

Charity Registration No. 1009195

THE PEARS FAMILY CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

THE PEARS FAMILY CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sir Trevor Pears CMG (Executive Chair) Mark Pears CBE David Pears
Charity number	1009195
Principal address	Clive House Old Brewery Mews Hampstead London NW3 1PZ
Auditor	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB
Senior Staff	Amy Braier (Foundation Director) Bridget McGing (Deputy Director) Shoshana Boyd Gelfand (JHub Director) Ian Shaw FCA (Finance Director)

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THE PEARS FAMILY CHARITABLE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and accounts for the year ended 31 March 2020.

INTRODUCTION

This has been a positive year for the Foundation with expenditure continuing to be above £20 million.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details page attached to these accounts forms part of the Trustees' report and the required information can be found therein.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was created by a deed dated 31 October 1991 as a trust exclusively for charitable purposes and was registered with the charity commission on 4 March 1992, Charity Registration Number 1009195. The charity uses the working name Pears Foundation.

Trustees and decision making

Pears Foundation is led by the Pears family with the support of a professional team. The trust deed provides for a minimum of three Trustees and during the year there were three Trustees. New Trustees may be appointed by those Trustees in office at the time of appointment.

Trustees are required to disclose all relevant interests and register them with the Finance Director and, in accordance with the Foundation's policy, withdraw from decisions where a conflict of interest arises.

The Trustees meet to consider both general strategy and priorities across the areas of grant making activities and receive reports on expenditure and the performance and impact of major grants prepared by the professional staff. They discuss progress against strategy as well as reputational matters and review and approve major new grants and partnerships. Authority to approve smaller grants is delegated to the Executive Chair who also sets the Foundation's annual priorities.

As part of the induction process, anyone proposed as a trustee would meet with the existing Trustees and key staff and receive a written induction pack. The grant making processes, powers and responsibilities of Trustees as well as the Foundation's finances would be explained and discussed.

Day-to-day operation of the Foundation

The Trustees delegate the day-to-day management and operation of the Foundation to the professional staff team, led by the Director and Deputy Director, working closely with the Executive Chair. The Foundation has a consultant based in Israel who acts as its representative there and liaises closely with the Executive Chair and is line managed by the Director.

The pay and remuneration of Foundation staff are set by the Trustees following annual appraisals and are benchmarked against comparable roles in other trusts and foundations of similar size and activity.

Risk management

The Trustees are responsible for establishing and monitoring internal control systems within the Foundation. They review the major risks which may impact on the operations of the Trust on an ongoing basis and are satisfied that the system of internal controls currently in place is adequate, whilst recognising that it is designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Foundation. A comprehensive risk register is kept which covers a range of issues including loss of key staff, governance, fraud, and operational risks.

Specific examples of risk management include ensuring robust written records are kept, conducting thorough due diligence before grants are awarded, maintaining up to date knowledge of policy or statutory changes/requirements in the

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TRUSTEES' REPORT (*CONTINUED*)

FOR THE YEAR ENDED 31 MARCH 2020

sector and setting financial and reporting obligations for grant recipients to monitor multi-year grants before any subsequent payment is released.

With a small staff team and a focus on relational grant-making, the Trustees continue to consider the principal risk to the Foundation to be the loss of key staff and every effort is taken to ensure robust record-keeping and good communication between staff members.

Another key area of risk in an increasingly stretched voluntary sector is that of the Foundation not achieving its objectives through its grant-making. This is why, where possible, the Foundation maintains close, face to face, relationships with its grantees. Grant agreements set out clear obligations which are monitored regularly. As well as face to face meetings and site visits, reports are requested before instalments are paid or grants renewed and final reports are requested at the end of funding.

OBJECTIVES AND ACTIVITIES

The Trustees have taken into account the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives in planning future activities, setting grant-making policy and making grants.

The objects of the Foundation are to create social benefit across a broad range of activities, based on the open nature of the founding trust deed. The Foundation promotes understanding of key issues through research and education programmes; drives engagement in social progress across the UK and globally, particularly in young people; and supports organisations focused on wellbeing for everyone.

The Foundation's aims are to:

Commit the resources of its founders and the energy of its professional team to making people's lives better.

Facilitate thought leadership, research and collaboration to promote genuine advances in the understanding of complex issues.

Drive engagement to bring more people to active citizenship, whatever their background and whatever the role they are able to play.

Grant-making policy

Pears Foundation carries out its objects through philanthropic grant-making supported by careful research into existing and new programme areas and a focus on building relationships.

