

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

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST DECEMBER 2012**

Company Registered Number 2783340

Charity Number 1023376

THURSDAY



\*A2710RPE\*

A07

25/04/2013

#265

COMPANIES HOUSE

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

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2012**

---

<b>CONTENTS</b>	<b>Page</b>
Chairman's Statement	1
Corporate Members	3
List of Donors	4
Trustees' Report	5 - 13
Auditors' Report	14
Consolidated Statement of Financial Activities	15
Consolidated Balance Sheet	16
Charity Balance Sheet	17
Notes to Financial Statements	18 - 25

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

**CHAIRMAN'S STATEMENT**

**YEAR ENDED 31ST DECEMBER 2012**

---

2012 was a year of considerable change and development for The Benevolent. Under Simon Thomas's chairmanship, the Board adopted a new five-year strategy and business plan drafted by the Chief Executive. The fundamental aim of the strategy is to double the number of beneficiaries helped by 2017 and to return the charity to its core, grant-giving remit, supporting double the amount of vulnerable families from the drinks industry in their own homes.

The Board of Trustees was refreshed at the July AGM. Former Chairman, Bill Breen and our long-serving Honorary Treasurer, Robin Hasslacher, retired from the Board. We welcome James Rackham, the Chairman of our new Corporate Partner, Emporia Brands, Pam Rowan from Pernod Ricard, who lends her HR expertise to the Board, and Edward Dove, whose background in asset management in the City will help us to manage our investments effectively. Edward has also agreed to take on the role of Chairman of our newly established Investment Committee.

Over the year, there was considerable development work and investment in infrastructure to modernise the charity's operations and communications.

Operationally, the charity continues with its core welfare programme issuing grants to vulnerable families from the drinks trade. In 2012, the welfare guidelines and application process were reviewed and updated. The board of trustees also undertook a major, strategic review of its balance sheet and, with the help of external advisors, is developing a long-term strategy to maximise its charitable impact. Two new major programmes of support have also been developed and launched.

- Benevolent Bursaries - a programme which assists the professional development, and therefore life chances, of new members of the industry
- Benevolent in the Workplace - a programme aimed at helping economically active members of the trade get back on their feet after a personal or professional crisis

Marketing and communications capability has improved dramatically. A refresh of the corporate identity was completed to modernise the charity's appeal and key messaging. A new website has been developed, which allows beneficiaries to discover more about our services and for donors to make one-off and regular monthly donations as members. Visitors to the site are also able to book tickets for all events. The charity has embraced social media with regular postings on Facebook, LinkedIn and Twitter (@drinkscharityuk) and a popular bi-monthly e-newsletter is distributed to all contacts. In addition to expanding our digital capability, we have updated our printed marketing collateral.

The Benevolent's aged IT system has been updated. To improve business resilience, flexibility, productivity and data security, the physical server was replaced with a virtual cloud-based solution. This decision has the added advantage of allowing all staff to use the same IT systems irrespective of location. Additionally, a new centralised database (harlequin) was installed to manage all beneficiary and member records. The sage accounting software was also updated.

The charity has invested in improved, professional HR support and has appointed a retained HR advisor, Peninsula Business Services Limited. A new, compliant staff handbook and contracts of employment are being issued to all staff and Peninsula provides support with around the clock access to HR advice both online and on the phone. The five-year arrangement includes an indemnity bond against all HR-related, legal and employment tribunal costs.

Despite an average 20% real terms decline in donations across the charity sector<sup>1</sup>, The Benevolent bucked this trend and donations and gifts increased 21% on 2011. In part, this was due to a substantial legacy left to The Benevolent by Miss Muriel E. Whitney. The trustees record their gratitude to Miss Whitney.

The Benevolent's membership schemes were re-developed and relaunched. The scheme aimed at individuals is now a monthly direct debit-based scheme as opposed to a one-off standing order. Company membership has been rebranded as a Corporate Partnership and is based on the principles of Corporate Social Responsibility (CSR). Both schemes are being gradually rolled out to existing and prospective members in 2013.

The fundraising programme for 2013 has expanded greatly. In addition to the long-standing, annual events a number of innovations have been introduced. The January Lunch has become a fundraising event, rather than purely a networking

---

<sup>1</sup> <http://www.ncvo-vol.org.uk/policy-research/giving-philanthropy/what-research-tells-us>

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

**CHAIRMAN'S STATEMENT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

event, following new arrangements with the Worshipful Company of Vintners. The Vintners have also undertaken to raise £50,000 for The Benevolent with a Charity Walk in Burgundy in June 2013. Corporate Partner's Mentzendorff are seeking to raise over £20,000 with a sponsored cycle ride along the Douro in June 2013. An innovative, charitable partnership of three, exclusive events with the Old Vic theatre in Waterloo offers a different way for supporters to engage with The Benevolent's charitable work and learn more about the Old Vic's work.

In 2012 the Buddies Committee organised a very popular Boat Party in May during the London International Wine Fair, as well as another popular Pub Quiz in March. The Board conveys its thanks to Chris Stroud of New Zealand Wines for his chairmanship and wished Kirsty Loftus of Cordomiu the best in 2013.

I convey my thanks to my predecessor, Simon Thomas, who raised £17,000 by cycling from the Glenlivet Distillery in Speyside to the Beefeater Distillery in London in less than a week with colleagues from Pernod Ricard. In 2013 my personal fundraising challenge, as a director of a leading supplier of freight services to the drinks industry, is to match pound-for-pound each £1 donated by our customers in a £1 per order initiative. Our customers are invited to donate £1 to The Benevolent for every order they place with us. My company, JF Hillebrand, will match this donation thereby doubling the total donation to The Benevolent. As well as delivering much needed funding it is hoped that this initiative will engage with those parts of our trade who are not currently involved with us. All funds raised will directly benefit the most vulnerable members of our trade and their families. I am delighted with the response from our clients so far, and would like to thank them and my colleagues at JF Hillebrand UK for their support.

