

Charity no. 1165528

**The Alfred Gillett Trust**  
**Report and Audited Financial Statements**  
**31 March 2020**

## The Alfred Gillett Trust

### Reference and administrative details

For the year ended 31 March 2020

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<b>Charity number</b>	1165528																		
<b>Registered office and operational address</b>	The Grange Farm Road Street Somerset BA16 0EJ																		
<b>Trustees</b>	<p>The trustees are who served during the year and up to the date of this report were as follows:</p> <table><tr><td>Mrs Cato Pedder</td><td>Chair</td></tr><tr><td>Dr Charles Donald Robertson</td><td>Deputy Chair</td></tr><tr><td>Ms Katie Arber</td><td>(appointed 13 March 2020)</td></tr><tr><td>Mrs Alice Clark</td><td>(resigned 7 September 2019)</td></tr><tr><td>Mr Richard Clark</td><td></td></tr><tr><td>Mr David Hill</td><td>(appointed 13 March 2020)</td></tr><tr><td>Mr Martin Lovell</td><td></td></tr><tr><td>Mr Hugh Pym</td><td></td></tr><tr><td>Mr Patrick Colton</td><td>(appointed 15 June 2019)</td></tr></table>	Mrs Cato Pedder	Chair	Dr Charles Donald Robertson	Deputy Chair	Ms Katie Arber	(appointed 13 March 2020)	Mrs Alice Clark	(resigned 7 September 2019)	Mr Richard Clark		Mr David Hill	(appointed 13 March 2020)	Mr Martin Lovell		Mr Hugh Pym		Mr Patrick Colton	(appointed 15 June 2019)
Mrs Cato Pedder	Chair																		
Dr Charles Donald Robertson	Deputy Chair																		
Ms Katie Arber	(appointed 13 March 2020)																		
Mrs Alice Clark	(resigned 7 September 2019)																		
Mr Richard Clark																			
Mr David Hill	(appointed 13 March 2020)																		
Mr Martin Lovell																			
Mr Hugh Pym																			
Mr Patrick Colton	(appointed 15 June 2019)																		
<b>Senior Management Team</b>	<p>The day to day management of the trust is delegated to the Senior Management Team as follows:</p> <table><tr><td>Ms Natalie Watson</td><td>Director</td></tr><tr><td>Ms Samantha Bradley</td><td>Office Manager</td></tr><tr><td>Mr Tim Crumplin</td><td>Business Archivist</td></tr></table>	Ms Natalie Watson	Director	Ms Samantha Bradley	Office Manager	Mr Tim Crumplin	Business Archivist												
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Ms Samantha Bradley	Office Manager																		
Mr Tim Crumplin	Business Archivist																		
<b>Bankers</b>	National Westminster 72 High Street Street Somerset BA16 0EJ																		
<b>Solicitors</b>	Lancaster Parr Pear Tree House Wanstrow Somerset BA4 4TF																		
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD																		

## **The Alfred Gillett Trust**

### **Report of the trustees**

**For the year ended 31 March 2020**

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#### **Structure, Governance and Management**

The Alfred Gillett Trust is a Charitable Incorporated Organisation (CIO) governed by a board of eight trustees which meet 4 times per year. The Trustees set the strategic vision and are guided by the Foundation Constitution of the organisation, dated 11 February 2016. We were previously established as a charity under a Trust deed dated 2 October 2002 and its registered charity number was 1095901.

The CIO has the ability to appoint Trustees and must have at least three charity Trustees and a maximum of twelve. Both The Roger and Sarah Bancroft Charitable Trust (registered charity number 211513) and the Joseph and Francis Clark Trust (registered charity number 267441) have the power to appoint and remove one Trustee. C & J Clark Limited also has the power to appoint and remove one Trustee. All Trustees give their time freely and no remuneration was paid in the year.

Trustees are recruited through a process of open advertising in both sector and local channels as well as existing networks, with subsequent interviews held in person before appointment. The induction process for any newly appointed Trustee comprises an initial meeting with the Chair and the Director. Newly appointed Trustees are briefed on our objectives and details of the constitution. The welcome pack includes a brief history, copies of Board minutes, the latest annual report and accounts, the constitution, the forward plan, the staff handbook, relevant policy documents and the Charity Commission's guidance 'The Essential Trustee: What You Need to Know'. Trustees also keep themselves up to date using information from the Charities Commission and their solicitors.

At the Board meetings, the Trustees approve the strategy, including consideration of investment, reserves and risk management policies and performance. The Director and Senior Management Team have the authority to implement the Trustees' decisions, which are communicated through the Trustee meetings, or via email/phone calls during intervening periods. The Director discusses issues with the Chair of the Trustees on a weekly basis and submits reports and proposals to the Trustees and stakeholders on an ongoing basis.

Due to close links with C & J Clark Limited through shared collections and services, a Grant Funding Agreement and a Collections Loan Agreement was implemented on 6 February 2018 to ensure we are aligned where possible with the company on activities and resource allocation. As signatories to the two key agreements, strategic direction is provided by the Company Secretary and the Chief Executive Officer.

#### **Objectives and Activities**

The Alfred Gillett Trust was established to advance public education through the co-operation and assistance in the foundation and maintenance of a public records centre and museum in Street. The collections are varied and include family and business archives, shoe catalogues, point of sale materials, fossils, artwork and furniture, costume, film and sound archives, and a large collection of historic shoes and shoe making machinery.

