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THE INSTITUTE OF BREWING & DISTILLING
(A company limited by guarantee)

TRUSTEES REPORT AND FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2021

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PRESIDENT'S INTRODUCTION

The Institute of Brewing & Distilling has continued to develop its role of providing opportunities to increase learning and technical capability within the brewing, distilling and associated industries. The Board, was chaired by Douglas Murray up until the current President, Bhavya Mandanna was appointed after Douglas's two year term at the September 2021 Annual General Meeting. Ian Roberts, the then Deputy President, was unable to take on the role of President due to personal circumstances. The Board would like to thank Ian for extending his tenure as Deputy President into February 2022, and Douglas Murray, for their support during the handover period. Currently, Megan Sheehy is performing the role of Deputy President in an interim capacity until the next AGM. The Immediate Past President, Dr Tim Cooper, retired through rotation and we would like to take this opportunity to thank Tim for his service to the IBD and the Board of Trustees.

The key area of activity of the Board has been to review our governance and strategy so that we remain fit for purpose and true to our charitable mission in the future.

The Institute of Brewing & Distilling's activities remained heavily impacted by the Coronavirus pandemic. Our key focus remained on the operation of our key functions linked to qualifications and member services, within a safe working environment for our employees. The demonstration of digitalised operations in the transition to and provision of online education and qualifications, whilst maintaining our high standards of delivery over an extended period of time, is a testament to the flexibility and dedication of our staff. These transformational changes had some significant impacts wherein the number of candidates sitting our exams underwent further reduction from deferrals until the following year. In some cases, this was for the second period.

We have endured, both, financial and business effects impacting our core operations. Nonetheless, continued vigilance and rigorous financial management enabled the negation of the majority of these effects. Our membership through the sections, assisted by Head office, has been active in ensuring that educational opportunities as well as social interactions continued throughout the year, and in some cases, with record attendance for webinars. We thank all concerned for the effort put into delivering these sessions and positively engaging our membership. Again, this demonstrates our resilience and flexibility as an organization, building confidence for the future. The opportunity was also taken to complete the on-line capability to set, sit and examine for the Diploma and Master program. We would like to take this opportunity to thank Angus Steven who has retired as Chair of the Board of Examination for his work during his tenure and welcome Deb Kennedy who has taken over the role.

The board has kept in touch with the membership through the Council meetings but also by participating in the section-driven technical events held on line. This medium has been one of the main tools used to keep members and people learning their trade engaged. The Head Office team has been pivotal in ensuring this continued success, and the Board appreciates this significant contribution during the prevalent pandemic.

The two global conferences scheduled to take place in 2020 in Perth Australia and Edinburgh UK) were delivered as online, virtual conventions for the first time, on 16th March – 20th March 2020 and 6th - 8th September 2021 respectively. These were an outstanding success, both from a financial and engagement perspective. This is a consequence of the tireless efforts of the organising committees, and continued support from our sponsors as well as all our partners in the industry. I thank all for their continued support of these events and for their support of the Institute.

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Clearly a significant amount of work has taken place to progress the IBD through the pandemic. We would like to thank the staff for their steadfast commitment across the year, and who continue to operate in non-standard circumstances to deliver a highly professional service, and balance their personal lives.

Since the end of this financial year, Jerry Avis retired and as an interim measure the board has appointed Douglas Murray (Immediate Past President) as interim Chief Executive Officer (CEO) until the recruitment of a CEO process is complete. To prevent a conflict of interest Douglas has temporarily stepped back from his Trustee and Examination board roles.

On behalf of the Board, we would like to thank Jerry for his leadership of the IBD through a transformative phase. Jerry has led the IBD for over six years, with a steady hand, through tumultuous times, including the pandemic, and at each step has only raised the bar at which we deliver our products and services.

We would also like to thank the Council and the Board of Trustees for time committed to advancing the IBD's charitable mission and strategic priorities. We look forward to working together towards greater successes in the coming year(s).

Bhavya Mandanna
President

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CHIEF EXECUTIVE'S SUMMARY

If anything, 2021 held more challenges than 2020 as we coped with continued remote working, digital examinations, and an increased workload because of the exam deferrals arising from 2020. Against this background we continued and, in some cases, completed necessary changes in response to greater demands on our structure and governance along with projects required to deliver member value, improve learning materials, and run almost all examinations in a typed format with remote invigilation.

Certainly, the new circumstances brought by the pandemic have hastened some changes. For example, the further digitisation of exams was deployed faster than we might have wished for, and some challenges arose from increased attention to our overall governance.

In respect of governance, it is salutary to note that the income of the IBD continues to put the Institute into the top 2-3% of UK charities and defined as a “large” charity by the Charity Commission. With this status comes increasing scrutiny and a need to ensure that our governance is in order. Older members will recognise that we have been a charity since 1974. Nevertheless, it was only in 2014 that governance was re-defined as a Council being the body representing members’ interests and the Board of Trustees standing for the wider interests of the charity and having fiduciary responsibility for the Institute’s affairs. Over the past few years, the Commission has “upped its game” and year three (2021-2022) of its strategic plan shows a strengthening of their approach to regulation.

This strengthening of the Commission’s approach focuses our attention, not just on whether the Institute continues to operate as a going concern but also on our governance and how true we are to delivering our primary charitable objective (the advancement of education). For these reasons, our policies, processes, procedures, byelaws and articles have undergone a review and are in some cases being re-written to ensure that we are both compliant now and have the latitude to develop so that the IBD remains relevant and fit for purpose in the future. As we go through this process, we will further assess the potential to become a chartered institute which is a lengthy and uncertain road but, if successful, would further emphasise that our members work in a professional realm and carry added kudos for those reaching the status of Chartered Brewer or Distiller.

Education and Professional Development

Whilst governance reviews formed part of the work in 2021, there were other workstreams occurring in the business to prepare for the year ahead. Amongst these were the completion of all of the new online learning materials for the Diploma in Packaging Modules one and two, alongside all of the new Tutor Guided Learning programme material that form the basis of the 18-week course for all the Diploma modules. This was a milestone in the year as all the Diploma materials have been re-written as self-directed online courses and all have Tutor Guided Learning programme sessions to run alongside. This represents the culmination of five years of work and investment into our Certificate and Diploma materials.

The translation of the General Certificate in Brewing to an online course in Spanish provided some valuable lessons in managing an end-to-end process and with the engagement of a partner in Chile is seeing a significant uplift in the number of brewers in Spanish speaking markets and candidates interested in a professional qualification.

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Examinations

The conversion of most exams to a digital format was not without issues but was entirely necessary to manage continuing constraints and risks brought about by the pandemic which continued to cause uncertainty across the globe. These challenges were addressed as well as they could have been with support from all staff, candidates and companies involved and the IBD is better prepared to deploy examinations in the future.

Guidance on candidate progress has been a key part of recent work and “learner dashboards” have been piloted in several companies. These allow learning managers to have oversight of the progress of the learners and to provide appropriate support where needed. Of equal importance are the data available to the IBD to gain an insight into the learner’s approach to the material and to find points of improvement.

Member value

Other work on IT systems has so far been less visible but will begin to have an impact in the forthcoming year. Communications will be more secure and hopefully easier for Section committees to better understand and communicate with members. This has not been a trivial exercise as the IBD has rationalised the need for better communications with the increasing challenges of privacy and data security, together with the investment in infrastructure needing to be implemented. Amongst this prioritised work there have been more advancements in website development to provide a better customer journey and increased member value, not least of which has been the revised Library with improved functionality.

Overall, value for members will continue to be developed alongside the development of support for the industry through a rigorous system of qualifications where examinations are challenging but achievable. Crucially further effort will be made to widen the IBD community of professionals and to advance education with new scholarships and bursaries for more beneficiaries than before.

The continuous hard work of all “HQ” staff, Trustees, Committee members and volunteers should be recognised as providing the bedrock for development of the Institute. Their efforts have been tireless in keeping the IBD going through difficult circumstances and the stellar work of all the volunteers in Sections and beyond have continued to deliver successful events all year through.