Finally, our Chief Executive has been head-hunted for a new role and will leave The Benevolent in May 2013. I have reluctantly accepted Paul's resignation and, on behalf of the Board, thank him for his work over the last 18 months and we wish him well in his new role.

**Chris Porter**  
**Chairman 2013 & 2014**

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

**CORPORATE MEMBERSHIP OF THE BENEVOLENT**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

---

The companies listed below have generously agreed to subscribe to The Benevolent's funds on an annual basis. And at the end of December 2012, they have been awarded Corporate Membership in the categories shown

**PLATINUM MEMBERSHIP**

Diageo Great Britain  
Halewood International  
Pernod Ricard UK  
Worshipful Company of Vintners

**GOLD MEMBERSHIP**

Berry Bros & Rudd  
Constellation Wines Europe  
Wine Trade Foundation

**SILVER MEMBERSHIP**

E & J Gallo  
JF Hillebrand  
William Grant & Sons  
Worshipful Company of Innholders

**BRONZE MEMBERSHIP**

Bacardi Martini  
Treasury Wine Estates  
First Drinks Brands  
Freixenet (DWS)  
Maxxium UK  
Moët Hennessy UK  
PLB Group  
Wine & Spirit Education Trust  
William Reed Business Media  
Worshipful Company of Distillers

**ASSOCIATE MEMBERSHIP**

A E Chapman  
Bablake Wines  
Bestway Charitable Trust  
Buckingham Vintners  
Carlsberg UK  
Circle of Wine Writers  
Codorniu UK  
Concha y Toro  
Corney & Barrow  
Davy & Co  
Direct Wines  
Emporia Brands Limited  
Fuller, Smith & Turner  
Goedhuis & Co  
Gonzalez Byass  
Greene King  
Hatch Mansfield  
Inver House Distillers  
John Ansell & Partners Ltd  
John E Fells & Sons  
Joseph Holt  
Justerini & Brooks  
J Townend Ltd  
Laurent Perrier (UK)  
Lee Bolton Monier-Williams  
Louis Latour  
Maisons Marques et Domaines  
Mentzendorff & Co  
Morrison Bowmore Distillers  
Pol Roger  
Porter & Laker  
Richard Walford  
Shepherd Neame  
The Wine Society  
Thorman Hunt  
Whyte & MacKay (JBB)  
Wine and Spirit Trade Association

**REGIONAL ASSOCIATIONS**

Eastern Counties W & S Association  
Midlands W & S Association  
North West W & S Association  
West of England W & S Association  
York & N E W & S Association

The Benevolent would also like to acknowledge the support of a number of other trade companies and Regional Wine and Spirit Associations and thank them for their on-going help and assistance

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

**LIST OF DONORS**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

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

<b>Platinum Membership</b>	<b>Bronze Membership</b>	<b>Associate Membership</b>
D Capel	G Amdor	N Anderson
C Hayman	J Barratt	D Aleviella
W Langan	C Baxter	M Campbell
A Mair	S Berry	C Cramer
G Mawer	J Brind	R Don
F Miniprio	A Chapman	E Dove
M Seabrook	W Child	N Dymoke-Marr
Mrs C Whitehead	J Dickson	M Fenner
T Yusef	Mr Eadie	D Green
	G Fortune	A Howard
<b>Gold Membership</b>	P Goodband	D Hunter
M Broadbent	I Harris	N Last
D Butler-Adams	J Howard-Sneyd	C Pau
E Demery	C Hughes	A Rowsome
F Gordon Clark	C Hunt	J Simpson
S Ladenburg	R Laird	C Skyrne
G Lawrence	Lord Marchwood	K Thatcher
D Munro	D McFarlane	
J Smith	W Oddy	
A Steele	W Page	
	C Porter	
<b>Silver Membership</b>	A Reed	
Sir George Bull	R Rishworth	
C Carson	J Rowett	
G Collins	C Searle	
James Davy	D Skinner	
John Davy	W Smith	
A Dee	M Stevenson	
C Fielden	I Straker	
H Gibb	R Thomas	
J Halewood	P Wintle	
M Jackaman		
N Leonard		
C Mason		
R Pritchett		
K Wright		

For 2013, a new Membership scheme has been launched. Members elect to become to join in the following categories:

- Magnum – A donation of £3.00 per month, equivalent to 10 pence per day
- Jeroboam – A donation of £4.50 per month, equivalent to 15 pence per day
- Methuselah – A donation of £15.00 per month, equivalent to 50 pence per day
- Salmanazar – A donation of £22.50 per month, equivalent to 75 pence per day
- Balthazar – A donation of £30.00 per month, equivalent to £1.00 per day

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

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

**TRUSTEES' REPORT**

**YEAR ENDED 31ST DECEMBER 2012**

---

The Trustees present their annual report together with the audited financial statements for the year ended 31st December 2012. These have been prepared under the provisions of the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charity" issued in March 2005. The financial statements comply with all statutory requirements and the requirements of the charity's governing document.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**CONSTITUTION**

The Wine and Spirits Trades' Benevolent Society is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The Trustees of the charitable company are also the directors for the purposes of company law.

**MEMBERS OF BOARD OF TRUSTEES AND PRINCIPAL OFFICERS**

The following members served on the new Board during the year and at the time the accounts were signed:

W A J Breen	Resigned 26 July 2012
C Carson	
A F Dee	
E C Dove	Appointed 26 July 2012
P Duggan	
A R R Hasslacher	Resigned 26 July 2012
A C Mair	
C W Mason	
C C Porter	
J A Rackham	Appointed 26 July 2012
A L Reed	
R V L Rishworth	
P S Rowan	Appointed 26 July 2012
J E D Smith	
S Thomas	

Members of Board are elected by the Board. At each Annual General Meeting the nearest number to one third retire and are eligible for re-election. The Members of Board to retire each year are those who have been longest in office since their last election.