#### ***Our Mission and Vision***

Our mission is to share the rich history of Street's shoe industry, demonstrating the principles of stewardship, integrity and community-mindedness, upon which the collection was founded, and inspiring the next generation of creators, thinkers and innovators.

Our vision is to inform and inspire the public by sharing the cultural history of shoemaking.

#### ***Charitable Objectives***

1. To advance public education through the co-operation and assistance in the foundation and maintenance of a public records centre and museum in Street in the County of Somerset or such other place as the Trustees may decide for one or more of the following purposes namely:

## The Alfred Gillett Trust

### Report of the trustees

#### For the year ended 31 March 2020

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- a. the preservation within a library archives and records centre of the historic papers records and exhibits connected with the footwear and shoemaking industry in the town of Street and the surrounding area or elsewhere; and
  - i. those who developed the said industry and trades particularly in Street and the surrounding area;
  - ii. the domestic and social life of the area; and
  - iii. the Religious Society of Friends.
- b. the exhibition to the public of historic shoes, material, machinery, equipment and buildings used in connection with the said footwear and shoemaking industry and its supply and distribution trades; and
- c. the exhibition to the public of any fossils and other articles of historic interest or articles of artistic merit including paintings, drawings and works of art of all kinds.

#### **Public Benefit**

The Trustees confirm they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities.

The heritage service gives public access to extensive archival and material culture collections comprising material which relates to the history and manufacture of footwear, the individuals involved in footwear design and production, the development of Street as a company town, and the sociological, political and economic changes which occurred in the nineteenth and twentieth centuries. Public access is facilitated at the Grange by prior appointment and in a drop-in capacity through our programme of open days, tours, events, and temporary exhibitions.

#### **Achievements and Performance**

Our strategic aims and objectives were set to guide our development from 2019-2020 and published in the 2019-2025 Strategic Plan. Five key areas of development were identified which contribute to the long-term development programme, culminating in the construction of a new collection storage and a museum on the Grange site. Progress was made on all strategic objectives set in 2019-20, including:

##### ***Aim 1: Improve The Standards Of Collections Care, Storage And Documentation***

Our major focus this year was to begin decommissioning the current off-site collections storage facilities and transferring collections into the **Grange Archive** and stores.

In order to undertake large-scale inventorying and documenting required, a range of Spectrum-compliant **collections management procedures** were drafted, including object entry, loans in, acquisition and accessioning, deaccession and disposal.

The unexpected closure of both **Kendal Heritage Centre** and the company **Shoe Museum** necessitated a restructuring of the scheduled projects. The CMT adapted the accommodation within the **Grange** to take these new collections and undertook large scale inventorying and documentation projects. We worked with the company to undertake regular environmental and curatorial checks on the museum, though access was later restricted due to structural issues.

In April, work began to decant the collections at **Donnes**, our large object storage containing the main portion of our archive, object, shoe, point of sale and machinery collections. Throughout the year the Collections Management Team (CMT) and volunteers worked to document, clean, repack, transfer and finally store thousands of historic objects and archives, including:

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### Report of the trustees

#### For the year ended 31 March 2020

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- 40 filing cabinets worth of archives have been appraised and 90 boxes worth of material have been identified as candidates for disposal on the basis of duplication.
- 2,000 pieces of point of sale, 1,500 of which have already been documented, repacked and transferred into permanent storage the archive.
- 1,700 items of footwear documented, cleaned and packed, with the remaining 4,000 assessed for duplication and condition, with recommendations made for retention and disposal.
- Nearly 1,000 new items have been discovered during this process and added to the collections database, and 2,900 items have been identified as candidates for disposal on the basis of duplication or hazardous condition.

A new temporary storage facility in Street, **Park Road Store**, was secured with support of the company and was prepared for the arrival of the machinery collection. The shoemaking machinery collection containing over 500 objects was professionally appraised by an industrial conservation specialist in preparation for its relocation, using a **Collections Care Audit** grant awarded by the Association of Independent Museums.

Our major collections digitisation programme continued in partnership with the company, with the **Shoe Digitisation Project** and **Point of Sale Digitisation Project** entering their penultimate year. All Clarks footwear dating up to 1980 have been documented and digitised, with over 8,400 shoes forming a database of 44,000 images. Over 730 sets of Point of Sale have been completed, amounting to 1,900 items and a searchable database of 29,000 records. The Photography and Design Team (PDT) digitised the trust-owned small **Fossil Collection**, the cataloguing and repacking of which was completed by volunteers. PDT also oversaw the integration of our historic digitisation assets into the new **digital image library**, enabling access to decades of past photography and research.

We continued to work with the company to ensure the long-term security of the historic collections, with discussions beginning about possible **transfer of ownership**. At the expense of the company, a market valuation of their collections was undertaken by Patrick Bowen Fine Art Consultants, who also provided valuations for the trust-owned and family-owned collections in our custody.

#### ***Aim 2: Increase Access Through Outreach And Engagement***

Our popular programme of events continued, with 3,764 visitors attending talks, tours and exhibitions, including 1,113 children. We focused on developing **partnerships and collaborations** with local groups and individuals and engaging with new audiences.