Dr Jerry Avis

Chief Executive Officer (Retired 15th June 2022)

Due to the retirement of Dr Jerry Avis, prior to this report’s publication, it is signed by

Douglas Murray (Past President)
Interim Chief Executive Officer (Appointed 15th June 2022)

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are pleased to present their Annual Directors' Report together with the consolidated financial statements of The Institute of Brewing & Distilling and its subsidiaries for the year ended 31 December 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with charity legislation and regulations applicable in England & Wales and Scotland, the Companies Act 2006, the Charity's Memorandum and Articles of Association and 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).

OBJECTIVES & ACTIVITIES

Purpose and Public Benefit

The purpose of the charity is the advancement of education of benefit to the public, or a section of the public, especially in the sciences of brewing, fermentation, and distillation. The charity is a public benefit entity as defined by FRS 102.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the IBD strategy aims and objectives. Following a written resolution by Council, and ratified by the Board, the IBD examinations below the level of Master are open to all members of the public without the need to become a member of the IBD.

The education and qualifications provided by the IBD are non-selective and available to anyone who wishes to extend their knowledge of science and technology within the fermentation industries. The open-access part of the website, courses and Journal of The Institute of Brewing provide significant educational resources.

Strategic Framework and Activities

The Institute operates within a strategic framework which is kept under review by the Trustees.

THE PURPOSE, VISION, MISSION AND STRATEGY OF THE IBD

- Our purpose is to champion the potential of our community.
- Our vision is to be the world's leading provider of professional development in brewing, distilling and related industries.
- Our mission is the delivery of professional education that engages, connects, and transforms to enable high performance outcomes both for the individual and their business.

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Our strategy to deliver the mission has five key elements:

- a) To provide tailored digital education for transformative professional development worldwide.
- b) To develop an innovative learning platform, co-creating quality content and leveraging expertise through partnerships.
- c) To develop engaged & connected communities for mutual knowledge transfer to fulfil the functional, social and emotional needs associated with life-long career development and high performance.
- d) To create a learning ecosystem open to all based on low barriers to entry, quality learning materials, premium courses, qualifications, and experiences supported by high levels of advocacy through our membership.
- e) To develop systems to support the extensive use of analytics to drive product development and add value to the IBD, individuals and companies.

Fundraising

The Institute does not directly fundraise from the public and has no fundraising staff. Its UK Sections are permitted to raise funds from ticket sales usually to Members and attendees of the event. The receipts from ticket sales are used to fund the events. The Head office staff support the administration of these local events.

ACHIEVEMENTS & PERFORMANCE

Membership

On 31 December 2021 there were 2,986 (2020: 2,855) registered members from across the globe.

Education

The Institute's qualifications continue to be well regarded throughout the world and serve to mark the attainment of a high degree of knowledge to underpin the candidates' passion for making their products. The industry demands professionalism from its recruits and a facility for life-long learning for its staff which are both fulfilled by the current selection of qualifications, access to technical information and opportunities to network. A continuing trend is that of a demand for lower-level qualifications for support staff of companies to have a greater appreciation of how their products are made. There is continued interest from large companies to both benchmark their internal training against the IBD's recognised qualifications and to look for training support for companies' own competency frameworks.

In 2021 4,356 (2020: 2,798) candidates undertook professional studies with the Institute. Of these, 3,566 went on to complete their examinations within 2021. The remaining candidates are expected to complete their exams in 2022.

The Charity has continued to develop the Exam Board's range of expertise with new examiners joining from both craft brewers and distillers to make a total of 38 examiners from 11 countries. Qualifications are continually reviewed with respect to their structure, their syllabi and the nature of the examinations to ensure that the IBD has implemented current thinking in line with industry needs and expectations. This year, the continued impact of the pandemic accelerated plans to deliver examinations remotely with both Masters and Diploma exams joining the delivery process for Foundation and Certificate exams.

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Work was completed on the Essentials in Brewing course, a rich, interactive course aimed at professionals working in support functions in the industry or for those marketing to the industry who wish to know more about beer and brewing processes. The launch of this course will take place in Spring of 2022.

Training

The concept of online “tutor guided learning” continues to demonstrate good value for companies and proved its worth as an excellent online support for candidates whilst face-to-face training was unavailable and numbers held up well. Additional tutors have been recruited from several time zones, giving us the ability to service international clients at times most convenient to employees pursuing their qualifications. It remains our assertion that, in a post-pandemic world, the combination of self-directed, online learning alongside tutor support for small cohorts of candidates will continue to provide both the flexibility and cost effectiveness sought by business.

Training support materials have been extended to cover 100% of Diploma courses up to and including Diploma level. This means that brewers, distillers and packaging specialists are able to complete the entirety of the three modules for each diploma which has been an important step in the development of our online journey.

Events

Events center on education and training, are largely organised by Individual Sections. In 2021 the Scottish Section organised the Worldwide Distilled Spirits Conference (WDSC). The finances for this are consolidated in the IBD Financial Statements. The Asia Pacific Section (Self Governing) also ran a conference. Both operated on a digital platform with marked success. In the normal course of events, visits, seminars, technical presentations, and conventions all provide an opportunity to learn and network in a supportive environment where the mix of younger and more experienced professionals enhances the educational dimension. In 2021 much activity still took place online and the dedication and tireless work of the Volunteer Section Committees supported by numerous companies, individuals and associated organisations again provided excellent opportunities for learning and networking albeit in a virtual environment.

Throughout 2021, Sections committees delivered 26 webinars between them with over 3,000 registrations for attendance. Individual webinars achieved audiences between double and ten times that of most previous physical events. Notably, a number of events achieved a truly international audience and it is clear that a mix of the physical and webinar format should be kept as the effects of the pandemic (hopefully) diminish around the world.

The Institute has Overseas Representation in three Sections split into Africa, Asia Pacific and an International Section. Africa and Asia Pacific are self-governed and carry out promotion, training and engagement for our overseas members. Their finances do not form part of the Institute’s Accounts.

Publications

The Institute continues to have an excellent record of publishing quality, peer-reviewed scientific Journal of The Institute of Brewing & Distilling (“The Journal”) along with Brewing & Distilling International (BDI), the news and technical magazine that is published monthly in our industry. Both the Journal and the BDI are now available online. 2021 saw the completion of a fruitful partnership with Wiley publishers who have managed the Journal and BDI over the previous ten years. A one year contract extension will aid the transition to a new publisher over the course of 2022.

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Subsidiaries

IBD Trading is a wholly owned subsidiary of The Institute of Brewing & Distilling. It exists as a vehicle for managing the trading activities of the Charity such as the triennial event of the WDSC. In light of continued physical restrictions of the pandemic, the Organising Committee is to be congratulated and the speakers and sponsors thanked for bringing a virtual convention to a wide audience and with a financial surplus. Again this demonstrates a high degree of flexibility and an international demand for excellent educational presentations.

The Beer Academy and the Beer and Cider Academy Limited are dormant companies. The Beer Education Trust was dissolved on the 22nd March 2022.

PLANS FOR FUTURE PERIODS

Examinations will continue to be reviewed to seek improvements in delivery. As part of this, we are looking to consolidate the online provision to a single platform in 2022.

The Foundation in Brewing syllabus will be reviewed in 2022 with a view to a renewed offering in November 2022 and the Foundations of Distilling and General Certificate in Spirits Packaging will be reviewed for implementation in 2023.

We continue to seek the right partners to assist in taking developed material into other languages and to develop markets more fully in our key regions such as the Americas and Asia Pacific. In addition, we continued to review our learning materials and training programmes. The newly developed GCB learning materials were translated to Spanish. We also translated the exam invigilation and question papers and candidates can now expect an “end to end” experience. Delivery is through a partnership in Chile and the number of candidates has approximately trebled over the past year.

Digital transformation of activities remains a high priority; further progress was made in 2021 which will be further developed in 2022 – this will include more investment in technology, processes, and training to deliver agility and responsiveness to our customers. In the past five years concentration has been on improving systems, brand perception and online learning to reach a baseline in the business that is stable.

As a charity with members, we will continue to explore ways to add value. In 2022 we will extend our community based on supporting the individual brewer and distiller as career professionals and to support businesses through the provision of quality education. Key to this will be the introduction of more short courses to support the continuous professional development of brewers, distillers and those working in allied industries.

The Institute has permission to petition for Chartered status and this will be a focus for governance development and communication with the membership. Whilst the result is uncertain the journey will be valuable in reinforcing our commitment to further enhance systems, processes and the knowledge to support the professionalism of brewers and distillers across the globe.

