



**INSTITUTE OF BREWING & DISTILLING  
COUNCIL MEETING  
Held at 44A Curlew Street London SE1 2ND  
Wednesday 18<sup>th</sup> September 2019**

**Minutes**

**Present:** Tim Cooper (President, Chair), Douglas Murray (Deputy President), Nigel Fitch (Honorary Treasurer), Liam Brown (Midland Section), Margaret Holland (Great Northern Section), Stewart Tricker (Southern Section), Megan Sheehy (Asia Pacific Section); Clive Belcher (Africa Section); Stephen Wilkinson & Michaela Miedl (part), (International Section)

**In attendance:** Jerry Avis (CEO & Company Secretary), Manisha Shah (Head of Finance & Business Services, EJ Quinn (Head of Customer Support)

**Observers:** Kirsten Wahlqvist (AP Section); Ian Roberts (Deputy President Nominee); Steve Price (Trustee); Tim O'Rourke (Trustee)

**Apologies**

Apiwe Nxusani-Mawela (Africa Section), Gearoid Cahill (Irish Section), Steve Curtis (IBD HQ), Katherine Smart (Immediate Past President), Ken Duncan (Scottish Section), Derek Prentice (IBBS), Angus Steven (Chair BoE),

**Quorum:** The meeting was declared quorate.

**Introduction**

The President, Tim Cooper, noted apologies and welcomed Manisha Shah to her first Council meeting.

**1. Minutes of Last Meeting**

- 1.1 The minutes of the last meeting were accepted as a true and accurate record and were signed by the President (proposed Douglas Murray, seconded Nigel Fitch)

**2. Membership**

- 2.1 There were no questions on the pre-circulated paper on Membership.
- 2.2 Approval of new members – The Chair put the elections of new members to the vote which were unanimously agreed (proposed Liam Brown, Seconded by Stephen Wilkinson)
- 2.3 Obituaries

The names of late members were noted by the President and Council held a short period of reflection:

Maurice James Lloyd    Southern  
John Frederick Fielder    Southern

## 2.4 Election of new Fellows

The following new Fellows proposed by the Awards Committee to the Council were unanimously approved (proposed Clive Belcher, seconded Stewart Tricker)

France Jack	Scottish
Andre Thix	International
Kate Jones	Africa

## 3. Finance and Governance

Nigel Fitch gave a brief overview of the current financial status.

### 3.1 Overview/Background

NF reported that he was halfway through his maximum term of 6 years and has been very pleased that each year has seen a step forward, especially for transparency in the IBD accounts.

The introduction of Xero as the accounting package in January is giving better detail in the management accounts. There are still some issues, such as forecasting to year end to be included in the monthly package for consideration by the Trustees Finance Sub-Committee

The Finance and Audit Trustee Sub-Committee meets with the Treasurer about a week after the Treasurer's Finance Review meeting with Curlew Street to review the monthly performance and ensure the Institute's funds are properly applied and relate to the approved budget.

One personal target has been met. The Charity Commission have approved the amalgamation of some small "redundant" funds with the "Centenary fund" to create the "Curlew fund", which will be under the control of the Awards Committee (chaired by the Deputy President) and to be used for an Annual Lecture.

### 3.2 2018 Accounts

*Last time he reported: "Following the audit, the accounts has been finalised for approval by the board at the June meeting. The top line figures showed a deficit of £334k and an investment value loss of £98k."* The latter is updated below.

The unqualified accounts following Board approval, the accounts were circulated to all Section Chairs, Secretaries and Treasurers. To date no questions have been received.

The accounts have been filed with Companies House (Deadline end September) and returns made to the Scottish Charity Regulator (Deadline end September). The return to the Charities Commission is in hand (Deadline end October).

NF is hoping this will be the last Trustees report to run to 70+ pages to be completed. In future there should be the statutory accounts to be filed with Companies House and then a more member friendly report which contains all the Section activities. A summary review appeared in the August BDI.

### **3.3 Management Accounts at 7 months (end July)**

The background to Trustee Board meeting timing is to review the latest quarterly results. With the improvement in reporting through Xero, NF is able to be more up to date. MyN is no longer used.

The Balance sheet continues to show we have sufficient cash to fund the bulk of our investment in the income streams.

IBD Trading has received loans from IBD of £200,000 to cover cash requirements of Gift aid payments, Corporation tax, and mainly cash requirements ahead of the 2020 WDC

### **3.4 2019 Budget & 2020 Budget**

The anticipated investment is on target although there may be some adjustments in overall Learning & Development to match any shortfall in income.

Work has started on 2020 Budget. It is too early to have a view as yet, but in line with the agreed business plan, a third year of investment is anticipated to complete the plan. The full budget will be presented to the Board in November.