The Grange provided a venue for part of the Street Arts Trail in collaboration with **local cultural group** and the third annual outdoor cinema in partnership with **Strode Theatre** and **Clarks Village** was held. The orchard and barn were transformed into theatres performances by **local artists**, and we also hosted a Home Industries touring exhibition in collaboration with the **Bodleian Library**. The **Museum of Somerset** loaned a painting from our collection for their Tristram Hillier exhibition.

Our Millfield archive collection was used as the inspiration to develop KS2 resources and activities with **local schools** using a WROCAH Innovation Placement grant secured by Alison Horgan. The fossil collection was the focus of two free **Sea Dragons of Street** exhibitions, and free **house tours** of the Grange were provided for the national Heritage Open Days scheme.

The **company enquiry service** continued, providing employees with the opportunity to request high-quality research and images supported by the collections. Due to the scale of the Donnes Decant Project and the time requirements on the curatorial staff, the **public enquiries service** was suspended for the year, but we continued to engage virtually with the public through the social media and online channels. Facebook was used as the main platform to promote the **#AGT53 campaign**, sharing a weekly treasure from the collection. A new **Digital Engagement Team** was set up to begin guiding the strategic development of our offer.

***Aim 3: Improve Our Services, Facilities And Operations***

We continued to invest in the development of the facilities to ensure our sites are safe and secure for staff, visitors and collections. Repair work began to the Grange building based on the findings of the 2018 **Condition Survey**, with particular focus on **weatherproofing** the site and the high-risk, high-impact **defects** identified. A conservation specialist was commissioned to create a brief for the restoration of the **Grade II listed portico**.

The sites public **accessibility** began to be addressed, with the installation of **signage** designed using our newly developed branding guidelines. Planning began in collaboration with Clarks Village for a new **site entrance** linking the Grange to the shopping centre to support the hosting of large-scale outdoor events. Improvements were made to the room hire offer by **refurbishing** an accessible ground-floor room and by upgrading the equipment and furniture to meet the requirements of users.

An additional annual grant from the R&SBC charitable trust was agreed, providing us with the interest from the capital development fund held for revenue purposes. The company also increased the **annual grant** following the closure of the Shoe Museum. This amendment to the Grant Funding Agreement was intended to cover the costs of decanting the museum collections and to enable the Business Archivist to provide additional research and development support to the company. It enabled us to recruit a new **Collections Manager** towards the end of the year to oversee the ongoing curatorial projects and support our capital development aspirations.

We moved our accounts to a **new bank**, established a high-interest **reserve account**, and switched our **accounting software** from SAGE to QuickBooks. These changes have enabled senior managers and trustees to remotely access and approve financial information, giving greater oversight and financial controls.

A significant amount of work was undertaken with solicitors Chubb Bulleid to ensure all **land and assets** belonging to the original Alfred Gillett Trust charity (#1095901) was transferred to the current CIO established in 2016 (#1165528). This required securing new deeds and agreements with neighbouring properties to the Grange and Donnes, enabling the **Land Registry titles** to be updated. An application for adverse possession of the two plots of land adjoining the main registered title at Donnes was completed, and **possessory title** granted. The original Alfred Gillett Trust charity (#1095901) will be officially closed by the Charity Commission in the coming year.

***Aim 4: Realise Our Capital Development Aspirations***

A **market valuation** of the Donnes site was undertaken, and plans drawn up to complete the decant and sell the site in order to invest the proceeds in a **new storage facility**. The unexpected closure of both Kendal Heritage Centre and the Shoe Museum caused delays to the Donnes Decant Project, which was rescheduled and extended into 2021-22.

Two consultants were recruited using the capital development fund to begin the required audience development and business planning work identified in the capital development plan. As part of this process, we began the **public promotion** of the plans for the new museum and undertook several **visioning workshops** with the staff, volunteers and trustees to develop the final vision for the museum.

A key part of the capital development programme was the creation of an **audience development strategy** by external consultants Lemon Drizzle. This major project saw **widespread consultation** with the users and non-users of our service through surveys, focus groups and targeted interviews. The work undertaken by the consultants enabled us to begin to identify and understand our audiences better and will be used to develop an **activity plan** in the coming year.

Business Planning consultants, Jura, were commissioned to develop a **business plan**, forecasting the income and expenditure for the future museum vision. The work undertaken by the consultants enabled us to begin to identify and understand our financial situation and options better and will be used to develop a **10-year business plan** in the coming year.

## The Alfred Gillett Trust

### Report of the trustees

#### For the year ended 31 March 2020

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Further progress on the capital development programme was delayed **due to the long-term absence of the Director** from October to January. During this time, the Senior Management Team and Chair oversaw the management of the trust, staff and consultant liaison.

## Financial Review

### *Investment Performance*

The charity made an unrealised loss of £587,030 (2019: unrealised gain of £25,240) on the units held in the Schroder's funds based upon the market value of these units as at 31 March 2020.

The charity made an unrealised gain of £190,832 (2019: unrealised loss of £1,378,228) on the unlisted investment in C & J Clark Limited shares based upon the market value of these units as at September 2019, which was closest to the balance sheet date. However, the Trust's external auditors Godfrey and Wilson do not agree that the September 2019 valuation represents fair value. Trustees are confident that this is the best value available as C & J Clark Limited did not have a new market valuation undertaken as usual due to the global pandemic and lockdown. Historically it has been custom and practice that C & J Clark Limited provide the valuation which is then used in the Trust annual accounts since these are privately held shares. The Trust did not deem it a good use of its finances to pursue a costly external professional valuation which would have been no more accurate at the time of its completion than the valuation held for September 2019. As such, trustees are confident they have handled this issue in the most reasonable way possible considering the global pandemic and maintain that the September 2019 valuation is the fairest and most reasonable valuation to have used. The Trust is disappointed with the auditor's decision not to use this valuation which has resulted in a Qualification.