**Chairman of Board**

S Thomas	Chairman 2012
C C Porter	Chairman 2013-2014

**Vice-Chairman of Board**

A C Mair

**Honorary Treasurer**

A R R Hasslacher	Resigned 26 July 2012
P Duggan	Appointed 26 July 2012

**Chairman of Investment Committee (initially Investment Working Group 2012)**

E C Dove

**Chief Executive and Company Secretary**

P Newman

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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**REFERENCE AND ADMINISTRATIVE DETAILS (Continued)**

<b>REGISTERED OFFICE:</b>	39 - 45 Bermondsey Street London SE1 3XF
<b>AUDITORS:</b>	haysmacintyre Chartered Accountants Fairfax House 15 Fulwood Place London WC1V 6AY
<b>SOLICITORS:</b>	Lee Bolton Monier-Williams 1 The Sanctuary Westminster London SW1P 3JT
<b>BANKERS:</b>	National Westminster Bank Plc St Paul's Branch Juxon House, 98 St Paul's Churchyard London EC4M 8BU
<b>INVESTMENT ADVISORS:</b>	Credit Suisse (UK) Limited Five Cabot Square London E14 4QR  Cazenove Investment Fund Management Limited 12 Moorgate London EC2R 6DA
<b>PROPERTY ADVISORS:</b>	Jones Lang LaSalle 30 Warwick Street London W1B 5NH
<b>COMPANY REGISTERED NUMBER:</b>	2783340
<b>CHARITY NUMBER:</b>	1023376

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The principal structure and reporting lines for the charity are shown below

Trustees are or have been senior executives employed in the Drinks Industry or have been appointed for their expertise Any new appointees are fully briefed on the aims and objectives of The Benevolent and receive information and training if required as to their responsibilities as a Trustee The Board determines the general policy of The Benevolent The day to day management of the charity is delegated to the Chief Executive The Board currently comprises 13 members including the Chairman and meets regularly throughout the year

The subsidiary undertaking, The Wine and Spirit Trades' Benevolent Trading Company Limited, is wholly owned, registered in England and is responsible for all fundraising events The subsidiary's entire profits, as computed for corporation tax purposes, are covenanted to the parent company



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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Internal Control**

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- An annual budget approved by the Trustees
- Quarterly review and circulation of Management Accounts to all Trustees
- Regular consideration by the Board of financial results, variance from budgets, non financial performance indicators and reviews
- Delegation of authority and segregation of duties
- Identification and Management of risks

**ORIGIN, OBJECTIVES AND PRINCIPLE AIMS OF CHARITY**

The objectives of the Charity, which was formed in 1886, as defined in the Memorandum of Association, are to assist members of the Wine & Spirit Trades and all ancillary trades, organisations and institutions in the United Kingdom, who are in need in particular:

- By granting regular benefit payments
- By making grants or gifts or giving other assistance for the temporary relief of hardship
- By building, acquiring or providing homes and by managing and running such homes

These remain the basic aims of The Benevolent and assistance is given to those who have derived their income principally from the alcoholic drinks business.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

**OBJECTIVES & ACTIVITIES**

The Benevolent, acting upon its benevolent origins, continues to meet its objectives by way of support in the form of housing, regular charitable donations and one-off grants.

The objectives of The Benevolent are as follows:

**Financial**

The Charity aims to have a balanced budget at the same time as increasing its welfare grants and housing in line with budget. All areas of cost will be examined and kept within budget, providing the standards of care and support are not jeopardised. Quarterly Management Reports will be subject to close consideration by the Chief Executive and the Trustees.

**Housing**

It is the intention to maintain full occupancy in the bungalows at the Vintry estate at Eastbourne and at Woodend, Chorley. A waiting list will be maintained and in the event of a bungalow becoming available, new residents will be selected as soon as possible. Occupancy in the Care Home will be maintained at the highest level possible with the exception of the Respite Room, which will not be occupied on a permanent basis but will be kept for temporary respite needs. It is the intention that the needs of the bungalow residents will be given highest priority with regard to the respite room. In line with Charity Commission guidance and good governance, the Trustees will continue to review the charitable impact of its housing activities.

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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**OBJECTIVES & ACTIVITIES (continued)**

**Welfare**

The objective of The Benevolent is to increase the number of beneficiaries by actively seeking to find those in need who are eligible for support. The level of the regular monthly grant will be maintained at its current level of £65 per month. The planned budget for welfare grants should be considered as the minimum amount to be given by The Benevolent and the budget will not be considered a restraint on welfare, providing The Benevolent is able to afford to increase the level of welfare from its reserves, if not from current income.

In pursuing its objectives the charity's activities fall into three main areas

- 1 Direct Charitable activities these consist of the following
  - a) The provision of sheltered housing and a care home
  - b) Regular charitable donations to beneficiaries living in their own homes
  - c) One-off grants for the purchase of goods or the provision of support
  - d) An additional Christmas gift
  - e) Provision of Television licences
  - f) Visits from Welfare Officers
- 2 Fundraising
- 3 Governance Activities

Progress in these areas for 2012 is reported below with relevant financial information in the Financial Statement pages

**DIRECT CHARITABLE ACTIVITIES**

**The provision of sheltered housing and a care home**

The Benevolent runs and manages for the benefit of people who have worked within the drinks trade

- 11 Sheltered accommodation bungalows on a site shared with Anchor Trust at Woodend, Chorley, Lancs
- 27 Sheltered accommodation bungalows at The Vintry Estate, Farlaine Road, Eastbourne
- A Care Home for 17 beds on the Vintry Estate at Eastbourne

On each site the sheltered accommodation is occupied by elderly people who have worked in our industry for a considerable length of time. The bungalows at Eastbourne and Wood End have been occupied throughout the year except for change over periods. The care home has struggled to maintain high occupancy levels and it is assumed this is due to the competitive nature of the Eastbourne market and a lack of support for residential care facilities by local authorities.

**Regular charitable donations to beneficiaries living in their own homes**

The total number of grants given during the year peaked at 380 assuming a regular grant paid on a monthly basis as one grant. During 2012, 24 beneficiaries passed away and a total of 22 applications for regular monthly grants were agreed. Four grants were transferred to the spouse of a beneficiary who had died. The standard level of donation is £65 per month but can vary depending on circumstances.