### **3.5 Audit report 2018**

The Board met the Auditors (MHA MacIntyre Hudson) on June 6<sup>th</sup> and received their report. There were 8 items of note and a plan is in place to have all corrected by the year end and ahead of the 2019 audit in February/March 2020.

The top 3 items were

- The delayed 2018 Gift Aid payment from IBD Trading to the IBD.
- Bank Reconciliations.
- Contracts for self-employed individuals and IR35 consequences.

### **3.6 Investments**

As a reminder, the 3 Investment portfolios (Main, JJ Morison, Scottish) are invested by our managers Thesis with a mandate of 4 of 7. This is described as:

Investment objective: The IBD is primarily seeking income together with a reasonable degree of capital growth.

Risk Appetite: The IBD is seeking a balance between safety and investment growth potential.

NF noted we reported a valuation loss for 2018 of £98k, mainly from the 4<sup>th</sup> quarter. The end of year 2018 valuation of the 3 funds was: £1.493 million, down from £1.551 million at the end of 2017. The valuation as at 4/9/19 was £1.659 million. A classic demonstration why investing in the markets is not short term, but must viewed in a 3 to 5 year option

The Board will meet with the Investment managers, Thesis, in November.

There is also £0.5 million on short term (95 days) deposit with RBS our bankers, to ensure we have accessible cash if needed, to supplement

### **3.7 Sections**

All local sections are now reporting quarterly as requested with income, expenditure and Bank statements. This is much appreciated as it allows for up to date reporting within the Management Accounts. The IBD has overall responsibility for reporting section finances within the Charity's accounts.

The next Section Treasurers meeting will be arranged for November 2019

## **4 IBBS**

Derek Prentice submitted key points to Council as follows:

- The quarterly committee meeting of the IBBS was held at the IBD HQ Curlew Street on the 11th September 2019
- The committee meeting reviewed finance, grants, administrative business, the IBBS Educational Bursary scheme and a trustees' review update.
- The portfolio valuations currently stand at £2.7 million.
- Payments to our beneficiaries and educational bursaries for end Q2 2019 amounted to £7.7k compared to £27.1 k for the same periods in 2018.
- The IBBS Chairman Nigel Fitch outlined more detailed plans for the future of the 'Benevolent' and the transfer of the Society from a Benevolent to a charitable trust.

## **5 Examinations, Training & Publications activities**

### **5.1 Examinations**

Whilst the examination numbers continue to grow on the long term trend we are cautious with respect to budgeting will continue to base figures on long term averages taking account that there are year on year fluctuations. The examiner's report was in preparation.

The Examinations team continues to work with the Learning Development team to align syllabi and learning material and there were a number of developments in progress:

#### **5.1.1. Examination Board development**

- 4 Examiners resigned and 4 Examiners marked papers for the first time
- 4 potential Examiners to join the Board this year
- Individual contracts to be introduced

#### **5.1.2. Examination Development**

- Revised Syllabi for GC / Diploma exams
- More structured exam creation

#### **5.1.3. On Line Marking**

- Calibrand review

#### **5.1.4 Actions and outputs for the next period were noted as follows:**

Vs 1.0 September 2019

- Calibrand review and further improvement
- Questionmark review and improved reporting and options for Proctoring
- Alignment of all learning materials development with revised syllabi where appropriate
- Preparation of 2019 November Diploma Exam for DB1
- Preparation of the GCCM examination
- Refreshing the GCD question bank based on new Learning Materials
- Development of a strategy to support requests from International Brewers to review exam frequency, entry requirements and to support examinations in different languages
- Remove Soft Drinks/Brewing from DP2 Syllabus as agreed with packaging examiners
- Review of exam centres – applicability and cost

CB questioned the item on changes to DP2 syllabus and would pick up with AS for further information.

## **5.2 Learning Development & Training**

With the success of the 2 day 'course in a box' for the GCB (aimed as revision, tutoring and exam preparation rather than teaching), the last 3 months has seen the development of a similar format for the GCD. The first course is being presented in the second week in September in Scotland and will be formally reviewed to firm up the standard course. There is no other training activity to report.

## **5.3 Beer and Cider Academy**

Overall sales are picking up with respect to forward bookings. The online course is currently being scoped.

## **6 Publications – Headlines**

### **6.1 Brewer and Distiller International**

Whilst problems with distribution delays earlier this year have been resolved, we seem to have a continuing problem in one particular country with their slow delivery of international 'standard' surface mail. We are working on an online eMagazine format to complement the printed version of BDI for later this year ... format and production absolutely not a problem (and available now) however a secure delivery mechanism for a 'members only' subscription in a read-only / streaming format as a benefit to membership will be required before this can happen.