The IBD has designated funds to support beneficiaries through Scholarships, Bursaries and Grants and it will continue to seek partnerships with other grant makers to support its Members. In addition, the IBD continues to support the work of the Sections which are operated by Members of the Section.

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FINANCIAL RESULTS

In 2021, as a result of below activities, the Charity achieved a break-even position, deficit of £957 (2020: deficit of £442,467) before net gains on investments. This demonstrates an overall recovery of operations post pandemic. The activities contributing to this is detailed in the notes 2 to 6 for the financial statements.

Charitable Activities

As planned, the IBD continued to deliver courses and exams online. There were some disruptions implementing these changes but this has not impacted the financial performance of the Charity. The number of candidates completing the exams compared to the previous year increased (page 8). The educational activities income achieved for the year is £1,708,302 (2020: £1,350,936).

The membership revenue fell slightly to £294,236 (2020: £309,833). However, the membership count has increased (page 8). Therefore, the reduction in revenue reflects the increased uptake of introductory membership which is at a lower rate.

Expenditure for charitable activities was £2,194,722 (2020: £2,195,669). The expenditure was kept in line with the previous year in spite of an increase in activity. This was mainly due to staff vacancies which were filled by the end of the year and expected to increase in line with increased activity in 2022.

Trading activities

Advertising Income increased to £81,791 (2020: £75,761). Advertising expenditure increased to £14,299 (2020: £7,816) due to higher percentage of management fees so the overall profit margin from this activity has remained the same.

The WDSC conference took place as a virtual conference generating an income of £241,020 (2020: £nil). The conference incurred costs of £129,217 (2020: £nil) generating a profit of £111,803.

POLICIES AND OBJECTIVES

Reserves Policy

The Charity's policy is to hold a minimum of £1.3million as free reserves which equates to 12 months of direct operational expenditure for direct staff, examiners, tutors, publications and general overheads.

In the final quarter of the financial year, in addition to setting the operational budget, the Trustees review any designations and commitments (not provided for as a liability in the accounts). The Charity made a full recovery in 2021 with bookings for its courses and exams returning to pre-pandemic level.

As part of the annual review, the Trustees agreed to designate funds of £611,375 for continued development of learning materials, online examinations and community engagement. The amount designated is expected to be spent in 2022. Any unspent designated funds will be reviewed in the final quarter of 2022. The review concluded that the amount designated (as set out in Note 18 page 45 of the Financial statements) will allow the Charity to hold £1.4 million in General Funds which is in excess of the minimum requirement as per the policy. This is considered prudent in the current economic climate. From 2023 onwards, the approved three year plan aims to replenish the reserves spent and any further review of designations of reserves will take into account any emerging risks and opportunities that impact the pace at which this is achievable.

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Investments Overview

The Trustees of The Institute of Brewing & Distilling (IBD), based on the recommendations of their Finance sub-committee, have overall responsibility for the Investment and Reserves policy. The IBD policy is to primarily pursue long term capital growth in order for investments to appreciate at a rate ahead of inflation, which will protect the capital value of the portfolio in real terms.

As there isn't a requirement to withdraw a regular income from the portfolio, all accrued income is retained and reinvested in accordance with the investment objective.

The Trustees appoint Investment managers to manage the reserves. Sanlam Investments UK Ltd (Formally Thesis Asset Management (Thesis) were appointed in February 2015).

Investment Performance

The 3 "reserve" portfolios showed a gain during 2021. The IBD Investment and Reserves powers, policies and background are noted later in this document. Investment Managers present to the Board in November and the Finance Sub-Committee in May each year. The Board has chosen active management of its investments.

The table below (as at balance sheet date) shows that the performance across IBD's portfolios has outperformed the Benchmark.

Portfolio vs Benchmark	Main	JJ Morrison	Scottish
Portfolio:	+11.29%	+10.75%	+10.51%
Investment Association (Mixed Investments 20-60%)	+6.28%	+6.28%	+6.28%
ARC Balanced	+7.64%	+7.64%	+7.64%

Investment Rules

Investment rules have been agreed with Sanlam as follows:

- To provide a spread of risk no one equity holding should exceed 5% of the total sum of the individual portfolio. Maximum fund holding is limited to 10%.
- To avoid a potential risk of conflict of interest no direct investment should be made in the alcoholic beverage sector. This does not preclude alcoholic beverages being part of a fund invested in. Any significant fund investment in alcoholic beverages must be flagged to the IBD Trustees via the Treasurer.

All portfolio income is to be reinvested in that portfolio unless the Trustees agree otherwise.

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Investment Mandates risks as follows: (risk investment criteria, where 1 is low and 7 is high)

All portfolios are at risk level 4 of 7.

Investment objective: Primarily seeking income together with a reasonable degree of capital growth.

Risk objective: A balance between safety and investment growth potential.

Policy for Remuneration

Staff pay is reviewed annually by the Operational Management Committee (formerly known as Personnel Interest Group) and is managed in line with earnings for the sector and price indexation. Assisted by the CEO, the Group periodically benchmarks pay for all staff against pay levels in other similar organisations and consider factors such as benefits, indexation, and location prior to making recommendations for adoption by the Board of Trustees.

Policy for Risk Management

The Trustees have a Risk Management Strategy which comprises:

- An annual review at Board meetings of the principal risks and uncertainties faced by Institute and its subsidiaries, IBD Trading Ltd; Reviews considered at quarterly Board Meetings.
- The board has extended the remit of the Governance Committee to include risks and compliance. The committee receives the management operational risk register and the strategic risk register from the Senior Management Team (SMT) and CEO for review and action.
- The establishment of policies, systems, and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage potential impact on the Institute should those risks materialise.

The Risk Register is managed by the Governance, Risk and Compliance Committee, Trustees' Finance and Audit Sub-Committee, with input from the other Sub-Committees and the CEO. The key risks that were reviewed during 2021 were :

- **COVID-19 Pandemic** – the financial risk from this was mitigated by moving the operations online. However, the changes resulted in new operational risks. These were reviewed monthly by the CEO and SMT. The board were kept informed of how these were mitigated.
- **Loss of income arising from various external and internal factors** - This is mitigated by regular reviews of income and cashflow as well as reviewing the delivery of operational activities via the CEO and the SMT.
- **Failure of Compliance due to misstatements** – this would be mitigated by an independent audit if it arose.
- **Lack of Board skills** – such as developed skills matrix and succession of planning reviewed.
- **Severe business disruption due to global incidents** – Business Continuity Plan implemented, Major suppliers' own Business Continuity Plan reviewed, Cyber Security risk ensured and Security measures implemented working with our IT suppliers.

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From the Risk Register the Trustees have also identified:

- Theft of IP Assets
- Competitor activities

The threats of these risks happening are managed by identifying the likelihood and impact of each risk and establishing mitigating actions.

The risk assessments and actions have allowed IBD to swiftly implement digital changes to its work environment and has continued to provide courses, exams, and events services.

Going Concern

The IBD Group has proved to be resilient to the risks posed by the pandemic. It has successfully delivered online learning and examinations. In addition, IBD delivered the WDSC conference online with a higher surplus than budgeted. The improved performance in 2021 has led to an increase in cash and reserves back to the levels before the pandemic.

In recognition of the continued changes required to operations, the Trustees agreed to continue to invest its reserves for further development of its learning materials, online provision of courses and exams. The Trustees further agreed to support its beneficiaries through bursaries, grants and scholarships. The Trustees have continued to review its future plans against external factors. In May 2022, The Trustees reviewed the impact of inflation and concluded that given the significant price increases set in 2019, there is sufficient margin within this to bear any impact of any inflationary increases for 2022 and its plan to increase the price in 2023 by 4% will be reviewed in 2022.

The review concluded that the Institute has adequate resources, and that there are no material uncertainties to the operations for the foreseeable future, therefore adopting the going concern basis in preparing these financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Institute of Brewing & Distilling is a company limited by guarantee governed by its Memorandum and Articles of Association and Byelaws amended to streamline the structure, governance, and management of the IBD and adopted at the AGM on 25th June 2014 and rewritten for the AGM on 24th June 2015.

There were no changes to the Articles and Byelaws in 2021. The purpose of the change is to ensure that the Institute has a process in place to ensure continuity of a full complement of Directors (Trustees) having appropriate skills and competencies, encourage diversity and is one where all members have a voice in the process.