All new beneficiaries are visited by the local Welfare Officers before a grant is made. This visit ensures eligibility for the charity as well as checking income and expenditure and the need for financial assistance. In addition, visits are made on a regular basis to ensure continued help is required and to provide friendship and help where needed.

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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**DIRECT CHARITABLE ACTIVITIES (continued)**

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

During the year 99 one-off grants were given bringing the total to £27,599. Owing to the financial climate the request for help were often for payment of utility bills and emergency financial help as well as the usual requests for mobility aids, household appliances, televisions (particularly in areas where the signal has changed to digital), furniture, assistance with installation of wet rooms, repairs and decorating. There was a noticeable increase in requests for help with funeral costs.

Enquiries for the above have come via our website, or our own Welfare Officers and others have come through SSAFA, Royal British Legion, Citizens Advice Bureaux, and many other local agencies and charities. In the majority of cases where larger amounts of help have been required this charity has worked with other charities, in particular, the Wine Trade Foundation, to provide what is required. The Benevolent is able to respond quickly and to take account of the specific type of help, which is considered most appropriate using The Benevolent's Welfare Guidelines.

**Additional Christmas gift**

In 2012 a total of 188 people benefitted from an additional charitable Christmas donation of £60 each.

**Provision of Television licences**

Television Licences were purchased on behalf of 59 beneficiaries.

**Visits from Welfare Officers**

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

**FUNDRAISING**

Fundraising refers to all revenue generating activities. No income is received from Government or State funds. Almost all fundraising and voluntary income is generated through the drinks industry.

We continue to receive very important funds through Corporate and Individual Membership. Details of those supporters are shown on pages 3 and 4. Like many charities dependent upon donations from the corporate sector, the Benevolent has struggled to maintain previous income levels due to the economic climate and budgetary cut backs.

The Benevolent Buddies Committee successfully raised £8,977 in 2012 (£3,682 in 2011). A new Chairman, Kirsty Loftus of Cordorniu, has been appointed for 2013 and events and fundraising planning is underway.

**Key Fundraising Events**

The three main events, organised by the Charity are the Benevolent Ball, the Benevolent Dinner and the Golf Day raised a total of £50,023.

Donations were received from the organisers of the Northern Vintry Ball which raised £23,511. The Annual General Meetings of the Yorkshire & North East, West of England, Midlands and North West of England Wine & Spirit Associations have through various fundraising activities raised £1,630, £1,500, £4,815 and £931 respectively. We are also grateful to all the other organisations which have raised vital funds for us.

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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**GOVERNANCE ACTIVITIES**

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

**ACHIEVEMENTS AND PERFORMANCE**

Overall, income increased £15,237 (1.4%) compared to 2011. Donations and gifts increased £50,504 (20.9%) and this was predominantly due to a legacy received from the estate of Miss Muriel E. Whitney. Income from fundraising events declined £21,034 (-8.8%), reflecting the increasingly competitive events market place for the drinks industry. The investment portfolio performed well with a total return over 11%, compared to a sector benchmark of 8%. The performance of the care home continued to disappoint and the net operating deficit increased to £81,111 (-£24,200 in 2011). This was predominantly due to low occupancy at the home.

**FINANCIAL REVIEW**

A deficit of £192,437 (2011 Deficit - £216,428) on unrestricted funds was reported at year end, which was principally due to reduced income from care home fees and fundraising events. The drinks industry continues to consolidate and feedback indicates that corporate budgets for hospitality and events are increasingly tight. In 2012, overall costs increased only marginally £7,556 (0.6%). Unrealised gains on investments led to an overall increase in net assets compared to 2011.

**Designated Funds**

These funds are amounts that have been put aside at the discretion of Trustees. At the year end they comprise of a fixed asset fund which represents the extent to which funds are invested in fixed assets for use by the Charity, and therefore not available for other purposes (note 11). New designations represent transfers from restricted funds for new assets financed by restricted grants/donations and transfers from general funds for new assets financed by the general funds of the charity less the amount of depreciation charged during the year.

**Reserves Policy**

The Charity's principal activities are the provision of welfare support and accommodation for people connected with the wine, spirit and ancillary trades and the provision of weekly charitable grants to those in need. The income generated from investments is a vital continuing source of income, and also provides some longer term security in the most extreme case that fundraising may cease or be dramatically reduced. The investment portfolio is treated as part of the general fund, and in an extreme situation of no fundraising being possible, these reserves would enable the charity to continue to look after its beneficiaries for the next two years as a minimum.

At 31st December 2012 unrestricted funds amounted to £4,031,545 of which £1,477,646 is represented by the designated Fixed Asset Fund and £2,345,122 by the investment portfolio. The Charity's free reserves are therefore £208,777. This represents approximately 2 months expenditure which in the current climate the Trustees consider to be acceptable.

**INVESTMENT POWERS, POLICY AND PERFORMANCE**

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

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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**INVESTMENT POWERS, POLICY AND PERFORMANCE (continued)**

The Benevolent uses Credit Suisse (UK) Ltd and Cazenove Investment Fund Management as investment advisers and has agreed, in writing, an investment policy with each of these advisers, which states the scope, limits and restrictions and investment objectives. This policy is reviewed on a regular basis. Assets may be invested in stocks, shares, units in collective investment schemes, Government securities, debentures, loan stocks, bonds but not options, futures or contracts for differences. No investment is permitted on an exchange, which has not been recognised or designated by the Securities and Investment Boards, without the written instructions of The Benevolent.

In agreeing the Investment Objectives The Benevolent has set a target to be achieved, as well as the balance between capital growth and income. The mix between UK and international equity exposure has also been agreed. Valuations of the investment portfolio will be carefully monitored and will be sent to The Benevolent every 3 months. The performance of the investments is measured against the relevant benchmarks and has been broadly in line with these.