The trustees consider the results to be reflective of the wider national economic context and continue to review the performance of our investments. Information relating to changes in investments is given in note 1j of the accounts.

### *Reserves Policy*

The Trust keeps a certain level of financial reserves to help meet the charity's needs via a Reserves Policy dated July 2018. The reserve level has been set to cover the operating costs of the Trust for a period of six months, which is calculated and monitored at the start of every financial year and adjusted to match 50% of the approved operating budget, which is in the region of £250,000.

At the end of the year we had unrestricted reserves of £5,512,436 (2019: £5,913,382), with 'free' reserves of £1,122,969 (2019: £1,056,421), this being the unrestricted reserves less fixed assets. The reserves figure is significantly higher than our policy dictates as the Trust is actively pooling resources and assets as we are in the process of engaging a financial advisor and ethical investment company to create an ethical investment portfolio to ensure ongoing revenue funding to support our work on an annual basis.

### *Investments*

The listed investments with Schroder charity equity funds are included at fair value using the closing quoted market price, being the bid price, and the unlisted investments have been included in the balance sheet at the semi-annual valuation of the shares by Pricewaterhouse Coopers LLP, Chartered Accountants, using a valuation date closest to the balance sheet date in order to be measured at fair value.

### *Investment Policy*

There are no restrictions imposed on the investment policy by our constitution. The Trustees make the investments in accordance with Charity Law.

## **The Alfred Gillett Trust**

### **Report of the trustees**

**For the year ended 31 March 2020**

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#### ***Trustees Risk Assessment***

The Trustees maintain a risk register to identify the risks that we encounter during operation. The risk register is tabled at every Board Meeting and each risk identified is graded low, medium or high. The Trustees consider that adequate controls are in place to mitigate the key risks identified.

#### ***Principal Risks and Management Strategy***

1. We are unable to continue operating in the long-term if adequate and sustainable financial resources are not in place.
  - a. Our principal long-term income is generated from the shares we hold, which have performed poorly in recent years. Over the coming year we will put in place an ethical investment policy, sell identified assets, and invest these in a diversified investment portfolio.
  - b. We will review the 5-year operational business plan put in place in December 2019 to guide our income generation and expenditure.
  - c. We will continue to explore ways of generating income through our services and activities, partnership projects and seek external funding.

#### ***Fundraising***

The Trust does not have a formal strategy governing how we raise funds from the public and does not use a fundraiser or commercial participator to carry out its fundraising activities. Donations are encouraged at all public events held by the Trust through the use of donations boxes, and via our website. No complaints have been received by the charity about fundraising activity.

#### **Plans for Future Periods**

##### ***Impact of Coronavirus on Future Planning***

The 2020-21 Forward Plan and budget, based on the 2019-25 Strategic Plan, was approved on 13 March 2020. This was done without reference to the potential impact of the Coronavirus pandemic, which resulted in a national lockdown and the subsequent closure of Trust sites and furloughing of staff. No major consideration was given to the impact it might have at that time as, like the rest of the world, we did not expect it to have the global impact we have seen.

It is expected that by the end of 2020 the Trust will have lost 309 staff working days and an estimated £72,000 income as a result of the pandemic, with most of the planned projects, events and activities postponed or cancelled. This has had a fundamental impact on the way in which the Trust carried out its planned work and the severe restrictions throughout the year made planning and resource allocation extremely difficult.

All sites were closed on 17 March 2020, with staff working remotely from home or placed on furlough or flexible furlough leave. This was deemed necessary due to the nature of our core work, which was predominantly focused on working directly with objects and archives which could not be accessed remotely. During this period, a month-by-month operational plan was put in place by the Director and SMT to manage the remote staff, and trustees met monthly to assess the changing situation and approve budget.

As restrictions were eased, a phased return to site working of curatorial staff was implemented from 17 July, with half the staff continuing either part-time or full-time working from home in order to keep numbers at sites to safe levels and ensure the sites were COVID-secure. The number of site working staff was gradually increased over the autumn and managed to a rota, with isolated working on individual tasks, rather than the usual team work. Trust sites have remained closed to external visitors since 17 March, except for essential maintenance contractors, and we have instead been providing a remote enquiry service using email and Zoom.



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### Report of the trustees

#### For the year ended 31 March 2020

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Unbudgeted expenditure during this time was focused on providing a COVID-secure working environment for site working staff, ensuring the necessary PPE and social distancing measures were in place, and improving the IT infrastructure to enable remote working from home. There was an increased need for occupational health and mental health support for staff during this time, as well as external HR support to manage the impact of the pandemic on the staff's wellbeing and performance. The Trust's room hire service was suspended at the beginning of lockdown and we have not been able to resume this service to date. The financial loss of this has been accounted for this, but the loss of returning customers is not yet known.