The IBD is registered as a charity with the Charity Commission and the office of the Scottish Charity Regulator (OSCR). Anyone over the age of 18 can become a member of the IBD.

Appointment of Trustees

The Governing Body of The Institute of Brewing & Distilling (IBD) is the Board of Trustees, which has the overall responsibility for setting policy framework and developing plans.

The Board of nine comprises four Honorary Officers: The President, Immediate Past President, Deputy President and Treasurer, and five other representatives of the membership.

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Trustees, deemed to be independent of Sections, must be statutory members of the IBD and are elected in accordance with the Byelaws with nominations, ratified at the AGM.

Honorary Officers are normally nominated by Council and confirmed at the AGM. The Council is the administrative body that represents the views of the membership and is formed from the Chairs of each of the eight Sections that comprise the Institute.

The Trustees of the Charity also have responsibilities as Directors of the Company Limited by Guarantee.

Trustee Induction and Training

There is now an established procedure for new Trustees and their induction, as well as reminding existing Trustees of responsibilities.

As part of this induction, all Trustees were furnished with a file containing many relevant topics, a copy of the IBD Memorandum & Articles of Association and its Byelaws and an up-to-date copy of the latest Charity Commission publications, particularly "CC3 - The Essential Trustee: What you need to know" and the Charity Governance Code. In addition, all are made aware/reminded of the Charity Commission website.

Terms of reference of the various Sub-Committees and IBD Trustee Board roles and Governance were included in the induction.

Any ongoing articles of interest with regards to Governance updates are circulated periodically by the CEO and Secretary of the Trustees and discussed at subsequent Trustees' Meetings.

Organisation and Trustees' Meetings

The Board has established quarterly meetings with an Agenda that has several fixed items with additional matters as appropriate. During 2021, meetings were predominantly on Zoom and often held over more than 1 session/day.

A CEO is appointed by the Trustees and is charged with managing and achieving the goals of the organisation. They have day-to-day responsibility for implementing policy, overseen by the Trustees. Jerry Avis, resigned from post of CEO on 15th June 2022. Douglas Murray has been appointed as interim CEO and is expected to remain in post until the new CEO is appointed.

IBD employees are organised into functional areas under the leadership of the CEO.

Apart from highly confidential matters the CEO was present at all meetings in 2021.

At each intended quarterly meeting, prevailing items of relevance together with standing items of current relevance including Sub-Committee reports and actions undertaken as well as the Risk Register were considered. An operational management report in conjunction with the five-year strategic framework business plan is presented by the CEO and management accounts and annual budget/budget update forecasts are discussed together with any additional capital expenditure proposals.

Annual Presentations and audit findings were made by the Investment Adviser and External Auditor.

At the end of each year the external audit plan is agreed and a full debrief is held after the audit, any requirements put in hand before the accounts are signed in readiness for the AGM.

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Attendance at Trustee Meetings for 2021 was:

Trustee/Director	Number Eligible to attend	Number attended
B M Mandanna	2	2
T J Cooper	3	3
D M Murray	5	4
N S Fitch	5	5
S G Price	5	5
D A Smith	5	5
I G Roberts	5	4
C J Walker	5	5
S N E Stelma	5	5
G W Calvert	5	5

Sub-Committees

Finance and Audit Sub-Committee

The Committee aims to meet every month.

The Committee reports to the Board on various topics based on the terms of reference and recommends actions.

These topics cover:

- Monthly Management Accounts with emphasis on the quarterly Accounts
- Final Annual Accounts
- Audit planning and reports, including auditor performance
- Budget performance and future Budget proposals
- Reserves policy
- Investment Portfolio and Manager's performance
- Risk Schedule Review. It was agreed in 2020 that this was transferred to the Governance and Risk Sub-Committee (GRC) in 2021.

Governance and Risk Compliance Sub-Committee (GRC)

The Governance and Risk Compliance Sub-Committee (formally known as the Governance Committee) has been formed to review strategic risks for the IBD. The Governance Committee plans to meet 4 times a year.

In 2021, the Committee reviewed the Strategic risk registers and is continuing to support the review of the by-laws.

Operational Management Committee (OMC)

The OMC, formally known as Personnel interest group is responsible for enacting the remuneration policy as outlined on page 13.

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Nominations Sub-Committee:

During the year, the Sub-Committee considered:

- Trustee Job Descriptions
- Succession Planning
- Independent Trustee Candidates, Rules and Election Procedures
- Consideration of Deputy President 2021-2023
- Election process for two independent trustees, including reviewing and proposing names from the sections

Activities of the Subsidiary Company Boards

IBD Trading Ltd:

The Board met twice in 2021.

A Deed of Covenant was signed with IBD under which it was agreed to Gift Aid all distributable profits to IBD.

The Beer Academy and The Beer and Cider Academy are dormant companies. The Beer Education Trust was dissolved on the 22nd March 2022.

Composition and Activity of the Council

The President, Deputy President, Immediate Past President and Treasurer are all members of Council together with Section Representatives that volunteer to support regional activity acting as Section chairs and secretaries who are appointed locally.

Related parties and co-operation with other industry related organisations

All Trustees who received fees for work undertaken or monetary amounts from the IBD are recorded in Note 24 of the Financial Results and Review Section. No other Trustees receive remuneration or other benefit from their work with the Institute.

Any connection between a Trustee or senior manager of the Institute with a company, allied trader, supplier, wholesaler, retailer or other institution or organisation in the brewing, distilling, malting or fermentation industry or its supply chain or any related activity such as the taking of the Institutes' own qualifications or carrying out paid training for the same must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

The following list sets out potential conflicts of interest due to industry involvement by Trustees and their connected parties:

There have been no further changes since each party has signed their Declaration forms.

Dr Timothy J Cooper is Managing Director of Coopers Brewery Adelaide who are a customer of IBD.

Ian G Roberts is Supply Chain Director of Lion who are a customer of IBD.

Nigel S Fitch is Chairman of the Incorporated Brewers' Benevolent Society (IBBS), which may sponsor candidates to study with IBD, and receive donations from Sections or members.

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Douglas M Murray is Process and Liquid Technology Leader, also a Master Distiller and Master Blender for Diageo which is a customer of the IBD. He is a member of the IBD Board of Examiners and a Lecturer to the Alcohol School.

Stephen G Price together with his wife, Nicola, is a Director of Steve Price Innovation limited which provides training for the IBD. He also works in innovation for the drinks industry and with an IBD customer. Stephen is an Honorary Associate Professor International Centre for Brewing Science at the University of Nottingham teaching management, innovation, and process parts for higher degrees in Brewing Science.

David A Smith together with his son Robert are Directors of Brewing Services & Consultancy Ltd which provides technical assistance and training and are a customer of IBD.

Caroline J Walker writes articles for the BDI and in 2019 made a joint application with the 180 to BREF for a grant.

Will Calvert is a Director of WEBREW Taverns Ltd, Windsor and Eton Brewing Company Ltd and Swan Clewer Community Interest Company. There are no transactions between these entities and IBD.

Sandra Stelma is Head of Science at Diageo who is a customer of IBD, Member of Brewers of Europe and Vice President of European Brewery Convention.

Bhavya M Mandanna is the head of focused improvement and innovation at Molson Coors Beverage Company, who are a customer of IBD.

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TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Institute's Trustees (who are also the Directors of The Institute of Brewing & Distilling for the purposes of company law) are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Institute's Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resource and application of resources, including the income and expenditure, of the group for that year. In preparing the 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 (Statement of Recommended Practice)
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Account (Scotland) Regulation 2006 (as amended). They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- There is no relevant information of which the group and charitable company's auditor is unaware, and
- The Trustees have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditor is aware of that information

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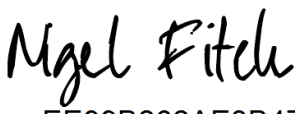
Preparation of the report

- This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Auditors

- MHA MacIntyre Hudson has indicated its willingness to continue, subject to reappointment at the AGM.