**GRANT POLICY**

The Welfare Grant guidelines have been reviewed to ensure clear criteria and clarity of purpose. New guidelines and application form were developed and issued in 2012.

In all cases, the eligibility of prospective beneficiaries is established in line with the Articles of Association. In the majority of cases, beneficiaries are of pensionable age and are in retirement.

Potential beneficiaries are visited before a regular charitable donation is offered to assess their needs and eligibility. In addition beneficiaries are normally contacted twice a year by the Welfare Officers to ensure their circumstances remain unchanged.

**FUTURE PLANS**

**Strategy and Business Plan**

The board adopted a new five-year strategy and business plan at the beginning of 2012. The core aim of the plan was to return the charity to its origins as a grant-giving charity supporting vulnerable families from the drinks industry in their own homes.

**Housing**

In accordance with Charity Commission advice and following competitive tender, Jones Lang LaSalle was appointed as official property advisor to The Benevolent. The professional surveying company has helped the Board to review its long-term strategy. In line with good governance and charitable objectives, the Trustees will continue to review all of its operations to ensure that charitable impact is being maximised for the benefit of vulnerable members of the drinks industry.

**Regular Charitable Donations and One-Off Grants**

It is the intention of The Benevolent to maintain at least the number of donations given in 2012. A budget has been set at the same level as last year's budgeted figure but this should be considered a minimum figure to be donated. Efforts will be made to find more of those in need through company pension magazines and other methods.

The Benevolent has already received two unbudgeted legacies totalling c £125,000 in the first quarter of 2013.

- Estate of Miss Hilda Drucker – Estimated £120,000
- Estate of Mr John Wright – Actual £5,000

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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**FUTURE PLANS (continued)**

**Fundraising**

In 2013, we anticipate fundraising to be equally challenging as in the previous few years

The fundraising programme for 2013 has expanded greatly. In addition to the long-standing, annual events (Ball, Dinner, Golf Day, etc ) a number of innovations have been introduced

- The January Lunch has become a fundraising event, rather than purely a networking event, following new arrangements with the Worshipful Company of Vintners
- The Vintners have also undertaken to raise £50,000 for The Benevolent with a Charity Walk in Burgundy in June 2013
- Corporate Partner's *Mentzendorff* are seeking to raise over £20,000 with a sponsored cycle ride along the Douro in June 2013
- An innovative, charitable partnership of three, exclusive events with the Old Vic theatre in Waterloo offers a different way for supporters to engage with The Benevolent's charitable work and learn more about the Old Vic's work

In the UK, most charities have seen a considerable reduction in monies raised through fundraising. Despite this national trend, last year The Benevolent bucked this trend with a 21% increase in Gifts and Donations. Although our reserves are strong, the Board is keen to address the anticipated deficit and the new strategy and business plan has been designed with the aim of returning the budget to balance over this period.

It is vital that we increase attendance level at all our main events, including Buddies, with innovative and exciting ideas/venues to generate new interest. Sustaining and increasing corporate partnerships and individual memberships continue to be a priority as these are the lifeblood for The Benevolent.

**RISK**

The Board have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate any impact they may have on the charity in the future.

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

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31ST DECEMBER 2012**

---

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and its subsidiary ("the group"), and of the result of the group for that year.

In preparing these financial statements, the Trustees are required to

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and subsidiary's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and subsidiary and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

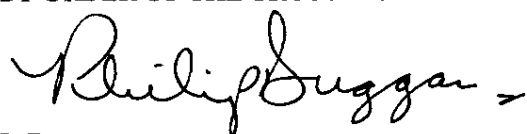
So far as each of the Trustees are aware at the time the report is approved

- there is no relevant audit information of which the group's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

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

**BY ORDER OF THE TRUSTEES**



P Duggan

Dated 23 April 2013

Registered office  
39 - 45 Bermondsey Street  
London  
SE1 3XF

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

We have audited the financial statements of The Wine and Spirit Trades' Benevolent Society for the year ended 31 December 2012 which comprise the Consolidated Statement of Financial Activities including the Income and Expenditure Account, the Group and Charity Balance Sheets and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

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

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 December 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

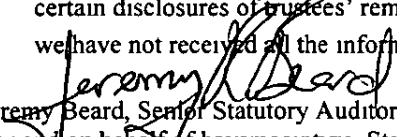
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

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

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

Fairfax House  
15 Fulwood Place  
London WC1V 6AY

23/4/2013



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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

	Note	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income					
Donations and gifts		291,202	800	292,002	241,498
Activities to generate funds					
Income from trading activities	2	217,860	-	217,860	238,894
Investment income		50,640	-	50,640	46,290
<b>Incoming resources from charitable activities</b>					
Income from residential and care home facilities		569,017	-	569,017	587,600
<b>Total incoming resources</b>		<b>1,128,719</b>	<b>800</b>	<b>1,129,519</b>	<b>1,114,282</b>
<b>RESOURCES EXPENDED</b>					
<b>Cost of generating funds</b>					
Trading expenses	2	96,082	-	96,082	102,956
Fundraising for voluntary income		99,296	-	99,296	88,495
<b>Charitable activities</b>					
Provision of financial assistance to those who worked in the drinks industry	4	483,530	1,377	484,907	488,341
Provision of residential and care home facilities	4	618,196	-	618,196	611,741
<b>Governance costs</b>		<b>24,052</b>	<b>-</b>	<b>24,052</b>	<b>23,444</b>
<b>Total resources expended</b>	4	<b>1,321,156</b>	<b>1,377</b>	<b>1,322,533</b>	<b>1,314,977</b>
<b>Net outgoing resources before transfers</b>		<b>(192,437)</b>	<b>(577)</b>	<b>(193,014)</b>	<b>(200,695)</b>
Transfers between funds		-	-	-	-
<b>NET OUTGOING RESOURCES</b>		<b>(192,437)</b>	<b>(577)</b>	<b>(193,014)</b>	<b>(200,695)</b>
<b>Gains on investment assets:</b>					
Realised		44,082	-	44,082	13,847
Unrealised	8	182,533	-	182,533	(210,280)
<b>NET MOVEMENT IN FUNDS</b>		<b>34,178</b>	<b>(577)</b>	<b>33,601</b>	<b>(397,128)</b>
Funds brought forward at 1st January 2012		3,997,367	23,542	4,020,909	4,418,037
<b>FUNDS CARRIED FORWARD AT 31ST DECEMBER 2012</b>		<b>£4,031,545</b>	<b>£22,965</b>	<b>£4,054,510</b>	<b>£4,020,909</b>