The Foundation does not accept unsolicited applications, drawing instead on its experience, networks and research to identify suitable partners. This results in long-term partnerships with organisations whose efforts are aligned with the Foundation's priorities, which are reviewed on an annual basis.

The Foundation prefers to make grants to charities, as recognised under the laws of England & Wales or conforming to a similar standard subject to the rules of a different jurisdiction but is not limited to doing so.

The Foundation uses two key routes to identify potential partners and/or projects:

- Understanding: we use external research, reports, surveys and expert opinions produced by trusted and influential partners across the sector to build and enhance our understanding of specific issues and challenges and enable us to direct funding most effectively.
- Engagement: we have built a sizeable network of trusted individuals and organisations who provide knowledge and expertise including existing grantees, other funders and community stakeholders.

Once the Foundation has an understanding of the context and/or has identified a potential opportunity, staff move towards developing a funding approach. Thorough due diligence is conducted to ensure that organisations are appropriate partners for the Foundation and have the capacity to deliver the work or project proposed.

The development and approval of the proposal is only the beginning of the grant relationship. Meetings are held regularly with the funded partner or partners, with careful discussion of the key deliverables, but also of the wider context and

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

issues that are impacting on their delivery and that may require amendments or flexibility in the proposal. Grants are often paid in instalments to ensure effective monitoring and reporting systems. Payment schedules are agreed in conversation with the grantee and designed to fit key milestones where possible. The Foundation will begin discussions prior to the end of any funding regarding plans for sustainability or future direction, depending on the nature of the work.

The Foundation places a high value on long-term, face-to-face relationships based on trust and mutual respect and conducted in accordance with the Foundation's values of passion, professionalism and integrity. Often this is expressed through core funding grants. The Executive Chair and staff team are closely involved with grantees and work proactively to support and guide them in the pursuit of their goals. The Foundation accepts that charities go through difficult times and encourages its grantees to be honest about the challenges they face, within their own organisation and the wider sectors to which they belong and works with them to identify opportunities to provide support beyond funding. The Foundation directly provides professional development support for its grantees through its operating programme JHub.

Foundation staff belong to a number of wider networks enabling staff members to build relationships across the sector and share learning and best practice. The Foundation also encourages its grantees to explore opportunities to collaborate and share learning and best practice.

Pears Foundation is committed to transparency and publishes details of its grant-making through 360Giving.

ACHIEVEMENTS AND PERFORMANCE

In giving the following examples of the charity's major grants over the past year, the Trustees would like to emphasise that they value the work of all the Foundation's grantees.

CAPITAL FUNDING

Health and wellbeing

The Trustees made two capital grants this year focusing on health and wellbeing.

A £5,500,000 grant was awarded to the Maudsley Charity for the Pears Maudsley Centre for Children and Young People which aims to improve early identification of mental health problems and transform the treatment and care of children and young people. The Centre will bring together leading experts from South London and Maudsley NHS Foundation Trust and King's College London Institute of Psychiatry, Psychology and Neuroscience and will also house the Bethlem and Maudsley Hospital school. The funding includes revenue support to strengthen the Centre's research capacity.

The Trustees made a grant of £50,000 to Horatio's Garden towards the creation of a new garden at the new spinal and neurological centre at the University Hospital Llandough in Cardiff. Horatio's Garden offer accessible places of tranquillity and beauty for spinal injury patients and their visitors to enjoy as well as hosting activities, events and therapy sessions.

Holocaust Education

The Trustees approved a further grant of £1,000,000 to the Imperial War Museum (in addition to grants made in previous years) for the new Holocaust Galleries. The Executive Chair and Director visited the site to see how the building works were progressing and received a presentation on the design and content of the new gallery.

International Development

£80,000 grant was made to the Aegis Trust towards the refurbishment of the Kigali Memorial Centre in Rwanda.

REVENUE FUNDING

An increasing proportion of our revenue expenditure is invested in the renewal and development of long-term partnerships, with an emphasis on core funding. This enables us to maintain close relationships and be responsive to the changing needs of our partners as well as developments in the external landscape. In order to avoid a sense of insecurity amongst our partners receiving annual core funding grants, we communicate frequently and honestly with them and endeavour to give a minimum of six months' notice in the event of withdrawal.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Health and wellbeing

The Foundation made a grant of £2,000,000 to the University of Kent (already known to us through our partnership with the Centre for Philanthropy) towards the development, set-up and delivery of the new Kent and Medway Medical School, a joint venture between the University of Kent and Canterbury Christchurch University. Kent is the largest county in England without a medical school, and has an acute shortage of doctors, with ratios far worse than the average county.

