of £36,449 (2021: £66,693) were paid, resulting in a surplus for the year of £49,848 before transfers (2021: £6,046). At 31 December 2022, the fund stood at £188,392 (2021: £138,544).

Unrestricted Funds:

The charity received donations totalling £29,740 (2021: £29,500).

Grants and awards totalling £31,346 (2021: £26,190) were made in the year. After taking account of other costs of £2,025 (2021: £1,941), this resulted in a deficit of £3,631 (2021: surplus of £1,369) for the year. At 31 December 2022, the charity had unrestricted reserves of £13,671 (2021: £17,302) to apply to future beneficiaries.

Reserves:

It is the policy of the Trustee to:

- Distribute the unrestricted funds in accordance with the beneficiary list approved by the Court of the Brewers' Company and for general charitable purposes;
- Distribute the net income on restricted funds in the following year. The net income of the BREF for 2022 will thus be distributed in 2023;
- Maintain the expendable endowment fund in real terms to protect the interests of future beneficiaries.

Structure, governance and management

The sole Trustee is the body corporate called The Master and Keepers or Wardens and Commonalty of the Mystery or Art of Brewers in the City of London, commonly known as the Brewers' Company.

The Charity's activities are overseen by the Master, Wardens and Court Assistants of the Brewers' Company who comprise the Court.

The Court meets five times a year to monitor investment performance and make decisions on charitable expenditure. The Court is advised by an Investment Committee who meet regularly with the investment advisors to monitor their performance against targets.

The day to day administration of the Charity is undertaken by staff of the Trustee.

Reference and administrative details of the Charity, its Trustee and advisors

The Brewers' Company General Charitable Trust is a Charity registered in England and Wales no: 1059811.

The principal address of the Charity is Brewers' Hall, Aldermanbury Square, London EC2V 7HR.

The Trustee is the Brewers' Company of the City of London.

The principal advisors to the Charity are:

Independent Examiner

Paul Windmill FCA

Bankers

Lloyds Bank plc

Solicitors

Farrer & Co LLP

Investment Managers

Newton Investment Management Limited

Plans for future periods

The aim of the Trustee is to maximise the amount available for distribution to beneficiaries.

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of trustee's responsibilities

Charity law requires the Trustee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the net incoming/(outgoing) resources for the year. In preparing the financial statements the Trustee is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to do so.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable it to ensure that the financial statements comply with the Charities Act 2011. The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

By order of the Trustee

N Tindal

Clerk

27 April 2023

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEE OF THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

I report to the trustee on my examination of the financial statements of The Brewers' Company General Charitable Trust (charity no. 1059811) for the year ended 31 December 2022 as set out on pages 5 to 11.

Responsibilities and basis of report

As the trustee of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

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 charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Paul Windmill FCA

Myers Clark
Statutory Auditor and Chartered Accountants
Egale 1, 80 St Albans Road
Watford
Hertfordshire
WD17 1DL

Dated: 27 April 2023

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Income from:						
Donations from the Brewers' Company		29,740	-	-	29,740	29,500
Other donations received		-	-	-	-	-
Investment income		-	142,862	-	142,862	139,014
Total income		29,740	142,862	-	172,602	168,514
Expenditure on:						
Grants	2	24,540	56,565	-	81,105	90,015
Educational awards and prizes		6,806	-	-	6,806	2,450
Investment manager's fees		-	-	32,110	32,110	33,111
Other management fees		-	28,703	-	28,703	26,339
Accountancy and bank cost		1,712	1,692	-	3,404	3,172
Irrecoverable VAT		313	6,054	-	6,367	6,012
Total expenditure		33,371	93,014	32,110	158,495	161,099
Net gains/(losses) on investments		-	-	(470,991)	(470,991)	965,953
Net movement in funds		(3,631)	49,848	(503,101)	(456,884)	973,368
Fund balances at 1 January 2022		17,302	138,544	6,800,722	6,956,568	5,983,200
Fund balances at 31 December 2022		13,671	188,392	6,297,621	6,499,684	6,956,568

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

PRIOR YEAR

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
Income from:					
Donations from the Brewers' Company		29,500	-	-	29,500
Investment income		-	139,014	-	139,014
Total income		29,500	139,014	-	168,514
Expenditure on:					
Grants	2	23,740	66,275	-	90,015
Educational awards and prizes		2,450	-	-	2,450
Investment manager's fees		-	33,111	-	33,111
Other management fees		-	26,339	-	26,339
Accountancy and bank cost		1,636	1,536	-	3,172
Irrecoverable VAT		305	5,707	-	6,012
Total expenditure		28,131	132,968	32,110	161,099
Net gains on investments		-	-	965,953	965,953
Net movement in funds		1,369	6,046	965,953	973,368
Fund balances at 1 January 2021		15,933	132,498	5,834,769	5,983,200
Fund balances at 31 December 2021		17,302	138,544	6,800,722	6,956,568

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments	3		6,329,731		6,800,722
Current assets					
Debtors		42,726		41,808	
Cash at bank and in hand		164,573		146,127	
		207,299		187,935	
Creditors: amounts falling due within one year	4	(37,346)		(32,089)	
Net current assets			169,953		155,846
Total assets less current liabilities			6,499,684		6,956,568
Funds of the charity:					
Expendable endowment	5		6,297,621		6,800,722
Restricted funds			188,392		138,544
Unrestricted funds			13,671		17,302
			6,499,684		6,956,568

The financial statements were approved by the Trustee on 27 April 2023 and signed on their behalf by:

J B Neame DL
Master

D Coyne
Deputy Clerk

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

1.1 Basis of preparation and assessment of going concern

The accounts have been prepared under the historical cost convention with items recognised at cost of transaction value unless otherwise stated in the relevant notes to these accounts.