The notes on pages 17 to 24 form part of these financial statements

All transactions are derived from continuing activities

All recognised gains and losses are included in the statement of financial activities

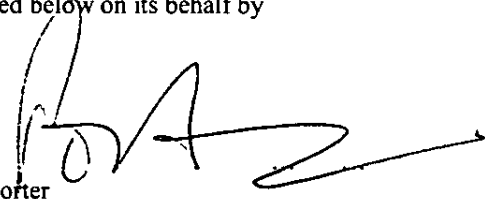
CONSOLIDATED BALANCE SHEET

AT 31ST DECEMBER 2012

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	7	1,477,646	1,475,892
Investments	8	2,345,122	2,329,286
		<u>3,822,768</u>	<u>3,805,178</u>
<b>CURRENT ASSETS</b>			
Debtors	9	204,979	183,929
Cash at bank		119,320	128,558
		<u>324,299</u>	<u>312,487</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(92,557)</u>	<u>(96,756)</u>
<b>NET CURRENT ASSETS</b>		231,742	215,731
<b>NET ASSETS</b>	13	<u>£4,054,510</u>	<u>£4,020,909</u>
<b>FUNDS</b>			
Restricted funds	12	22,965	23,542
Unrestricted funds			
General		2,553,899	2,521,475
Designated	11	1,477,646	1,475,892
		<u>£4,054,510</u>	<u>£4,020,909</u>

The notes on pages 17 to 24 form part of these financial statements

The financial statements were approved and authorised for issue by The Board of Trustees on 23 April 2013 and were signed below on its behalf by

  
C Porter

  
P Duggan

CHARITY BALANCE SHEET

AT 31ST DECEMBER 2012

	Note	£	2012	£	£	2011	£
<b>FIXED ASSETS</b>							
Tangible assets	7			1,477,646			1,475,892
Investments	8			2,345,124			2,329,288
				<u>3,822,770</u>			<u>3,805,180</u>
<b>CURRENT ASSETS</b>							
Debtors	9	231,125			218,576		
Cash at bank		71,348			55,753		
		<u>302,473</u>			<u>274,329</u>		
<b>CREDITORS: amounts falling due within one year</b>	10	(70,733)			(58,600)		
<b>NET CURRENT ASSETS</b>				231,740			215,729
<b>NET ASSETS</b>				<u>£4,054,510</u>			<u>£4,020,909</u>
<b>FUNDS</b>							
Restricted funds	12			22,965			23,542
Unrestricted funds							
General				2,553,899			2,521,475
Designated	11			1,477,646			1,475,892
				<u>£4,054,510</u>			<u>£4,020,909</u>

The notes on pages 17 to 24 form part of these financial statements

The financial statements were approved and authorised for issue by The Board of Trustees on 23 April 2013 and were signed below on its behalf by

  
C. Porter

  
P. Duggan

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2012

---

1. ACCOUNTING POLICIES

a) Accounting basis

The financial statements are prepared on the historical cost basis, except that investments are carried at market value, in accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities) issued in March 2005 and applicable accounting standards.

b) Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned trading subsidiary, The Wine and Spirits Trades' Benevolent Trading Company Limited, on a line by line basis. A separate Statement of Financial Activity is not presented because the charity has taken advantage of the exemptions given in the SORP.

c) Fund accounting

*Unrestricted funds*

These funds comprise accumulated surpluses and deficits on the General Fund. They are available for use at the discretion of the Trustees in furtherance of The Benevolent's general charitable objectives.

*Designated funds*

These funds are amounts that have been put aside at the discretion of the Trustees. At the year end they comprise of a fixed asset fund which represents the extent to which funds are invested in fixed assets for use by the Charity, and therefore not available for other purposes (note 11). New designations represent transfers from restricted funds for new assets financed by restricted grants/donations and transfers from general funds for new assets financed by the general funds of the charity less the amount of depreciation charged during the year.

*Restricted funds*

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

d) Incoming resources

*Donations and gifts*

Donations and gifts are included in full in the period in which they are received.

*Grants*

Grants are included in the period in which they are receivable, unless they relate to a specific future period in which case they are deferred.

*Rent receivable*

Rent receivable is recognised in the period in which the charitable group is entitled to receipt and the amount can be measured with reasonable certainty.

e) Investment income and investments

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

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

---

**1. ACCOUNTING POLICIES (continued)**

**f) Resources expended**

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

Support costs comprise all services supplied centrally, identifiable as wholly or mainly in support of direct charitable purposes and include an appropriate proportion of general overheads.

Where costs cannot be directly attributed they have been allocated to activities on the basis of the estimate of the time spent on the relevant functions.

Central overheads are allocated to direct costs, support costs and grants in three key areas: provision of financial assistance, provision of residential and care home facilities and governance costs. The basis of the allocation is to ensure that the costs within administration related to the management of the Company's assets, operational administration and compliance with constitutional and statutory requirements are appropriately apportioned within these areas.

Governance costs are the costs associated with the governance arrangements relating to the general running of the charity, including costs of strategic planning for the longer term development of the charity.

**g) Grants**

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

**h) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost.

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

Freehold buildings	- 2% on cost
Long leasehold buildings	- 2% on cost
Fixtures and fittings and equipment	- 20% on cost
Motor Vehicles	- 20% on cost

No provision for depreciation is made in respect of freehold land.

**i) Operating leases**

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

**j) Pension costs**

The Benevolent has arranged a defined contribution pension scheme for its employees. Contributions are charged to the Statement of Financial Activities in the year they became payable.