This highly restrictive way of working has increased the timescales for many pieces of work planned for completion in 2020 and as such a new forward plan was approved by the trustees on 22 August. This reflected the unexpected drop in income and the Trust's need to react to developing uncertainties about the future of C & J Clark, a key funder of the Trust. The new plan therefore reduced budgeted activity from £411,725 to £280,550 and focused the energies of the SMT on ensuring the future protection of the company collections in the Trusts' care. It concentrated the staff and resources on tasks which would be manageable with the social distancing restrictions and the reduced services available from external contractors and suppliers.

In September, discussions began about a potential second national lockdown, and as such 4-week Lockdown Plans were developed by the SMT to ensure all staff could continue working remotely full time on tasks that would contribute meaningfully to the new forward plan. On 5 November, a second lockdown was implemented, and all staff once more asked to work remotely until its expected end on 2 December, causing delays to all site-based work scheduled.

At the time of writing this report, it is still unknown what the timescales of the restrictions will be for the remainder of 2020-21, but it is assumed a continuation of restrictions and further local lockdowns are likely until a vaccine is widely distributed. This is reflected in future planning, with more emphasis put on digital, rather than physical engagement, and a concentration of resources and time on being-the-scenes collections management work.

Public engagement continues to be a priority, but all planned physical outreach events and education projects have been removed due to COVID-19 restrictions. More time and resource are being put towards developing our digital engagement offer and enquiries service, with the creation of a Digital Engagement Strategy and a COVID-secure activity plan for events in 2021.

The key priority for the Trust remains the transfer of collections into new storage, with concurrent decant projects scheduled at Donnes, Shoe Museum, Grange, Archive, Park Road Store and Morelight. These are deemed high priority due to the conditions many of the collections are currently stored in, which pose a threat to their ongoing protection.

The second priority was the continuation of the services provided the C & J Clark Ltd through our Grant Funding Agreement and Collections Loan Agreement. Resources have been put towards providing the company a remote enquiries service and continuing the Shoe and Point of Sale Digitisation Projects, the latter of which was had to be brought inhouse from a previous external contractor. The Trust's long-term goal of securing the transfer of ownership of the company collection, currently on loan, will be actively pursued, and the extension of the Grant Funding Agreement seen as the highest priority.

Of increased importance in the revised forward plan is the requirement for the Trust's to develop a 5-year business plan, which could be significantly impacted by ongoing COVID-restrictions. Detailed reviews of our assets and investments will be undertaken and a restructuring of our finances to provide more long-term financial sustainability.

Progress toward the new actions identified in the 2020-21 Forward Plan will be monitored on an ongoing basis with an update report being prepared for the Trustees for each board meeting. A full review of the plan will be undertaken at the end of January 2021 and action taken accordingly. Implementation of this plan will be the responsibility of the Director overseen and approved by the Board of Trustees, with support on implementation from the Senior Management Team and staff. Volunteers have not been asked to return to work with the trust at present, and their return is not expected until summer of 2021 at the earliest.

## The Alfred Gillett Trust

### Report of the trustees

#### For the year ended 31 March 2020

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The trustees have considered the impact of the pandemic on the charity's current and future financial position. The charity held unrestricted funds of £5,512,436, cash reserves of £1,033,316 and investments of £2,456,636 which can be drawn down if necessary as at 31 March 2020. It has also taken advantage of the Job Retention Scheme to help with staff costs during site closure. The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

#### ***Aim 1: Improve The Standards Of Collections Care, Storage And Documentation***

Two major collections decant projects will take place; the decant of the **Shoe Museum** at company HQ, closed in August 2019, and the continuing decant of **Donnes**, the Trust's dilapidated large object store. Curatorial staff will document, catalogue, clean, repack, transport and digitise thousands of historic objects and archives with the support of volunteers, making them accessible through our collections database.

The current storage areas at the **Grange** will be redeveloped to accommodate the arriving material, and the new temporary storage facility, **Park Road Store**, will be fitted out and the environment stabilised, enabling machinery and large objects from Donnes to be transferred. As a matter of priority, the proposal for a **permanent storage facility** in Street for the growing collection will be developed (see Aim 4).

A **Collections Manager** will be recruited to oversee the increasingly complex collections management staff and the projects, providing the support for the **Business Archivist** to work more closely with C & J Clark Ltd. The company-funded **Digitisation Project** will see the ongoing digitisation of the Clarks footwear and Point of Sale collections. A key development of this project for 2020 onwards is the establishment of an **online database**, providing the company with remote access to the collections.

One of our main priorities will be to safeguard the long-term security of the company- and family-owned collections currently under the care of the trust. **Transfer of ownership** will be pursued following the market valuation undertaken at the request of the company. The renewal of the company **Grant Funding Agreement** and **Collections Loan Agreement** will also be undertaken, as both agreements expire in January 2021.

#### ***Aim 2: Increase Access Through Outreach And Engagement***

To increase access to our collections and information whilst under COVID restrictions, we will provide a **public enquiry service** and an enhanced enquiry service for the company to support for their projects, research and development.

We will focus on developing our **digital engagement** offer, guided by a Digital Engagement Team, who will redevelop our **e-newsletter**, **website** and **social media** channels and look at new ways of engaging people virtually. A weekly social media campaign, **#AGTAZ**, will share high quality images of objects and archives from the collection, building on the success of the previous campaigns.