Special educational needs, disability, care and support

The Trussell Trust supports the largest network of food banks in the UK and we have been a core funder since 2007. The Trustees approved a major commitment of £1 million over 5 years to roll out a model of partnerships between food banks and local advice services to maximise clients' income and reduce their reliance on foodbanks.

The Trustees also approved a grant of £400,000 to another longstanding partner, Ambitious about Autism, for the rollout of their Employ Autism partnership programme that will bring together employers, further education providers, parents and young people to increase employment opportunities for young people with autism.

Other major grants included:

Mencap: £200,000 to establish a family support early intervention programme in Newham

Sense: £100,000 to develop inclusive programme of activities at TouchBase Pears in Birmingham

In line with our belief in long-term core partnerships as outlined above, the Trustees made a number of renewal grants to longstanding partners in this area:

Marie Curie: £200,000 towards the community nursing service

Jewish Care: £150,000 core funding

Norwood: £150,000 core funding

Haven House: £120,000 core funding

Quaker Social Action: £100,000 core funding

School-Home Support: £100,000 core funding

Youth Social Action

Youth Social Action remained a strategic priority and the Foundation continued to allocate grants from the Pears #iWill Fund match fund, established in partnership with DCMS and the National Lottery Community Fund. The Pears #iWill Fund aims to create new youth social action opportunities in the areas of health and social care, education and the environment, as well as continuing to identify and fund sustainable initiatives that can support the sector in the long-term. A full list of Pears #iWill Fund grants is included below.

In addition to the Pears #iWill Fund the Foundation continued many existing relationships including:

The Duke of Edinburgh's Award: £250,000 core funding

First Give: £200,000 core funding

Leeds Community Foundation: £150,000 for the Pears Youth Fund which provides grants to small organisations working with young people across the Leeds and Bradford districts plus an additional £36,000 to the Leeds Healthy Holidays programme which addresses holiday hunger in Leeds

Step up to Serve: £100,000 core funding

Young Citizens: £100,000 for the Go-Givers Programme

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TRUSTEES' REPORT (*CONTINUED*)

FOR THE YEAR ENDED 31 MARCH 2020

Shared society

The Trustees approved two grants totalling £1,081,542 to Birkbeck, University of London to continue core funding the Pears Institute for the Study of Antisemitism until 2023.

Grant renewals in the UK included:

New Israel Fund UK: £200,000 core funding

Antisemitism Policy Trust: £100,000 core funding

Community Foundation in Wales: £100,000 for the Pears Action Learning Fund

Maslaha: £100,000 core funding

Olive Tree Initiative: £100,000 core funding

Encouraging philanthropy

Relationships continued with the Centre for Philanthropy, University of Kent and The Beacon Collaborative to drive the understanding and development of philanthropy. Within the Youth Social Action space, core funding grants to First Give and Young Citizens fund their work with young people to build a culture of giving.

International Development

The Trustees funded international partnerships with grants of £200,000 to Sightsavers towards its work to treat and prevent trachoma in Ethiopia, and £90,000 to the Israeli NGO, the NALA Foundation.

We continue to fund the Pears scholarships and their associated alumni networks with an annual grant of £1,000,000 to the Hebrew University of Jerusalem. The programme enables over 35 students annually from the developing world to study at post-graduate level, and develop the skills and experience to combat their countries' most pressing challenges. The scholarships constitute a major initiative for the University operating across three degree programmes: the International Masters in Public Health, the Masters programmes at the Faculty of Agriculture, Food and Environment, and the GLOCAL Community Development MA programme.

Renewal grants were made to our core partners in Israel, continuing our aims of building the capacity of the international development sector: £273,147 (ILS 1,158,145) to the Jerusalem Institute for Policy Research to cover the core costs of the Pears Program for Global Innovation and £238,871 (ILS 1,100,000) to cover the core costs of the Society for International Development. Established by the Foundation, SID provides training, convening, advocacy and policy support for the international development field in Israel.

Renewal grants were made to OLAM (£165,000), Tevel B'Tzedek (£158,000) and JDC Entwine (£150,000).

Holocaust education

The Trustees approved a further one-year core funding grant of £500,000, matched by the Department for Education, to the UCL Centre for Holocaust Education at the Institute of Education, which runs the national teacher training programmes for English schools. The Trustees also renewed their core funding grant for longstanding partner the National Holocaust Centre and Museum in Nottinghamshire with a grant of £200,000.