**k) Cash Flow Statement**

The Benevolent has taken advantage of the exemption under Financial Reporting Standard No 1 (Revised) not to prepare a cash flow statement.

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

**2. RESULTS FROM TRADING ACTIVITIES AND SUBSIDIARIES**

A summary of the results of the trading subsidiary is as follows

<b>Profit and loss account</b>	<b>2012 £</b>	<b>2011 £</b>
Turnover	217,822	238,843
Cost of sales	(96,085)	(102,956)
Gross profit	121,737	135,887
Interest receivable	38	51
Profit for the year	121,775	135,938
Amount covenanted to parent company	(121,775)	(135,938)
	£ -	£ -

Details of the subsidiary's balance sheet is given in Note 8

**3 GRANTS**

	<b>2012 £</b>	<b>2011 £</b>
Beneficial grants paid to 397 (2011 375) individuals	287,176	292,278
Discretionary grants paid to 99 (2011 118) individuals	27,599	38,977
TV licence scheme Grants paid to 59 (2011 59) individuals	8,755	8,500
	<u>£323,530</u>	<u>£339,755</u>

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

**4. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	<b>Staff costs £</b>	<b>Other costs £</b>	<b>Depreciation £</b>	<b>2012 Total £</b>	<b>2011 Total £</b>
<b>Cost of generating funds</b>					
Trading expenses	-	96,082	-	96,082	102,956
Fundraising for voluntary income	71,054	28,242	-	99,296	88,495
<b>Charitable expenditure:</b>					
Provision of financial assistance to those who worked in the drinks industry	121,267	363,640	-	484,907	488,341
Provision of residential and care home facilities	339,477	226,810	51,909	618,196	611,741
Governance costs	11,102	12,950	-	24,052	23,444
<b>Total for Group</b>	<u>£542,900</u>	<u>£727,725</u>	<u>£51,909</u>	<u>£1,322,533</u>	<u>£1,314,977</u>

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

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

	Direct costs £	Grants £	Support costs £	2012 Total £	2011 Total £
<b>Cost of generating funds</b>					
Trading expenses	96,082	-	-	96,082	102,956
Fundraising for voluntary income	14,057	-	85,239	99,296	88,495
<b>Charitable expenditure:</b>					
Provision of financial assistance to those who worked in the drinks industry	17,347	323,530	144,030	484,907	488,341
Provision of residential and care home facilities	428,470	-	189,727	618,196	611,741
Governance costs	1,650	-	22,402	24,052	23,444
<b>Total for Group</b>	<b>£557,606</b>	<b>£323,530</b>	<b>£441,397</b>	<b>£1,322,533</b>	<b>£1,314,977</b>

	Provision of financial assistance to those who worked in drinks industry £	Provision of residential and care home facilities £	Fundraising for voluntary Income £	Total 2012 £	Total 2011 £
<b>Support Costs</b>					
Travel and subsistence	11,940	-	1,327	13,267	16,281
Insurance	3,371	7,196	4,637	15,204	13,992
Maintenance, cleaning and repairs	238	54,987	-	55,225	86,250
Print, post and stationery	650	650	1,299	2,599	4,908
Telephone and fax	474	2,993	949	4,416	3,707
General expenses	4,341	38,024	917	43,282	54,060
Bank charges and interest	1,987	610	1,221	3,818	3,832
Rent and rates	4,038	23,032	8,076	35,146	29,446
Salaries	113,351	56,168	64,387	233,906	177,974
Professional fees	3,640	6,067	2,427	12,134	7,939
	<b>£144,030</b>	<b>£189,727</b>	<b>£85,240</b>	<b>£418,997</b>	<b>£398,389</b>
<b>Governance costs</b>					
Audit & accountancy				12,342	14,146
Social Security costs				11,102	7,833
Investment Managers cost				608	655
Advertising costs				-	810
				<b>£24,052</b>	<b>£23,444</b>

**5. EMPLOYEES AND TRUSTEES**

	2012 £	2011 £
<b>a) All employees</b>		
Wages and salaries	481,432	430,256
Social security costs	40,989	35,040
Pension contributions	20,479	16,343
	<b>£542,900</b>	<b>£481,639</b>

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

<b>5. EMPLOYEES AND TRUSTEES (continued)</b>		<b>2012</b>	<b>2011</b>
		<b>No.</b>	<b>No.</b>
Number of full time equivalent employees			
Care home/Estate and Welfare activities		17 0	17 0
Support, Management and administration		4 0	4 0
		<u>21 0</u>	<u>21 0</u>
One employee received remuneration totalling £60,000 or more £90k - £100k		<u>1</u>	<u>-</u>
<b>b) Trustees</b>			
No Trustee received remuneration for services provided during the year			
One Trustee received reimbursed travelling expenses of £520 during the year (2011 one Trustee - £663)			
<b>6 NET MOVEMENTS IN FUNDS</b>		<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
Net movement in funds is stated after charging			
Depreciation		51,909	49,001
Auditors' remuneration			
- Audit		9,900	9,600
- Other		2,442	4,546
Operating lease rentals Land and buildings		<u>16,143</u>	<u>16,143</u>
<b>7. TANGIBLE FIXED ASSETS</b>			
<b>CHARITY &amp; GROUP</b>	<b>Freehold</b>	<b>Leasehold</b>	
	<b>Land &amp;</b>	<b>Land &amp;</b>	
	<b>Buildings</b>	<b>Buildings</b>	
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>Fixtures &amp; Motor Vehicles Total</b>
			<b>£ £</b>
At 1st January 2012	1,269,651	335,860	240,636 28,688 1,874,835
Additions	-	-	53,663 - 53,663
At 31st December 2012	<u>1,269,651</u>	<u>335,860</u>	<u>294,299</u> <u>28,688</u> <u>1,928,498</u>
<b>Depreciation</b>			
At 1st January 2012	151,946	40,309	178,000 28,688 398,943
Charge for year	12,697	3,359	35,853 - 51,909
At 31st December 2012	<u>164,643</u>	<u>43,668</u>	<u>213,853</u> <u>28,688</u> <u>450,852</u>
<b>Net Book Value</b>			
At 31st December 2012	<u>£1,105,008</u>	<u>£292,192</u>	<u>£80,446</u> <u>£ -</u> <u>£1,477,646</u>
At 31st December 2011	<u>£1,117,705</u>	<u>£295,551</u>	<u>£62,636</u> <u>£ -</u> <u>£1,475,892</u>
The net book value of fixed assets is represented by			
		<b>Property</b>	<b>Fixtures &amp; Total</b>
		<b>£</b>	<b>£ £</b>
<b>Direct Charitable Activities:</b>			
Housing activities		1,397,200	79,650 1,476,850
<b>Other activities:</b>			
Management and administration		-	796 796
		<u>£1,397,200</u>	<u>£80,446</u> <u>£1,477,646</u>