#### ***Aim 3: Improve Our Services, Facilities And Operations***

As guardians of historic collections and listed buildings, one of our ongoing aims is to ensure that all our sites and facilities are fit-for-purpose and maintained to appropriate standards. We will continue to address the action plan from the **Condition Survey** of the Grange, prioritising the conservation of the Grange **portico** and the high-risk high-impact **building defects**. An updated **asbestos survey** of the Grange will be undertaken, and enhanced **hazard management** guidelines put in place for staff and users.

Further work will be done to develop an operational business plan reacting to the financial pressures of the COVID pandemic. This includes a review of the investments we hold, the development of a new **ethical investment policy** and a restructure Trust investments and finances to provide secure endowments for future sustainability. The **ethical sale** of artwork owned by the Trust will be completed

## The Alfred Gillett Trust

### Report of the trustees

#### For the year ended 31 March 2020

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and the proceeds invested into a new **investment portfolio** aimed at providing long term financial sustainability.

Improvements will be made across the board on our **collections management** policies and procedures, with a view to aligning ourselves with the ACE **Accreditation** Scheme and NRA Accreditation Scheme. Our specialisation in **digital preservation** will continue, with our Photography and Design team aiming to diversify our image capture and management capabilities to incorporate video, live streaming, and rotational photography to support digital engagement.

#### ***Aim 4: Realise Our Capital Development Aspirations***

The capital development project to create a new museum on the Grange site was originally intended to be a key piece of work in 2020-21, building on the findings of the business planning and audience development consultants in 2019. The Trust will postpone this development until 2021, prioritising the use of the capital development grant on supporting the collections decant and storage projects shown in aim 1. We will prioritise the creation of a new **permanent storage facility** for our large object collections and create the Vision and Brief for implementation in 2021-22.

#### **Statement of Responsibilities of the Trustees**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with 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).

The law applicable to charities in England and Wales requires the trustees are to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those 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 judgements and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. The trustees 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.

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

**The Alfred Gillett Trust**

**Report of the trustees**

**For the year ended 31 March 2020**

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**Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees and signed on their behalf on 12 December 2020:

*Cato Pedder*

Mrs Cato Pedder (Chair)

## **Independent auditors' report**

### **To the trustees of**

#### **The Alfred Gillett Trust**

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#### **Qualified opinion**

We have audited the financial statements of The Alfred Gillett Trust (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows, and the related 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, except for the effects of the matter described in the "basis for qualified opinion" section" of our report, 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, 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 Charities Act 2011.

#### **Basis for qualified opinion**

The charity's investments in the unlisted shares of C and J Clark are carried at a value of £1,208,600 on the balance sheet at 31 March 2020. As described in Note 13 to the accounts, this valuation was determined at 20 September 2019. The trustees have not determined a valuation for the investments as at 31 March 2020 as required under FRS102, and have not facilitated a further valuation to support this carrying value at the year end date. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

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 qualified 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.

## **Independent auditors' report**

### **To the trustees of**

### **The Alfred Gillett Trust**

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#### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the "basis for qualified opinion" section of our report, we were unable to satisfy ourselves concerning the valuation of unlisted investments of £1,208,600 held at 31 March 2020. We have concluded that where the other information refers to the unlisted investments balance or related balances such as unrealised gains or losses, it maybe materially misstated for the same reason.

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

Except for the matter described in the "basis for qualified opinion" section of our report, in the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

Arising solely from the disagreement in accounting treatment on our work related to unlisted investments:

- we have not obtained all the information and explanations that we considered necessary for the purposes of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matter in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the financial statements are not in agreement with the accounting records and returns.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, 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 they 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## **Independent auditors' report**

**To the trustees of**

**The Alfred Gillett Trust**

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### **Our responsibilities for the audit of the financial statements**

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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 14 December 2020

### **GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

The Alfred Gillett Trust

Statement of financial activities

For the year ended 31 March 2020

	Note	Restricted £	Unrestricted £	2020 Total £	2019 Total £
<b>Income from:</b>					
Donations and legacies	3	342,343	279,183	<b>621,526</b>	407,234
Charitable activities	4	-	1,123	<b>1,123</b>	3,892
Other trading activities	5	-	6,754	<b>6,754</b>	8,933
Investments	6	-	95,038	<b>95,038</b>	133,767
<b>Total income</b>		<u>342,343</u>	<u>382,098</u>	<u><b>724,441</b></u>	<u>553,826</u>
<b>Expenditure on:</b>					
Raising funds		-	1,961	<b>1,961</b>	2,196
Charitable activities		<u>269,267</u>	<u>384,885</u>	<u><b>654,152</b></u>	<u>564,573</u>
<b>Total expenditure</b>	7	<u>269,267</u>	<u>386,846</u>	<u><b>656,113</b></u>	<u>566,769</u>
<b>Net income / (expenditure) before losses</b>		73,076	(4,748)	<b>68,328</b>	(12,943)
Net losses on investments		-	<u>(396,198)</u>	<u><b>(396,198)</b></u>	<u>(1,352,988)</u>
<b>Net movement in funds</b>	8	73,076	(400,946)	<b>(327,870)</b>	(1,365,931)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>90,977</u>	<u>5,913,382</u>	<u><b>6,004,359</b></u>	<u>7,370,290</u>
<b>Total funds carried forward</b>		<u><u>164,053</u></u>	<u><u>5,512,436</u></u>	<u><u><b>5,676,489</b></u></u>	<u><u>6,004,359</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the accounts.