This report has been approved by the Board of Trustees and signed on its behalf by:

DocuSigned by:

EE99B262AE3B47E...
N S Fitch (Honorary Treasurer)

Date: **22nd August 2022**

THE INSTITUTE OF BREWING & DISTILLING
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ADMINISTRATIVE DETAILS

Trustees and Directors of The Institute of Brewing & Distilling:

President	B M Mandanna (Appointed 14 th September 2021)
Deputy President	I G Roberts (Resigned 28 th February 2022)
	M Sheehy (Appointed 1 st March 2022)
Immediate Past President	D M Murray
	T J Cooper (Resigned 14 th September 2021)
Honorary Treasurer	N S Fitch
Board Committees' Secretary	D A Smith
Trustee	C J Walker
Trustee	S G Price
Trustee	S N E Stelma
Trustee	G W Calvert
Company Secretary	J W Avis (Resigned 15 th June 2022)
	D M Murray (Appointed 15 th June 2022)

Directors of IBD Trading Limited – 05584522

Director and Company Secretary	J W Avis (Resigned 15 th June 2022)
	D M Murray (Appointed 15 th June 2022)
Director	N S Fitch

The Beer Academy – 06277078

Director	J W Avis (Resigned 15 th June 2022)
	D M Murray (Appointed 15 th June 2022)

The Beer Academy is a dormant Private Limited Company by shares and use of 'Limited' exemption.

The Beer and Cider Academy Limited – 10572136

Director	J W Avis (Resigned 15 th June 2022)
	D M Murray (Appointed 15 th June 2022)

The Beer and Cider Academy is a dormant Private Limited Company by guarantee without share capital and use of 'Limited' exemption.

The Beer Education Trust was dissolved on the 22nd March 2022.

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ADMINISTRATIVE DETAILS (continued)

Independent Auditor

MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditor
6TH Floor
2 London Wall Place
London
EC2Y 5AU

Bankers

Royal Bank of Scotland plc
Curzon Street
London
W1Y 7RF

Solicitors

William Sturges Solicitors
14-16 Caxton Street
London
SW1H 0QY

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AUDITORS' REPORT

TO THE MEMBERS OF THE INSTITUTE OF BREWING & DISTILLING FOR THE YEAR ENDED 31 DECEMBER 2020 – TO INSERT 2021

Opinion

We have audited the financial statements of The Institute of Brewing & Distilling (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity 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 group's and parent charitable company's affairs as at 31 December 2021, and of their incoming resources and application of resources, including their 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 and the Charities Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating 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 our 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 Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

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- 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 Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, 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 group's and parent 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 group or the parent 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance concerning any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance concerning actual and potential litigation and claims;
- Enquiry of management and those charged with governance concerning any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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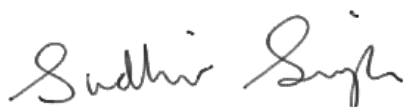
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware

of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of this 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 and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Sudhir Singh FCA (Senior Statutory Auditor)
For and behalf of
MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Date:

25 August 2022

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted Funds	Restricted Funds	Total funds	Total funds
	Note	2021 £	2021 £	2021 £	2020 £
INCOME FROM:					
Charitable activities	2	2,110,386	-	2,110,386	1,712,418
Other trading activities	3	325,363	-	325,363	88,425
Investments	4	41,015	-	41,015	21,947
TOTAL INCOME		2,476,764	-	2,476,764	1,822,790
EXPENDITURE ON:					
Raising funds	5	282,999	-	282,999	69,588
Charitable activities	6	2,183,551	11,171	2,194,722	2,195,669
TOTAL EXPENDITURE		2,466,550	11,171	2,477,721	2,265,257
NET INCOME BEFORE INVESTMENT GAINS		10,214	(11,171)	(957)	(442,467)
Net gains on investments	14	155,342	-	155,342	51,690
NET MOVEMENT IN FUNDS		165,556	(11,171)	154,385	(390,777)
RECONCILIATION OF FUNDS:		165,556	(11,171)	154,385	(390,777)
Total funds brought forward		4,582,459	277,736	4,860,195	5,250,972
TOTAL FUNDS CARRIED FORWARD	18	4,748,015	266,565	5,014,580	4,860,195

The notes on pages 32 to 49 form part of these financial statements

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**CHARITY STATEMENT OF FINANCIAL ACTIVITIES - INCORPORATING INCOME AND
EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021**

		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	2021 £	2021 £	2021 £	2020 £
INCOME FROM:					
Donations	25	179,295	-	179,295	67,946
Charitable activities	2	2,110,386	-	2,110,386	1,712,418
Other trading activities	3	2,552	-	2,552	12,664
Investments	4	41,015	-	41,015	21,947
TOTAL INCOME		2,333,248	-	2,333,248	1,814,975
EXPENDITURE ON:					
Raising funds	5	139,483	-	139,483	61,773
Charitable activities	6	2,183,551	11,171	2,194,722	2,195,669
TOTAL EXPENDITURE		2,323,034	11,171	2,334,205	2,257,442
NET INCOME BEFORE INVESTMENT GAINS		10,214	(11,171)	(957)	(442,467)
Net gains on investments	14	155,342	-	155,342	51,690
NET MOVEMENT IN FUNDS		165,556	(11,171)	154,385	(390,777)
RECONCILIATION OF FUNDS:		165,556	(11,171)	154,385	(390,777)
Total funds brought forward		4,576,565	277,736	4,854,301	5,245,078
TOTAL FUNDS CARRIED FORWARD		4,742,121	266,565	5,008,686	4,854,301

The notes on pages 32 to 49 form part of these financial statements

THE INSTITUTE OF BREWING & DISTILLING
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CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2021

Company Registration Number 01217770

		2021	2020
	Note	£	£
FIXED ASSETS			
Tangible assets	13	2,714,504	2,773,846
Investments	14	1,978,404	1,790,750
Intangible assets	15	196,451	390,137
		<u>4,889,359</u>	<u>4,954,733</u>
CURRENT ASSETS			
Debtors	16	649,821	488,554
Cash at bank and in hand		<u>1,580,387</u>	<u>1,017,276</u>
		<u>2,230,208</u>	<u>1,505,830</u>
CREDITORS:			
amounts falling due within one year	17	<u>(2,104,987)</u>	<u>(1,600,368)</u>
NET CURRENT ASSETS		125,221	(94,538)
NET ASSETS		<u>5,014,580</u>	<u>4,860,195</u>
CHARITY FUNDS			
Restricted funds	18	266,565	277,736
Unrestricted funds	18	<u>4,748,015</u>	<u>4,582,459</u>
TOTAL FUNDS		<u>5,014,580</u>	<u>4,860,195</u>

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf, by:

DocuSigned by:

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.....
N S Fitch (Honorary Treasurer)

Date: 22nd August 2022

THE INSTITUTE OF BREWING & DISTILLING
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CHARITY BALANCE SHEET AS AT 31 DECEMBER 2021

Company Registration Number 01217770

		2021		2020	
	Note	£	£	£	£
FIXED ASSETS					
Tangible Assets	13	2,714,504		2,773,846	
Investments	14	1,978,404		1,790,750	
Intangible assets	15	196,451		390,137	
		4,889,359		4,954,733	
CURRENT ASSETS					
Debtors	16	725,053		410,031	
Cash at bank and in hand		1,402,006		893,561	
		2,127,059		1,303,592	
CREDITORS:					
amounts falling due within one year	17	(2,007,732)		(1,404,024)	
NET CURRENT ASSETS			119,327		(100,432)
NET ASSETS			5,008,686		4,854,301
CHARITY FUNDS					
Restricted funds	18	266,565		277,736	
Unrestricted funds	18	4,742,121		4,576,565	
TOTAL FUNDS			5,008,686		4,854,301

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf, by:

DocuSigned by:

EE99B262AE3B47E...
N S Fitch (Honorary Treasurer)

Date: **22nd August 2022**

THE INSTITUTE OF BREWING & DISTILLING
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CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided/ (used in) by operating activities	21	<u>554,796</u>	<u>76,001</u>
Cash flows from investing activities:			
Dividends, interest, and rents from investments	4	40,627	21,947
Purchase of intangible fixed assets	15	-	(436,494)
Proceeds from sale of investments	14	162,779	608,521
Cash transferred to investments	14	3,786	(22,432)
Purchase of and gain on investments	14	<u>(198,877)</u>	<u>(598,424)</u>
Net cash used in investing activities		8,315	(350,881)
Change in cash and cash equivalents in the year		563,111	(350,881)
Cash and cash equivalents brought forward	22	1,017,276	1,368,157
Cash and cash equivalents carried forward	22	<u>1,580,387</u>	<u>1,017,276</u>

The notes on pages 32 to 49 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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 2015 updated October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institute of Brewing & Distilling meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Institute and its subsidiary undertaking.