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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

<b>8. FIXED ASSET INVESTMENTS</b>	<b>Total 2012 £</b>	<b>Total 2011 £</b>
<b>Market valuation</b>		
At 1st January 2012	2,329,286	2,543,445
Additions	844,853	829,765
Disposals	(1,055,632)	(833,644)
Unrealised gain/(loss)	182,533	(210,280)
Realised gain	44,082	-
	<hr/>	<hr/>
At 31st December 2012 for Group	2,345,122	2,329,286
Investment in subsidiary	2	2
	<hr/>	<hr/>
At 31st December 2012 for Charity	£2,345,124	£2,329,288
	<hr/>	<hr/>
Cost	£2,287,649	£2,506,138
	<hr/>	<hr/>
 Equities and Unit Trusts listed on UK Stock Exchange	1,405,463	1,359,319
Listed on overseas stock exchange	920,839	902,065
Cash deposits	18,820	67,902
	<hr/>	<hr/>
	£2,345,122	£2,329,286
	<hr/>	<hr/>
 Market value of holdings greater than 5%		
Schroder Unit Trusts Income Fund	100,020	205,222
Cazenove Investment Fund Growth Trust for Charities	393,093	343,412
Cazenove Investment Fund Equity Income Trust for Charities	394,972	320,456
Cazenove Investment Fund Absolute Return Trust for Charities	125,963	124,269
	<hr/>	<hr/>
 The total assets and liabilities of the subsidiary company were		
Current assets	80,537	121,597
Current liabilities	(80,535)	(121,595)
	<hr/>	<hr/>
Net Assets	£2	£2
	<hr/>	<hr/>
Called up share capital	£2	£2
	<hr/>	<hr/>

Details of the subsidiary's profit and loss account is given in note 2

<b>9. DEBTORS</b>	<b>Group</b>		<b>Charity</b>	
	<b>2012 £</b>	<b>2011 £</b>	<b>2012 £</b>	<b>2011 £</b>
Trade debtors	88,302	58,479	77,187	34,187
Other debtors	3,179	1,892	3,179	1,892
Prepayments and accrued income	113,498	123,558	92,048	99,058
Amounts owed to parent company	-	-	58,711	83,439
	<hr/>	<hr/>	<hr/>	<hr/>
	£204,979	£183,929	£231,125	£218,576
	<hr/>	<hr/>	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

10. CREDITORS: amounts falling due within one year	Group		Charity	
	2012 £	2011 £	2012 £	2011 £
Trade creditors	28,588	28,976	28,588	26,727
Accruals and deferred income	63,969	67,780	42,145	31,873
	<u>£92,557</u>	<u>£96,756</u>	<u>£70,733</u>	<u>£58,600</u>

11. DESIGNATED FUNDS	At 1st January 2012 £	New Designations £	At 31st December 2012 £
Fixed asset fund	<u>£1,475,892</u>	<u>£1,754</u>	<u>£1,477,646</u>

12. RESTRICTED FUNDS	At 1st January 2012 £	Movement in funds		Transfers £	At 31st December 2012 £
		Incoming Resources £	Outgoing Resources £		
Mike Mackenzie fund	1,042	800	(1,377)	-	465
Capital grants / donations	22,500	-	-	-	22,500
	<u>£23,542</u>	<u>£800</u>	<u>£(1,377)</u>	<u>£ -</u>	<u>£22,965</u>

*Mike Mackenzie Fund*

This fund is used to support Mike Mackenzie

*Capital grants/ donations*

These funds represent monies received towards the building of new freehold properties and the purchase of other fixed assets. If there are no ongoing restrictions, the balances on these funds are transferred to the Fixed Asset Fund, which is a designated fund, once properties are completed or the fixed assets have been purchased.

**13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Designated Funds £	General funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1,477,646	-	-	1,477,646
Investments	-	2,345,122	-	2,345,122
Current assets	-	301,334	22,965	324,299
Current liabilities	-	(92,557)	-	(92,557)
	<u>£1,477,646</u>	<u>£2,553,899</u>	<u>£22,965</u>	<u>£4,054,510</u>

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

**14 OPERATING LEASE COMMITMENTS**

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

	2012 £	Property 2011 £
5 – 10 years	<u>£16,143</u>	<u>£16,143</u>

**15. CONTINGENT LIABILITY**

The Vintners' Company provided a grant in 1995/96 and 1999/2000 to build new freehold properties on a site owned by the Group. Whilst there is an agreement in place which entitles The Vintners' Company to, in the opinion of the directors, no more than 10% of the sale proceeds should the freehold site be sold, in view of the additional building, no more than 20.35% of the sale proceeds should be the entitlement of The Vintners' Company should the freehold be sold.

This liability has not been provided for in these financial statements as the directors do not intend to dispose of the site and as such the liability will not crystallise.

**16. PENSION COMMITMENTS**

The charitable company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund amounting to £20,479 (2011: £16,343).

**17. CAPITAL COMMITMENTS**

Capital expenditure contracted to but unspent at 31 December 2012 amounted to £Nil (2011: £Nil).