Supporting the voluntary sector

The Foundation provides grants to infrastructure organisations that support and advocate for the voluntary sector. This year the Foundation agreed core funding grants of £30,000 to ACEVO and £25,000 to 360Giving.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Christmas Gifts programme

The annual Christmas Gifts programme, which awards grants of between £3,000 and £10,000 to small charities based around an annual theme, awarded 19 gifts totalling £136,000. This year the trustees chose to focus on addressing social isolation. Recipients were charities and projects that in different ways bring people together, from Men's Sheds, to activities for people losing their sight and, to telephone befriending for the housebound elderly.

OTHER ACTIVITIES

Pears Partners Professional Development Programme

During 2019/20 the Foundation's operating programme, JHub, provided office spaces for eight resident organisations. The Foundation continued to develop its offer of non-financial support to our grantees and partners including workshops at JHub and bespoke training sessions for individual grantees in areas such as Belbin, Polarity Management and MBTI. The reflective workshops focus on teamwork, problem-solving and leadership and give organisations time away from their office to reflect on issues such as team dynamics and strategy. We also hosted a series of well-attended lunch and learns with external speakers and a facilitated Action Learning Set for grantees.

FINANCIAL REVIEW

The below list constitutes all grants of over £50,000 made by Pears Foundation in the year.

Organisation	Amount	Organisation
Maudsley Charity	£5,500,000	Pears Maudsley Centre for Children and Young People
University of Kent	£2,000,000	Kent and Medway Medical School
Hebrew University of Jerusalem	£1,000,000	Pears Scholarships and Alumni Activity
Imperial War Museum	£1,000,000	Capital funding for Holocaust Galleries
The Trussell Trust	£1,000,000	Foodbank Income Maximisation Programme
Birkbeck, University of London	£856,542	Pears Institute for the Study of Antisemitism: 2020-2023
University College London	£500,000	Funding for the Centre for Holocaust Education
Ambitious about Autism	£400,000	Employ Autism Project
Jerusalem Institute for Policy Research	£273,147	Pears Programme for Global Innovation
Society for International Development - Israel	£238,871	Core funding
The Duke of Edinburgh's Award	£250,000	Core Funding 2019/20 (made as two grants)
Birkbeck, University of London	£225,000	Pears Institute for the Study of Antisemitism 2019/20
First Give	£200,000	Core funding
Marie Curie	£200,000	Community Nursing Service
Mencap	£200,000	Family support early intervention project
New Israel Fund UK	£200,000	Core funding
Sightsavers	£200,000	Treating and preventing Trachoma in Ethiopia
South Kent Coast Clinical Commissioning Group	£200,000	Pears #iWill Fund: Kent and Medway STP Youth Volunteering Programme
The National Holocaust Centre and Museum	£200,000	Core funding
OLAM	£165,000	Core funding

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Tevel b'Tzedek	£158,000	Core funding
American Jewish Joint Distribution Committee	£150,000	JDC Entwine Pears Fellows and UK staff member
Jewish Care	£150,000	Core funding
Leeds Community Foundation	£150,000	Pears Youth Fund
Norwood	£150,000	Core funding
Haven House Children's Hospice	£120,000	Core funding
Antisemitism Policy Trust	£100,000	Core funding
Carers UK	£100,000	Core funding
Community Foundation in Wales	£100,000	Pears Action Learning Fund
JW3	£100,000	Core funding
Maslaha	£100,000	Core funding
Olive Tree Initiative	£100,000	Core funding
Quaker Social Action	£100,000	Core funding
School-Home Support	£100,000	Core funding
Sense	£100,000	Inclusive activities at TouchBase Pears
Step Up to Serve	£100,000	Core funding
UJIA	£100,000	Core funding
Young Citizens	£100,000	Go-Givers Programme
NALA Foundation	£90,000	Core funding
Office of the Chief Rabbi	£88,000	Ghana study trip
StreetGames UK	£80,280	Fit and Fed summer 2020
Aegis Trust	£80,000	Refurbishment of Kigali Genocide Memorial
Collective Impact Initiative	£80,000	Core funding
Hope into Action	£80,000	Core funding
The International Centre for the Study of Radicalisation	£80,000	Core funding
Young Minds	£80,000	Parents' Helpline
Anna Freud Centre	£75,000	Core funding
Coram	£75,000	Creative therapies and other activities based in the Pears Pavilion
Faith in Leadership	£75,000	Alumni Programming and Senior Faith Leadership Programme
Tzedek	£75,000	Core funding
Samaritans	£70,000	Core funding
The Abraham Fund Initiatives	£70,000	Core funding
The National Society (Church of England and Church in Wales) for the Promotion of Education	£70,000	Pears #iWill Fund: Developing Younger Leadership
Round Up Israel	£66,000	Core funding
Bradford Literature Festival	£63,550	Bradford Literature Festival 2020
Merkaz Ma'ase	£60,000	Durub Project: volunteering and education for young Arab women
Solutions Not Sides	£60,000	Core funding
Yachad	£60,000	Core funding
Beit Halochem UK	£50,000	Veteran Games 2020