The results of the subsidiary are consolidated on a line by line basis.

1.2 Group Financial Statements

These financial statements consolidate the results of the Institute and its wholly-owned subsidiary, IBD Trading Limited, on a line by line basis.

IBD Trading Limited (Company registration number 05584522), a company registered in England & Wales, was active throughout the current and previous financial year.

The Beer Academy Limited (Company registration number 06277078), a company registered in England & Wales, was dormant throughout the current financial year as all financial activities had been transferred to IBD in 2016.

The Beer and Cider Academy (Company registration number 10572136) and The Beer Education Trust (Company registration number 07952802) are companies registered in England and Wales and were dormant in the current and previous financial year so have not been consolidated. The Beer Education Trust was dissolved on the 22nd March 2022.

1.3 Company Status

The Institute is a private company limited by guarantee (Company registration number 01217770). The Directors of the Institute are the Trustees named on page 21. In the event of the Institute being wound up, the liability in respect of the guarantee is limited to £1 per member of the Institute.

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1.4 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Institute and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Institute for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Institute is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations are recognised in the year in which they are receivable.

Advertising income is recognised when the publication is printed.

Membership subscriptions are recognised in the calendar year to which they relate.

Publications income comprises subscriptions to and sales of the IBD's magazine and journal and is recognised on a receivable basis.

Education, training, and convention income comprises income from courses, events and sales of training material and is recognised in the year which the course or event takes place. Examination fees are recognised when the examinations take place.

Income received in advance is carried forward to the next accounting period as deferred income and included in creditors.

Grant and investment income is recognised on an accruals basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the Bank.

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1.6 Expenditure recognition

All expenditure is accounted for on an accrual basis & has been classified under categories that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. Support costs, which cannot be directly attributed to particular activities have been apportioned proportionately to the direct income generated from the Charity's activities. This is a change to accounting estimate and not policy. This change has been made to ensure the apportionment is done in a manner that is fair and reasonable and does not therefore require a prior year adjustment nor a restatement of comparatives of Support costs which are analysed in Note 7. Governance costs include the costs of servicing Trustees meetings, audit & strategic planning, and have been allocated back to support costs.

Specific expenditure incurred on events taking place after the year end is carried forward as a prepayment and included in debtors.

1.7 Going Concern

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue operating.

The Trustees have made this assessment for a period to the end of December 2023 being more than one year from the date of the approval of these financial statements. When assessing, the trustees reviewed its overall reserves, cost and revenue implications and any specific additional costs. It concluded that for the period assessed, its cost base will reduce in line with any reduction in revenue. Its dialogue with learning and development managers of key breweries has helped the Trustees to gain more certainty as the majority of the larger Breweries have remained resilient to the pandemic and are committed to continue to invest in training their technical staff through the IBD. For the period assessed and based on the continued level of courses and exams bookings as well its level of reserves, the Trustees concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Charity therefore continues to adopt the going concern basis in preparing these financial statements.

1.8 Basis of Consolidation

The financial statements consolidate the accounts of The Institute of Brewing & Distilling and all its subsidiary undertakings ('subsidiaries').

The Institute has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

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1.9 Tangible Fixed Assets and Depreciation

All assets costing more than £1,000 are capitalised. Tangible fixed assets are stated at cost less depreciation. No depreciation is charged on assets in the year of acquisition; a full year of depreciation is charged in the year of disposal.

Depreciation on all assets is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis.

Long-term leasehold property	-	100 years straight line
Leasehold improvements	-	15 years straight line
Office furniture	-	10 years straight line
Equipment	-	3 years straight line
Land held under long lease	-	not depreciated

1.10 Investments

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year. As investments are revalued to fair value continuously, no realised gains or losses arise.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Intangible Assets

Learning and development activities in relation to courses and exams are assessed and capitalised as internally developed intangible assets against the criteria set out in FRS102.

To assess whether an internally generated intangible asset meets the criteria for recognition, the generation of the asset is classified into either: a research phase, or a development phase.

If the IBD cannot distinguish the research from the development phase, the expenditure will be treated as if it were incurred in the research phase only. Any revenues generated during the development phase will be deducted from the value of the asset prior to any live piloting phase.

The intangible assets are measured at cost. This comprises purchase price of any third party as well as internally generated materials, software, and any directly attributable costs of preparing the asset for its intended use.

All training costs, indirect employee costs and promotional costs will be expensed in the financial year.

The IBD considers the useful life of all internally developed courses as finite. The assets are amortised on a straight-line basis over three financial years. The first full year of amortisation is the year in which the completed asset is piloted in live environment.

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The residual value of an intangible asset with a finite useful life will be zero unless:

There is a commitment by a third party to purchase either the courses or the educational delivery process at the end of its useful life to the IBD, or there is an active market for the asset, residual value can be determined by reference to that market and it is probable that such a market will exist at the end of the asset's useful life.

The amortisation period and carrying value will be reviewed at least at the end of each annual reporting period. If the asset is no longer in use, then any residual value will be fully amortised unless the asset is held for sale.

1.12 Debtors Receivable and Creditors Payable within One Year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.13 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Financial Instruments

The Institute only holds basic Financial Instruments. The financial assets and financial liabilities of the Institute are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 17. Taxation and social security are not included in the financial instruments' disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

When employees have rendered service to the Institute, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.15 Pensions

The Institute offers an approved auto enrolment defined contribution pension scheme which is open to all employees that meet the criteria for auto enrolment. Employer contributions are charged to the Statement of Financial Activities in the period in which they are incurred.

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1.16 Taxation

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

1.17 Sections

The Institute is offered regionally through five Sections in the British Isles which act as Branches of the Institute.

Management receives annual returns from these Sections. The results of the British Isles Sections have been included in these financial statements.

The Institute also services members based overseas through two overseas Sections which are constituted as separate local legal entities and an international Section. The Institute has no financial or operational control over the assets of the 2 overseas Sections and therefore their transactions, assets and liabilities have not been included in these financial statements.

1.18 Critical Accounting Estimates and Areas of Judgement

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The Institute makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

- Basis of valuation of financial investments
- Allocation of support costs
- Basis of recognition of internally generated intangible assets
- Expected useful economic lives of tangible and intangible assets.
- Judgement surrounding the treatment of the National Brewing Library collection and the silver trophies

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2. INCOME FROM CHARITABLE ACTIVITIES – GROUP AND CHARITY

	Unrestricted funds	Total Funds	Total Funds
	2021	2021	2020
	£	£	£
Membership	294,236	294,236	309,833
Education	1,708,302	1,708,302	1,350,936
Publications and Technical	51,249	51,249	28,102
Sections and Events	56,599	56,599	23,547
Total 2021	<u>2,110,386</u>	<u>2,110,386</u>	<u>1,712,418</u>
Total 2020	1,712,418	1,712,418	-

3. INCOME FROM TRADING ACTIVITIES - RAISING FUNDS - GROUP AND CHARITY

	Unrestricted Funds	Total Funds	Total Funds
	2021	2021	2020
	£	£	£
IBD Trading Ltd Advertising Income	81,791	81,791	75,761
IBD Trading Ltd Conference Income	241,020	241,020	-
Rent income	2,552	2,552	12,664
Total 2021	<u>325,363</u>	<u>325,363</u>	<u>88,425</u>
Total 2020	88,425	88,425	-

4. INCOME FROM INVESTMENTS – GROUP AND CHARITY

	Unrestricted Funds	Total Funds	Total Funds
	2021	2021	2020
	£	£	£
Dividend on listed investments	40,627	40,627	18,728
Bank interest receivable	388	388	3,219
Total 2021	<u>41,015</u>	<u>41,015</u>	<u>21,947</u>
Total 2020	21,947	21,947	-

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5. EXPENDITURE ON RAISING FUNDS - GROUP AND CHARITY

	2021	2020
	£	£
Advertising Expenses	14,299	7,816
WDSC Conference	129,217	-
Direct Costs	99,828	43,210
Support Costs	39,654	18,563
	282,999	69,589

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES - CURRENT YEAR

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support Costs 2021 £	Total 2021 £
Membership	211,652	-	206,147	417,799
Education	543,948	-	1,197,068	1,741,016
Publications and Technical	-	-	35,906	35,906
Total 2021	755,600	-	1,439,121	2,194,722
Total 2020	850,352	13,905	1,331,412	2,195,669

Support costs (Note 7) have been allocated based on income generated from each of the activity.

ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES - PRIOR YEAR

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support Costs 2020 £	Total 2020 £
Membership	269,738	-	244,255	513,993
Education	580,614	-	1,065,002	1,645,616
Publications and Technical	-	-	22,155	22,155
Sections and Events	-	13,905	-	13,905
Total	850,352	13,905	1,331,412	2,195,669

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7. SUPPORT COSTS - CURRENT YEAR

	Raising Funds	Charitable Activities	2021	2020
	£	£	£	£
Premises costs	567	20,567	21,134	54,066
General office costs	6,062	219,986	226,048	259,092
Project development	7,229	262,348	269,577	58,219
Staff meeting and training expenses	880	31,930	32,810	1,032
Governance costs	3,321	120,513	123,834	126,065
Other staff costs	757	27,494	28,251	12,745
Support staff costs	19,247	698,532	717,779	862,621
Depreciation	1,591	57,751	59,342	59,342
Total	39,654	1,439,121	1,478,775	1,433,182

Governance costs are analysed in Note 9.

SUPPORT COSTS - PRIOR YEAR

	Raising Funds	Charitable Activities	2020
	£	£	£
Premises costs	743	53,323	54,066
General office costs	3,563	255,529	259,092
Project development	801	57,418	58,219
Staff meeting and training expenses	14	1,018	1,032
Governance costs	589	125,476	126,065
Other staff costs	175	12,570	12,745
Support staff costs	11,862	850,759	862,621
Depreciation	816	58,526	59,342
Total	18,563	1,414,619	1,433,182

8. ANALYSIS OF GRANTS - CURRENT YEAR

	Grants to Institutions	Grants to Individuals	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Grants	-	-	-	13,905

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9. GOVERNANCE COSTS

Governance costs below include support staff costs. 2020 Figures have been restated to include the same.

	2021	2020 (restated)
	£	£
Auditors' remuneration	25,000	18,000
Under Accrual for prior year's Auditors Remuneration	7,250	3,900
Trustee and Meeting Expenses	414	826
Catering and Meeting costs	-	123
Legal and Professional fees	7,533	17,663
Support Staff Costs	83,207	83,207
Other costs	429	2,346
Total	123,833	126,065

10. NET EXPENDITURE

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible and intangible fixed assets:		
- owned by the charitable group	253,028	260,056
Auditors' remuneration	25,000	18,000
Auditors' remuneration - under accrual of prior year	7,250	3,900
Support costs - auditors' remuneration - other services	1,150	1,150

11. AUDITORS' REMUNERATION

The Auditor's remuneration for the year is expected to amount to £25,000 (2020: £18,000). Additional remuneration include an under accrual of £7,250 (2020: £3,900) from the prior year. Payments for other services were £1,150 (2020: £1,150) relating to corporation tax services.

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12. STAFF COSTS

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	821,172	931,239
Social security costs	82,290	100,721
Redundancies	-	19,540
Other pension costs	51,140	58,285
	954,602	1,109,785

The average number of persons employed by the Institute during the year was as follows:

Staff	2021	2020
	No.	No.
The number of higher paid employees was:	17	23

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £110,001 - £120,000	1	1

Last year, the key personnel management consisted of the Chief Executive, Head of Publications, Head of Finance and Business Support and Head of Project Management. The total amounts of employee benefits received by Key Management Personnel is £307,291 (2020: £331,611).

There were no redundancies in 2021.(2020: £19,540).

The Institute contributes to some staff members' pension schemes. The assets of the schemes are held separately from those of the Institute in an independently administered fund. The pension costs charge represents contributions payable by the Institute to the fund and amounted to £51,140 (2020: £52,475). There were contributions outstanding at the year-end of £11,686 (2020: £4,468).

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13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Total £
Group and Charity Cost					
At 1 January 2021	2,785,259	282,245	43,635	136,264	3,247,403
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2021	<u>2,785,259</u>	<u>282,245</u>	<u>43,635</u>	<u>136,264</u>	<u>3,247,403</u>
Depreciation					
At 1 January 2021	168,368	134,920	41,941	128,328	473,557
Charge in the year	27,853	27,332	188	3,969	59,342
At 31 December 2021	<u>196,221</u>	<u>162,252</u>	<u>42,129</u>	<u>132,297</u>	<u>532,899</u>
Net Book Value					
At 31 December 2021	<u>2,589,038</u>	<u>119,993</u>	<u>1,506</u>	<u>3,967</u>	<u>2,714,504</u>
At 1 January 2021	2,616,891	147,324	1,694	7,937	2,773,846

14. FIXED ASSET INVESTMENTS

Group investments at market value comprise:

All the fixed asset investments are held in the UK

	2021 £	2020 £
Quoted Investments	1,955,822	1,764,381
Quoted Liquid Funds	22,582	26,369
Total Investments held with Fund Managers	<u>1,978,404</u>	<u>1,790,750</u>

Reconciliation of investments held with fund managers

	2021 £	2020 £
Market Value		
At 1 January	1,790,750	1,726,725
Additions at cost	198,877	598,424
Disposals at carrying value	(162,779)	(608,521)
Net Unrealised gains	155,342	51,690
Movement in Cash	(3,786)	22,432
Total	<u>1,978,404</u>	<u>1,790,750</u>

The charity has invested a total of £4 in subsidiary undertakings.
This is detailed in note 25.

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15. INTANGIBLE FIXED ASSETS

Group and Charity

	2021	2020
	£	£
Cost		
At 1 January	614,378	177,883
Additions		436,495
At 31 December	614,378	614,378
Amortisation		
At 1 January	224,241	23,528
Charge for the year	193,686	200,713
At 31 December	417,927	224,241
Net book value		
At 31 December	196,451	390,137

Intangible assets primarily relate to costs incurred for the development of the Institutes learning resources.

16. DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	323,795	257,824	286,301	257,824
Amounts owed by group undertakings	-	-	216,495	18,496
Other debtors	42,244	77,688	5,475	80,402
Prepayments and accrued income	283,782	153,041	216,782	53,309
	649,821	488,553	725,053	410,031

17. CREDITORS: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	425,899	101,152	359,574	99,952
Amounts owed to group undertakings	-	-	1,280	183,038
Other taxation and social security	450,981	44,498	443,634	44,498
WDSC Conference	-	343,805	-	-
Other creditors	49,415	88,723	37,608	88,438
Accruals	98,354	84,992	85,298	50,900
Deferred income	1,080,338	937,198	1,080,338	937,198
	2,104,987	1,600,368	2,007,732	1,404,024

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Deferred Income				
Deferred income at 1 January 2021	937,198	853,760	937,198	643,973
Resources deferred during the year	683,422	937,198	683,422	937,198
Amounts released from previous years	(540,282)	(853,760)	(540,282)	(643,973)
Deferred income at 31 December 2021	1,080,338	937,198	1,080,338	937,198

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18. STATEMENT OF FUNDS

GROUP STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2021	Income	Expenditure	Transfers in/(out)	Gains	Balance at 31 December 2021
	£	£	£	£	£	£
Designated funds						
Fixed Assets	2,773,846		(59,342)			2,714,503
British Funds Sections	369,737	56,599	(99,828)	(295,133)		31,375
Scholarships Bursaries and Grants	-			60,000		60,000
Asia Pacific Engagement	-			25,000		25,000
Learning Materials and Courses	-			225,000		225,000
Online Exam Development	-			150,000		150,000
Curlew Street Asset Review	-			20,000		20,000
Community Engagement	-			100,000		100,000
Young Scientist Symposium	13,533			(13,533)		-
	3,157,116	56,599	(159,170)	271,334	-	3,325,878
General funds						
General Fund	1,425,342	2,478,244	(2,210,115)	(271,334)	-	1,422,137
Total Unrestricted Funds	4,582,458	2,534,843	(2,369,285)	-	-	4,748,015
Restricted Funds						
John S Ford Memorial	26,771					26,771
J.J. Morison Fund	225,149		(11,171)			213,978
IoB London Section Trust Fund	20,256					20,256
IBD Hop Industry	5,560					5,560
	277,736	-	(11,171)	-	-	266,565
Total of Funds	4,860,194	2,534,843	(2,380,456)	-	-	5,014,580