The financial statements have been prepared in accordance with the Charities Act 2011 and 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 (FRS102) effective 1 January 2019.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 (effective 1 January 2019) rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The charity constitutes a public benefit entity.

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

1.2 Investments

Investments are quoted on recognised stock exchanges and are stated at mid-market value.

1.3 Resources expended

Resources expended are recognised when a legal or constructive obligation to pay arises.

Grants are accounted for when the Trustee has approved the grant and the recipients are advised of the grant.

Educational awards and prizes are accounted for when the amounts have been agreed by the Trustee.

1.4 Funds

Expendable endowment funds represent funds received where the intention is to maintain the capital but where the donor has agreed that the Trustee may, if necessary to maintain grant giving, expend the capital.

Restricted funds are to be used for specific purposes as determined by the donor.

Unrestricted funds represent funds received that can be applied at the Trustee's discretion within the general objects of the charity.

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Charitable grants and donations awarded/(withdrawn)

	2022 £	2021 £
Brewers' Research and Education Fund - Institutions:		
Carbon Architecture	22,640	-
ICBD	16,250	-
Wye Hops Limited	11,700	11,700
National Brewery Heritage Trust	3,500	3,500
Oxford Brookes	2,475	-
Zero Carbon Forum	-	28,950
Nottingham University	-	14,625
Heriot-Watt University	-	7,500
	<u>56,565</u>	<u>66,275</u>
Other charitable purposes:		
Aldenham School	18,000	18,000
Clerk's minor	2,025	1,700
Other amounts less than £1,000 each	4,515	4,040
	<u>24,540</u>	<u>23,740</u>
Total	<u>81,105</u>	<u>90,015</u>

3 Fixed asset investments

	2022 £	2021 £
At 1 January 2022	6,800,722	5,834,769
Increase/(decrease) in market value	(470,991)	965,953
At 31 December 2022	<u>6,329,731</u>	<u>6,800,722</u>
	2022 £	2021 £
Investments at fair value comprise:		
Held within the UK	6,329,731	6,800,722
	<u>6,329,731</u>	<u>6,800,722</u>
The entire investment portfolio is held in the Newton Growth & Income Fund for Charities X Inc.		
	2022 £	2021 £
Attributable cost:		
As at 31 December	5,469,654	5,469,654

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Creditors: amounts falling due within one year

	2022 £	2021 £
Grant commitments	15,077	14,647
Accruals and deferred income	22,269	17,442
	<u>37,346</u>	<u>32,089</u>

5 Funds of the charity

	Balance at 1 January 2022 £	Movement in funds			Balance at 31 December 2022 £
		Incoming resources £	Resources expended £	Revaluations gains and losses £	
Expendable endowment	6,800,722	-	(32,110)	(470,991)	6,297,621
Restricted - Brewers' Research and Education Fund	138,544	142,862	(93,014)	-	188,392
Unrestricted	17,302	29,740	(33,371)	-	13,671
	<u>6,956,568</u>	<u>172,602</u>	<u>(158,495)</u>	<u>(470,991)</u>	<u>6,499,684</u>

PRIOR YEAR

	Balance at 1 January 2021 £	Movement in funds			Balance at 31 December 2021 £
		Incoming resources £	Resources expended £	Revaluations gains and losses £	
Expendable endowment	5,834,769	-	-	965,953	6,800,722
Restricted - Brewers' Research and Education Fund	132,498	139,014	(132,968)	-	138,544
Unrestricted	15,933	29,500	(28,131)	-	17,302
	<u>5,983,200</u>	<u>168,514</u>	<u>(161,099)</u>	<u>965,953</u>	<u>6,956,568</u>

THE BREWERS' COMPANY GENERAL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Analysis of net assets between funds

	Expendable endowment	Restricted	Unrestricted	Total
	£	£	£	£
Fund balances at 31 December 2022 are represented by:				
Investments	6,329,731	-	-	6,329,731
Current assets/(liabilities)	(32,110)	188,392	13,671	169,953
	<u>6,297,621</u>	<u>188,392</u>	<u>13,671</u>	<u>6,499,684</u>

PRIOR YEAR

	Expendable endowment	Restricted	Unrestricted	Total
	£	£	£	£
Fund balances at 31 December 2021 are represented by:				
Investments	6,800,722	-	-	6,800,722
Current assets/(liabilities)	-	138,544	17,302	155,846
	<u>6,800,722</u>	<u>138,544</u>	<u>17,302</u>	<u>6,956,568</u>

7 Trustee's remuneration and expenses

The charity is charged for administration costs by the Brewers' Company, which is the Trustee of the charity, in respect of the management of the permanent endowment and grant making in accordance with the terms of the Deed relating to the Establishment of the BREF dated 9 October 2014. Included in other management fees charged in 2022 was £27,203 (2021: £23,339).

8 Management fees

The charity is charged for administration costs by the British Beer and Pub Association, in respect of the Secretariat of the Advisory Committee, in accordance with the terms of the Deed relating to the Establishment of the BREF dated 9 October 2014. Included in other management fees charged in 2022 was £1,500 (2021: £3,000).

9 Employees

The charity has no employees.

10 Future commitments

At the balance sheet date the charity had made future commitments in respect of grants made from the BREF restricted fund over a term of years, subject to conditions and subsequent charity approval:

	2022	2021
	£	£
Within one year	31,450	15,200
Between one and two years	16,250	15,200
Between two and three years	16,250	-
	<u>63,950</u>	<u>30,400</u>