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Centre for Countering Digital Hate	£50,000	Core funding
Chartered College of Teaching	£50,000	Core funding
Forward Thinking	£50,000	Core funding
Horatio's Garden	£50,000	Horatio's Garden Cardiff
Kisharon	£50,000	Core funding
Nightingale Hammerson	£50,000	Core funding
The Jewish Lads' and Girls' Brigade	£50,000	DofE Provision 2019-20
The Linking Network	£50,000	Pears #iWill Fund: Social Action in Primary Schools - Phase Two

Note 1

Where the grants are made in currencies other than sterling, the sterling equivalent is shown in this report.

The above grants total £18,814,390 representing 87% of the total charitable expenditure in the year which amounted to £21,525,423.

Pears #iWill Fund Grants 2019-20 (grants over £50,000 are also included in the above list)

Category	Organisation	Grant Amount	Purpose
Education	The National Society (Church of England and Church in Wales) for the Promotion of Education	£70,000	Developing Younger Leadership
Education	The Linking Network	£50,000	Social Action in Primary Schools - Phase Two
Education	Student Hubs	£40,000	Platinum Hub Development Funding
Education	The Royal Society of the Arts	£7,155	TeacherTapp Survey on Youth Social Action
Education	Chartered College of Teaching	£4,000	CPD Packs and Compact Guides to accompany Social Action Impact Journal
Environment	Eden Project Ltd	£20,000	#iWill4Nature Resources for Primary Schools
Health and Social Care	South Kent Coast Clinical Commissioning Group	£200,000	Kent and Medway STP Youth Volunteering Programme
Health and Social Care	Institute for Voluntary Action Research	£10,000	Health and Social Care: Learning Partner Extension
Health and Social Care	UCLH Charity	£5,000	London Beacon Area Grant
Health and Social Care	Dorset County Hospital Charity	£5,000	Dorset Beacon Area Grant

During the year the charity received total income of £22,607,202 (2019: £21,191,275). At the year end total funds held by the charity were £27,762,516 (2019: £24,835,848).

The unrestricted reserves of the Charity at the year end were £25,806,213. The trustees review the level of reserves held on a regular basis to ensure there are sufficient funds available for the charity to meet its commitments as and when they fall due and make further commitments according to its strategic aims.

Pears Foundation is funded by donations and by returns on investment.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

The investment policy of the Charity is for free cash to be held on deposit and for investments in both quoted and unquoted companies to provide income and growth in the future

Future developments

By March 2020, with the UK in lockdown, it was apparent that the coronavirus pandemic was going to have a serious impact on many aspects of life and a devastating impact on the UK voluntary sector.

The Foundation's priority in 2020-21 will be to support its partners (particularly those on the frontline who are working with vulnerable communities) through the immediate crisis and to reflect, recover and rebuild.

Although we will not be able to offer face to face professional development, we will continue to provide non-financial support to grantees to help strengthen the organisations and the people who lead them enable them to connect with their peers.

In October 2020, the Foundation was awarded £5,500,000 from the DCMS Community Match Challenge, which aims to provide a match fund grant to philanthropists, foundations and grant making organisations for onward distribution to voluntary and community organisations to respond to the needs of the most vulnerable and marginalised people affected by the COVID-19 crisis. The Foundation will disburse £5,000,000 in matched funds, along with a further £500,000 from the Paul Hamlyn Foundation to go to youth organisations, which will also be matched by DCMS.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity 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 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the charity trustees on 29 October 2020



Sir Trevor Pears CMG

TRUSTEE

THE PEARS FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PEARS FAMILY CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The Pears Family Charitable Foundation (the 'Charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the 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 charity's affairs as at 31 March 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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 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.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PEARS FAMILY CHARITABLE FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees 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 Charity'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 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matter

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

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PEARS FAMILY CHARITABLE FOUNDATION