## The Alfred Gillett Trust

### Balance sheet

As at 31 March 2020

	Note	£	2020 £	2019 £
<b>Fixed assets</b>				
Tangible assets	11		<b>1,920,831</b>	1,992,127
Heritage assets	12		<b>12,000</b>	12,000
Investments	13		<b>2,456,636</b>	2,852,834
			<b>4,389,467</b>	4,856,961
<b>Current assets</b>				
Debtors	14	<b>295,424</b>		516,890
Cash at bank and in hand		<b>1,033,315</b>		667,857
		<b>1,328,739</b>		1,184,747
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	15	<b>41,717</b>		37,349
<b>Net current assets</b>			<b>1,287,022</b>	1,147,398
<b>Net assets</b>	17		<b>5,676,489</b>	6,004,359
<b>Funds</b>	18			
Restricted funds			<b>164,053</b>	90,977
Unrestricted funds				
General funds			<b>5,512,436</b>	5,913,382
<b>Total charity funds</b>			<b>5,676,489</b>	6,004,359

Approved by the trustees on 12 December 2020 and signed on their behalf by

*Cato Pedder*

Mrs Cato Pedder (Chair)

**The Alfred Gillett Trust**

**Statement of cash flows**

**For the year ended 31 March 2020**

	<b>2020</b>	2019
	<b>£</b>	£
<b>Cash used in operating activities:</b>		
Net movement in funds	<b>(327,870)</b>	(1,365,931)
Adjustments for:		
Depreciation charges	<b>72,871</b>	73,477
(Gains) / losses on investments	<b>396,198</b>	1,352,988
Dividends and interest from investments	<b>(95,038)</b>	(133,767)
Decrease / (increase) in debtors	<b>221,466</b>	(58,675)
Increase / (decrease) in creditors	<b>4,368</b>	(11,210)
	<b><u>271,995</u></b>	<u>(143,118)</u>
<b>Net cash provided by / (used in) operating activities</b>		
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	<b>95,038</b>	133,767
Purchase of tangible fixed assets	<b>(1,575)</b>	(5,749)
	<b><u>93,463</u></b>	<u>128,018</u>
<b>Net cash provided by investing activities</b>		
<b>Increase / (decrease) in cash and cash equivalents in the year</b>	<b>365,458</b>	(15,100)
Cash and cash equivalents at the beginning of the year	<b><u>667,857</u></b>	<u>682,957</u>
<b>Cash and cash equivalents at the end of the year</b>	<b><u><u>1,033,315</u></u></b>	<u><u>667,857</u></u>

## The Alfred Gillett Trust

### Notes to the financial statements

For the year ended 31 March 2020

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#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Alfred Gillett Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. Despite the impact of the Covid-19 pandemic, the charity held unrestricted funds of £5,512,436, cash reserves of £1,033,316 and investments of £2,456,636 which can be drawn down if necessary as at 31 March 2020. It has also taken advantage of the Job Retention Scheme to help with staff costs during site closure. On this basis the trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of sponsorship and event income is deferred until criteria for income recognition are met.

##### d) Interest receivable

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

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

## The Alfred Gillett Trust

### Notes to the financial statements

#### For the year ended 31 March 2020

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##### f) Expenditure and irrecoverable VAT (continued)

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2020	2019
Raising funds	0.0%	0.0%
Charitable activities	100.0%	100.0%

##### h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property	50 years
Fixtures and fittings	15 - 20 years
Equipment	3 - 5 years

No depreciation has been charged on freehold land.

Items of equipment are capitalised where the purchase price exceeds £500.

##### i) Heritage assets

The charity holds heritage assets, which are tangible fixed assets of historical, artistic or scientific importance that are held to advance the preservation and conservation objectives of the charity. Newly purchased heritage assets are capitalised and included at cost including any incidental expenses of acquisition.

Where heritage assets were acquired in past accounting periods and not capitalised, it can be difficult or costly to attribute a cost or value to them. In such cases, these assets are excluded from the balance sheet if reliable cost information is not available and conventional valuation approaches lack sufficient reliability or significant costs are involved in the reconstruction or analysis of past accounting records or in valuation, which are onerous compared with the additional benefit derived by users of the accounts in assessing the trustees' stewardship of the assets.

The Trust has a number of collections and historical artefacts which it manages and is in the process of cataloguing and digitising some of these historic collections, which are being held to advance the preservation, conservation and educational objects of the Trust. The majority of these collections are currently on loan to the Trust from C&J Clark Limited, the Clark family and others and therefore do not belong to the Trust itself. These assets on loan are not capitalised within these financial statements although some of the expenditure relating to their use and maintenance is included in the Statement of Financial Activities.

## The Alfred Gillett Trust

### Notes to the financial statements

#### For the year ended 31 March 2020

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**i) Heritage assets (continued)**

The very long expected life of heritage assets (comprising works of art), due to their nature, value, and need to be protected and preserved, means that depreciation is not material and is, therefore, not provided. The trustees will review its value at the end of each financial accounting period and consider whether there has been any impairment in its value at which point an impairment charge will be processed.