18. STATEMENT OF FUNDS

GROUP STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2020	Income	Expenditure	Transfers in/(out)	Gains	Balance at 31 December 2020
	£	£	£	£	£	£
Designated funds						
Fixed Assets	2,833,188		(59,342)			2,773,846
Sections	69,120	30,984	(25,500)			74,604
Scottish Section	279,717	32,363	(27,942)		10,996	295,134
Library Fund	20,276			(20,276)		-
Young Scientist Symposium	13,533					13,533
Curlew Fund	22,125			(22,125)		-
	3,237,959	63,347	(112,784)	(42,401)	10,996	3,157,117
General funds						
General Fund	1,724,573	1,754,316	(2,127,851)	42,401	31,903	1,425,342
Total Unrestricted Funds	4,962,532	1,817,663	(2,240,635)	-	42,899	4,582,459
Restricted Funds						
John S Ford Memorial	26,771					26,771
J.J. Morison Fund	230,188	5,128	(18,958)		8,791	225,149
IoB London Section Trust Fund	25,920		(5,664)			20,256
IBD Hop Industry	5,560					5,560
	288,439	5,128	(24,622)	-	8,791	277,736
Total of Funds	5,250,971	1,822,791	(2,265,257)	-	51,690	4,860,195

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18. STATEMENT OF FUNDS (Continued)

Designated Funds

Fixed Assets Fund

This fund represents the net book value of the IBD's unrestricted tangible assets as at the end of the year.

British Isles Sections

This fund represents the carrying amount of funds held on behalf of the UK and Irish sections that are regional branches of the charity.

Scottish Section

This fund represented the carrying amount of funds held by the Scottish Section. This is now amalgamated with the British Isles Sections. Any excess funds brought forward have been transferred to General Funds.

The designated funds listed below are expected to be utilised over the next two financial years during which time the Trustees will review the application of the funds for the stated purpose and amend as appropriate.

Scholarships Bursaries and Grants

This fund has been designated to support the Awards Committee to award scholarships and bursaries. Furthermore the fund will be used for educational grants.

Asia Pacific Engagement

A memorandum of understanding has been agreed with the Asia Pacific Section to expand the IBD's reach. The IBD has agreed to provide some back office support as well as contribute to the local administration costs for the Section.

Learning Materials and Courses

This designation has been established to fund the continuous need to develop learning materials and courses.

Online Exams Development

This fund has been designated to support the development of online invigilation and marking platform for all IBD's exams.

Curlew Street

This fund has been designated to carry out building surveys and consultation for the use of the Curlew Street building.

Community Engagement

This fund has been designated to develop community engagement across the global membership.

Young Scientist Symposium Fund

The Young Scientists Symposium (YSS) research fund remained unutilized due to the pandemic and the fund is not required in the near future and therefore, is now transferred to general reserves.

Restricted Funds

John S Ford Memorial

The John S Ford Memorial Trust Fund provides a cash award to the candidate who has achieved the highest distinction at the Diploma Membership Examination of the year.

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J J Morison Fund

The JJ Morison Fund was donated to support annual awards to assist in further education in the science & technology of brewing and distilling.

IoB London Section Trust Fund

The IoB London Section Trust Fund was established from residual funds of the IoB London Section, obtained from their Oxford and Cambridge meetings, when the Institute of Brewing merged with the International Brewers Guild.

IBD Hop Industry Fund

The IBD Hop Industry Fund supports development of new hop varieties within the UK & also the annual IBD Hop Awards which celebrate agronomic excellence.

19. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS – CURRENT YEAR

	Unrestricted Funds	Restricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Tangible and Intangible assets	2,910,955		2,910,955
Fixed asset investments	1,978,404		1,978,404
Current assets	1,963,643	266,565	2,230,208
Creditors due within one year	(2,104,987)		(2,104,987)
	4,748,015	266,565	5,014,580

ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted Funds	Restricted Funds	Total Funds
	2020	2020	2020
	£	£	£
Tangible and Intangible assets	3,163,983		3,163,983
Fixed asset investments	1,565,601	225,149	1,790,750
Current assets	1,505,830		1,505,830
Creditors due within one year	(1,600,368)		(1,600,368)
Creditors due after one year	-	-	-
	4,635,046	225,149	4,860,195

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**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH
FLOW FROM OPERATING ACTIVITIES - Group**

	2021	2020
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	154,385	(390,777)
Adjustment for:		
Depreciation and amortisation charges	253,028	260,055
(gain) on investments	(155,342)	(51,690)
Investment income	(40,627)	(21,947)
Increase/ (decrease) in debtors	(161,267)	13,286
Increase/ (decrease) in creditors	504,619	267,074
Net cash (used in)/provided by operating activities	554,796	76,001

21. ANALYSIS OF CASH AND CASH EQUIVALENTS - Group

	2021	2020
	£	£
Cash in hand	1,580,387	1,017,276

22. PENSION COMMITMENTS

The Charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £51,140 (2020 £52,475). Contributions totalling £11,686 (2020: £4,468) were payable to the fund at the balance sheet date and are included within creditors.

23. RELATED PARTY TRANSACTIONS

None of the trustees have been paid any remuneration or received any other employee benefits from the IBD or related entity.

During the year, 1 Trustee was reimbursed £420 for travel & accommodation expenses (2020, 3 Trustees were reimbursed £766).

Exam Fees of £415 were paid to Douglas Murray (2020: Nil).

Author fees of £2,550 were paid to Dr Caroline J Walker Ltd, where Caroline Walker is a Director. (2020: £1,650).

In 2020, IBD made a donation to the Incorporated Brewers' Benevolent Society, where N S Fitch is chairman of £1,087 and fees in relation to training of £1,650 were received. There were no transactions in 2021.

THE INSTITUTE OF BREWING & DISTILLING

(A company limited by guarantee)

24. PRINCIPLE SUBSIDIARIES

The Beer Academy Limited

The Institute owns 100% of the issued share capital of The Beer Academy Limited, a company limited by shares and registered in England & Wales (company number 06277078), which was incorporated on 12 June 2007 & started to trade on 31 July 2007. It has 2 issued ordinary shares at a par value of £1 each. It ceased to trade on 31 December 2016. The registered office of The Beer Academy Limited is 44A Curlew Street, London SE1 2ND. The Beer Academy have taken an exemption from audit by virtue of s374A of the Companies Act.

The Beer and Cider Academy

The Institute owns 100% of the issued share capital of The Beer and Cider Academy, a company limited by shares and registered in England and Wales (company number 10572136), which was incorporated on 19 January 2018. It has 1 issued ordinary shares at a par value of £1 each. The company was dormant throughout the current financial year. The registered office of The Beer and Cider Academy is 44A Curlew Street, London SE1 2ND. The Beer and Cider Academy have taken an exemption from audit by virtue of s374A of the Companies Act.

IBD Trading Limited

The Institute owns 100% of the issued share capital of IBD Trading Limited, a company limited by shares and registered in England & Wales (company number 05584522), which was incorporated on 6 October 2005. It has 1 issued ordinary share at a par value of £1. The registered office of The IBD Trading Limited is 44A Curlew Street, London SE1 2ND.

The transfer under gift aid of the trading profits of IBD Trading Limited to the parent charity was £179,295 (2020: £67,946).

The principal activities of IBD Trading Limited is the organisation and delivery of the Worldwide Distilled Spirits Convention and other commercial activities. The results of IBD Trading Limited are presented below.

IBD Trading Limited

Subsidiary name	IBD Trading Limited
Company registration number	5584522
Basis of control	The Institute of Brewing & Distilling
Equity shareholding %	100%

Total Assets as at 31 December 2021	£316,077
Total Liabilities as at 31 December 2021	£314,746
Total equity as at 31 December 2021	£1,331
Turnover for the year ended 31 December 2021	£179,295
Expenditure for the year ended 31 December 2021	£179,295
Profit for the year ended 31 December 2021	NIL

The Beer Education Trust

The Beer Education Trust was dissolved on the 22nd March 2022.