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Arram Berlyn Gardner LLP

31/11/2020

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

Arram Berlyn Gardner LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE PEARS FAMILY CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds	Designated funds	Restricted funds	Total 2020	Total 2019
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	22,471,574	-	-	22,471,574	20,182,785
Charitable activities	4	-	-	-	-	1,000,000
Investments	5	135,628	-	-	135,628	8,490
Total income		22,607,202	-	-	22,607,202	21,191,275
Expenditure on:						
<u>Charitable activities</u>						
Revenue Funding	6	14,024,831	-	411,155	14,435,986	16,127,849
Capital Funding	6	6,206,784	-	-	6,206,784	3,100,774
Discretionary Funding	6	511,462	-	-	511,462	560,817
Operating Programme Funding	6	371,191	-	-	371,191	397,912
Total charitable expenditure		21,114,268	-	411,155	21,525,423	20,187,352
Net gains on investments	10	1,844,889	-	-	1,844,889	1,206,928
Net incoming/(outgoing) resources before transfers		3,337,823	-	(411,155)	2,926,668	2,210,851
Gross transfers between funds		-	(1,000,000)	1,000,000	-	-
Net movement in funds		3,337,823	(1,000,000)	588,845	2,926,668	2,210,851
Fund balances at 1 April 2019		22,468,390	1,000,000	1,367,458	24,835,848	22,624,997
Fund balances at 31 March 2020		25,806,213	-	1,956,303	27,762,516	24,835,848

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


THE PEARS FAMILY CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investment properties	11	718,250		610,710	
Investments	12	44,762,232		43,024,883	
		<u>45,480,482</u>		<u>43,635,593</u>	
Current assets					
Debtors	15	12,740	1,038,632		
Cash at bank and in hand	14	4,300,679	5,393,060		
		<u>4,313,419</u>	<u>6,431,692</u>		
Creditors: amounts falling due within one year	17	(16,177,126)	(19,105,035)		
Net current liabilities		<u>(11,863,707)</u>		<u>(12,673,343)</u>	
Total assets less current liabilities		<u>33,616,775</u>		<u>30,962,250</u>	
Provisions for liabilities	18	(5,854,259)		(6,126,402)	
Net assets		<u>27,762,516</u>		<u>24,835,848</u>	
Income funds					
Restricted funds	19	1,956,303		1,367,458	
<u>Unrestricted funds</u>					
Designated funds	20	-	1,000,000		
General unrestricted funds		<u>25,806,213</u>	<u>22,468,390</u>		
		<u>25,806,213</u>		<u>23,468,390</u>	
		<u>27,762,516</u>		<u>24,835,848</u>	

The accounts were approved by the Trustees on 29 October 2020



Sir Trevor Pears CMG (Executive Chair)
Trustee

THE PEARS FAMILY CHARITABLE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(1,228,009)		1,431,111
Investing activities					
Purchase of investment property		-		(193,518)	
Interest received		135,628		8,490	
Net cash generated from/(used in) investing activities			135,628		(185,028)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(1,092,381)		1,246,083
Cash and cash equivalents at beginning of year			5,393,060		4,146,977
Cash and cash equivalents at end of year			4,300,679		5,393,060

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

The Pears Family Charitable Foundation (the "Charity") is an unincorporated charity. Charity Registration Number 1009195.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investments and investment properties at fair value. The principal accounting policies adopted are set out below.

The Charity has not consolidated subsidiary undertakings on the basis that they are dormant.

Subsidiaries and associates have been included in investments at their fair value.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts in kind are recognised at the cost the Charity would have had to pay for these gifts.

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Income from investments is recognised on a receivable basis.

1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Grants payable are charged in the year when the offer is conveyed to recipient except in those cases where the offer is conditional, such grants being included as expenditure when the conditions attaching are fulfilled.

Governance and support costs relating to charitable activities have been apportioned based on the amount of time spent on awarding, monitoring and assessing each category of grant.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income and expenditure account.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net gains/(losses) on investment for the year. Transaction costs are expensed as incurred.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Charity holds a long-term interest and where the Charity has significant influence. The Charity considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Provisions

Provisions are recognised when the Charity has a legal or constructive present obligation as a result of a past event, it is probable that the Charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. This obligation may be legal or constructive deriving from regulations, contracts, normal practices or public commitments that lead third parties to reasonably expect that the Charity will assume certain responsibilities. The amount of the provision is determined based on the best estimate of the outflow of resources required to settle the obligation, taking into account all available information.

No provision is recognised if the amount of liability cannot be estimated reliably. In this case, the relevant information is disclosed in the notes to the financial statements.

Given the uncertainties inherent in the estimates used to determine the amount of provision, actual outflows of resources may differ from the amounts recognised originally on the basis of the estimates.