Revised format for website's Resource Zone being sourced, allowing for upload of BDI features previously available by IBD Learning Zone.

Advertising income for first half 2019 was slightly down on budget, however new advertisers on board into Q3 and usual large numbers booked for November / BrauBeviale edition. Selling of advert/editorial for inside front cover double-spread as alternative for outside front cover is picking up.

New writers / revised format for 2019 progressing well and feedback continues to be positive. Wide spread of geographic locations now been covered, but urgently need writers/contributions from Asia/Pacific region, especially in advance of Perth 2020 conference.

## 6.2 JIB

DEQ is still having a number of frustrating issues with the publishers, particularly around copy editing. We have now opened a dialogue with the publishers and expect these to be quickly resolved. DEQ continues to push quality within scope.

## 7 Awards Committee

### 7.1 Discussion on prizes, awards and sponsorship

CB shared his analysis of prizes, awards and sponsorships which were currently the subject of development by the awards committee.

Key points shared to date include the following:

- All awards, prizes or scholarships will be open to members / applicants from all Sections of the IBD, except where the prize awarded is a Section Prize.
- No awards, prizes or scholarships will be exclusively for a section, if awarded by IBD HQ. Any awards for a Section must be made via a Section.
- Awards, prizes and scholarships will be advertised in the BDI and on the website and winners will be announced in the BDI and on the website in November (if possible).
- Prize money will be in the form of cash or electronic funds transfer to the winner candidate, but funds for travel and subsistence cannot be exchanged for cash.
- Prizes will be evaluated and recommended by the BoE and communicated to IBD HQ for publication.
- Awards will be evaluated by the designated committee and communicated to IBD HQ for publication.
- All BoE and designated committee decisions will be final.
- IBD will oversee the administration of the funds or recovery of funds from sponsors.
- Unless in exceptional circumstances, no prizes, awards or scholarships, should be named after persons.
- Awards will be funded by the IBD, whereas prizes may be funded by external Sponsors.

#### Criteria for Sponsorship of Prizes

- All current sponsors of prizes will remain in place until the sponsor indicates they no longer want to sponsor the prize.
- Sponsorship will be for prizes and no caveats to the sponsorship will be accepted.
- Sponsorship will be for a minimum of 3 years or if longer at the discretion of the sponsor.
- In return, the sponsor will have naming rights to the prize, one full half page advertisement in BDI annually for the duration of the award and branding on the award certificate.
- The application of sponsors to sponsor a prize will be overseen by the IBD HQ management team.

This approach would be further developed by the awards committee with a view to ensuring that all of the current qualifications had an award associated with it. The view that we should avoid prizes or sponsorship that was exclusive to one geographic region was fully endorsed. DM commented that the awards should be couched in terms of the IBD award for X sponsored by Y rather than awards which were for IBD exams but without reference to the IBD.

## 7.2 Approval of revised design for section medals

The new design of the Section medal was circulated and approved.

## 8 Sections

MM gave a comprehensive review of the Obernai Masterclass and the forthcoming Masterclass Local which is a pilot, smaller event taking place in Sweden.

CB commented on the approach taken by the Africa section on having a Masterclass session aligned to the FDT conference which went well with c. 50 attendees. There is clearly still an appetite for an African convention from suppliers who continue to be engaged with the IBD.

MS commented on the forthcoming convention in Perth 2020 which is progressing well and that a one and a half day meeting had been held for regional coordinators.

LB spoke on the contribution of the Midland section to BevExpo with seven speakers over the two days of the conference.

MH outlined the forthcoming programme for the GN section.

In the absence of KD, DM outlined some of the events of the Scottish section, the current planning for the WDSC event and the desire to have an event of significance in the years between WDSC.

ST spoke of the Southern section programme including seminars for exam candidates and a lecture at the GBBF to attract younger members. Lower frequency, higher value meetings appeared to be working for the section.

## 9 Digital transformation

### General Headlines:

- System cutover to the Pro CRM and Web solutions was activated at the end of July
- Some initial teething issues with all critical issues resolved
- During cutover there were some data migration challenges into the new system with root cause tracked back to issues with how data was migrated into Integra when it was initially set up ~11 years ago – these are all resolved.
- Now working through final items on snagging list with Protech as part of the warranty phase with final commissioning payment withheld until complete.
- Plan is to fully hand the system over to the Customer Experience Team as 'business as usual' from the end of September and as part of this we will carry out a project review session with all partners involved in the project

## 10 Issues to take forward to trustees

None

## **11 Dates of Next Meetings**

November at Curlew Street

No Council Meeting

Friday 15<sup>th</sup> – Trustees' Meeting.

NB a suggestion regarding the shape of future meetings was to be circulated for comment to Council members prior to the end of October.