Valuation and impairment of investments

The calculation of the fair value of unquoted investments involves the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The value of net assets are also considered. The Charity makes an estimate of the recoverable amount of other investments. When assessing impairment of investments, the Trustees consider factors including the current economic climate and historical experience. Minority shareholdings have been discounted.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	22,471,574	20,182,785

4 Income from charitable activities

	2020	2019
	£	£
Restricted grants	-	1,000,000

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	3,312	5,548
Income from unlisted investments	128,919	-
Interest receivable	3,397	2,942
	<u>135,628</u>	<u>8,490</u>

6 Charitable activities

	Revenue Funding	Capital Funding	Discretionary Funding	Operating Programme Funding	Total 2020	Total 2019
	2020	2020	2020	2020		
	£	£	£	£	£	£
Staff costs	312,500	32,223	6,445	174,548	525,716	530,010
Grants	14,042,836	6,165,396	503,184	185,647	20,897,063	19,597,435
Office admin	78,083	8,873	1,775	10,996	99,727	84,851
Exchange (gains)/ losses	2,567	292	58	-	2,917	(24,944)
	<u>14,435,986</u>	<u>6,206,784</u>	<u>511,462</u>	<u>371,191</u>	<u>21,525,423</u>	<u>20,187,352</u>
Analysis by fund						
Unrestricted funds	14,024,831	6,206,784	511,462	371,191	21,114,268	15,979,019
Restricted funds	411,155	-	-	-	411,155	4,208,333
	<u>14,435,986</u>	<u>6,206,784</u>	<u>511,462</u>	<u>371,191</u>	<u>21,525,423</u>	<u>20,187,352</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Charitable activities (Continued)

For the year ended 31 March 2019

	Revenue Funding	Capital Funding	Discretionary Funding	Operating Programme Funding	Total 2019
	£	£	£	£	£
Staff costs	261,867	87,029	6,530	174,584	530,010
Grants	15,830,106	3,001,459	553,304	212,566	19,597,435
Office admin	54,085	18,522	1,482	10,762	84,851
Exchange (gains)/losses	(18,209)	(6,236)	(499)	-	(24,944)
	<u>16,127,849</u>	<u>3,100,774</u>	<u>560,817</u>	<u>397,912</u>	<u>20,187,352</u>
Analysis by fund					
Unrestricted funds	11,919,516	3,100,774	560,817	397,912	15,979,019
Restricted funds	4,208,333	-	-	-	4,208,333
	<u>16,127,849</u>	<u>3,100,774</u>	<u>560,817</u>	<u>397,912</u>	<u>20,187,352</u>

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2020 £	2019 £
Audit of the charity's annual accounts	<u>6,500</u>	<u>6,500</u>

8 Trustees

No remuneration was paid to the Trustees of the Charity.

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Foundation Employees	7	7
Operating Programme Employees	3	3
	<u>10</u>	<u>10</u>

Employment costs

	2020 £	2019 £
Wages and salaries	449,369	458,546
Social security costs	51,853	52,794
Other pension costs	24,494	18,670
	<u>525,716</u>	<u>530,010</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000-£70,000	1	1
£70,000-£80,000	-	1
£100,000-£110,000	1	1
	<u>1</u>	<u>2</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2020 £	2019 £
Aggregate compensation	273,536	293,838

10 Net gains on investments

	2020 £	2019 £
Revaluation of investments	1,737,349	1,258,168
Revaluation of investment properties	107,540	(51,240)
	1,844,889	1,206,928

11 Investment property

	2020 £
Fair value	
At 1 April 2019	610,710
Net gains or losses through fair value adjustments	107,540
At 31 March 2020	718,250

The fair value of the investment property has been arrived at on the basis of a valuation carried out by the Trustees at the balance sheet date.

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

12 Fixed asset investments

	Listed investments £	Other investments	Total £
Cost or valuation			
At 31 March 2019	162,501	42,862,382	43,024,883
Valuation changes	(12,453)	1,749,802	1,737,349
At 31 March 2020	150,048	44,612,184	44,762,232
Carrying amount			
At 31 March 2020	150,048	44,612,184	44,762,232
At 31 March 2019	162,501	42,862,382	43,024,883

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in associates	22	17,920,761	17,231,632
Other investments		26,691,423	25,630,750
		44,612,184	42,862,382

13 Subsidiaries

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Copthall Investment Co. Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Copthall Investment Co. Limited	-	1,863

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

14 Cash and cash equivalents

Cash and cash equivalents consists of:

	2020 £	2019 £
Cash at bank	4,300,679	5,393,060
	<u>4,300,679</u>	<u>5,393,060</u>

15 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	12,740	38,632
Prepayments and accrued income	-	1,000,000
	<u>12,740</u>	<u>1,038,632</u>

Other debtors disclosed above are classified as receivables and are therefore measured at amortised cost.

16 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	4,313,547	5,431,689
Instruments measured at fair value through profit or loss	<u>44,762,232</u>	<u>43,024,883</u>

17 Creditors

Amounts falling due within one year

	2020 £	2019 £
Other creditors	23,101	23,360
Provisions for liabilities and charges	<u>16,154,025</u>	<u>19,081,675</u>
	<u>16,177,126</u>	<u>19,105,035</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

18 Provisions for liabilities	2020 £	2019 £
Provisions for liabilities and charges	5,854,259	6,126,402
Movements on provisions:		£
At 1 April 2019		25,208,077
Additional provisions in the year		20,798,498
Reversal of provision		(20,000)
Utilisation of provision		(24,071,369)
Exchange difference		93,078
At 31 March 2020		22,008,284
Amount outstanding at 31 March 2020 payable in less than one year		16,154,025
Amount outstanding at 31 March 2020 payable in more than one year		5,854,259
		22,008,284

19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Movement in funds			Balance at 31 March 2020 £
		Incoming resources £	Resources expended £	Transfers £	
NYSAF	25,492	-	-	-	25,492
The Pears #iWill Fund	1,341,966	-	(411,155)	1,000,000	1,930,811
	1,367,458	-	(411,155)	1,000,000	1,956,303

The NYSAF fund was established in 2015/2016, committed to helping young people in deprived or rural areas to get involved in social action.

The Pears #iWill Fund was established in 2016/2017, committed to helping young people in social action.

FOR THE YEAR ENDED 31 MARCH 2020

(Continued)

		Movement in funds			
	Balance at 1 April 2018	Incoming resources	Resources expended	Transfers	Balance at 31 March 2019
	£	£	£	£	£
NYSAF	32,192	-	(6,700)	-	25,492
The Pears #iWill Fund	2,543,559	1,000,000	(4,201,633)	2,000,000	1,341,926
	<u>2,575,791</u>	<u>1,000,000</u>	<u>(4,208,333)</u>	<u>2,000,000</u>	<u>1,367,458</u>

		Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 31 March 2020
	£	£	£	£	£
The Pears #iWill Fund- matched funding	1,000,000	-	-	(1,000,000)	-
	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>	<u>-</u>

		Movement in funds			
	Balance at 1 April 2018	Incoming resources	Resources expended	Transfers	Balance at 31 March 2019
	£	£	£	£	£
The Pears #iWill Fund- matched funding	2,000,000	1,000,000	-	(2,000,000)	1,000,000
	<u>2,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>(2,000,000)</u>	<u>1,000,000</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21 Analysis of net assets between funds

	Unrestricted £	Designated £	Restricted £	Total £
Fund balances at 31 March 2020 are represented by:				
Investment properties	718,250	-	-	718,250
Investments	44,762,232	-	-	44,762,232
Current assets/(liabilities)	(14,295,010)	-	2,431,303	(11,863,707)
Provisions	(5,379,259)	-	(475,000)	(5,854,259)
	<u>25,806,213</u>	<u>-</u>	<u>1,956,303</u>	<u>27,762,516</u>

22 Associates

Details of the Charity's associates at 31 March 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Trendgrove Properties Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	50
Bickenhall Investments Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	49
CHP Management Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	25
Registered Holdings Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	20

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

23 Related party transactions

Several of the Trustees are also directors of the unquoted companies whose shares are owned by the Charity and during the year, £22,452,574 (2019: £20,176,237) was received in donations and gifts in kind from The William Pears Group of Companies Limited. £12,500 of donations were received from other related parties. Dividends received from related parties were £128,919 (2019: £128,521) and £100,000 (2019: £150,000) of donations were made to related charities.

24 Cash generated from operations	2020 £	2019 £
Surplus for the year	2,926,668	2,210,851
Adjustments for:		
Investment income recognised in statement of financial activities	(135,628)	(8,490)
Fair value (gains) and losses on investment properties	(107,540)	51,240
Fair value (gains) and losses on investments	(1,737,349)	(1,258,168)
Movements in working capital:		
Decrease in debtors	1,025,892	1,127,463
(Decrease)/increase in creditors	(2,927,909)	4,306,799
Increase in provisions	(272,143)	(4,998,584)
Cash (absorbed by)/generated from operations	(1,228,009)	1,431,111

25 Analysis of changes in net funds

The Charity had no debt during the year.