**j) Listed and unlisted investments**

Investments listed or traded on a recognised stock exchange are stated at fair value at the reporting date, which is deemed to be their market value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

Unlisted investments have been revalued to reflect valuations carried out by Pricewaterhouse Coopers at a date closest to the balance sheet date, which is deemed to be their fair value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

**k) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**l) Cash at bank and in hand**

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

**m) Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**n) Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

**o) Pension costs**

The trust operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

The charity previously participated in a defined benefit pension scheme. The scheme was a multi-employer pension scheme. During the current period, the remaining pension liability was paid off and the scheme was closed. The charity is no longer making contributions into the scheme, and all outstanding debt has been paid off.

## The Alfred Gillett Trust

### Notes to the financial statements

#### For the year ended 31 March 2020

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##### **p) Accounting estimates and key judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### **Depreciation**

As described in note 1(h) to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

##### **Heritage assets**

As described in note 1(i) to the accounts, many of the charity's heritage assets are too impractical to value and are therefore excluded from the accounts. Where practicable, heritage assets are valued at cost.

##### **Investment assets**

As described in note 1(j) to the financial statements, unlisted investments are revalued to reflect valuations carried out by Pricewaterhouse Coopers at a date closest to the balance sheet date, which is deemed to be their fair value.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2020

2. Statement of financial activities: prior period comparative

	Restricted £	Unrestricted £	2019 Total £
<b>Income from:</b>			
Donations and legacies	150,912	256,322	<b>407,234</b>
Charitable activities	-	3,892	<b>3,892</b>
Other trading activities	-	8,933	<b>8,933</b>
Investments	-	133,767	<b>133,767</b>
<b>Total income</b>	<b>150,912</b>	<b>402,914</b>	<b>553,826</b>
<b>Expenditure on:</b>			
Raising funds	-	2,196	<b>2,196</b>
Charitable activities	187,325	377,248	<b>564,573</b>
<b>Total expenditure</b>	<b>187,325</b>	<b>379,444</b>	<b>566,769</b>
<b>Net income before losses</b>	<b>(36,413)</b>	<b>23,470</b>	<b>(12,943)</b>
Net losses on investments	-	(1,352,988)	<b>(1,352,988)</b>
<b>Net movement in funds</b>	<b>(36,413)</b>	<b>(1,329,518)</b>	<b>(1,365,931)</b>

3. Income from donations and legacies

	Restricted £	Unrestricted £	2020 Total £
C&J Clark Limited annual grant	150,000	167,500	<b>317,500</b>
Roger And Sarah Bancroft Clark Charitable Trust grant	192,343	103,834	<b>296,177</b>
Other donations	-	7,849	<b>7,849</b>
<b>Total income from donations and legacies</b>	<b>342,343</b>	<b>279,183</b>	<b>621,526</b>

Prior period comparative

	Restricted £	Unrestricted £	2019 Total £
C&J Clark Limited annual grant	150,000	100,000	250,000
Roger And Sarah Bancroft Clark Charitable Trust grant	-	156,000	156,000
Other donations	912	322	1,234
<b>Total income from donations and legacies</b>	<b>150,912</b>	<b>256,322</b>	<b>407,234</b>

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2020

4. Income from charitable activities

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Talks	-	825	825	1,019
Heritage services	-	43	43	2,450
Other	-	255	255	423
<b>Total income from charitable activities</b>	<b>-</b>	<b>1,123</b>	<b>1,123</b>	<b>3,892</b>

All income from charitable activities received in the prior period was unrestricted.

5. Income from other trading activities

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Sponsorship	-	-	-	1,747
Room lettings	-	5,718	5,718	7,186
Other income	-	1,036	1,036	-
<b>Total income from other trading activities</b>	<b>-</b>	<b>6,754</b>	<b>6,754</b>	<b>8,933</b>

All income from other trading activities received in the prior period was unrestricted.

6. Income from investments

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Investments listed on a recognised stock exchange	-	81,109	81,109	55,129
Other unlisted securities	-	12,722	12,722	78,328
Bank interest receivable	-	1,207	1,207	310
<b>Total income from investments</b>	<b>-</b>	<b>95,038</b>	<b>95,038</b>	<b>133,767</b>

All income from investments received in the prior period was unrestricted.



The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2020

7. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Wages and salaries	-	323,455	26,553	350,008
Training and conferences	-	1,399	-	1,399
Premises costs	-	65,424	-	65,424
Insurance	-	18,351	-	18,351
Health and safety	-	2,540	-	2,540
Other motor / travel costs	-	2,227	-	2,227
Other staff costs	-	677	-	677
Advertising	-	1,562	-	1,562
Depreciation	-	72,871	-	72,871
Subscriptions	-	817	-	817
Consultancy costs	-	41,621	-	41,621
Outreach and event costs	-	4,297	-	4,297
Sundry purchases	-	27,053	-	27,053
Communications and IT	-	-	5,732	5,732
General office	-	591	23,148	23,739
Bank charges	-	-	166	166
Room hire costs	1,961	87	-	2,048
Professional fees	-	2,441	25,551	27,992
Audit	-	-	4,920	4,920
Legal	-	21	2,548	2,569
Trustee meetings	-	-	100	100
<b>Sub-total</b>	<b>1,961</b>	<b>565,434</b>	<b>88,718</b>	<b>656,113</b>
Allocation of support and governance costs	-	88,718	(88,718)	-
<b>Total expenditure</b>	<b>1,961</b>	<b>654,152</b>	<b>-</b>	<b>656,113</b>

Total governance costs were £7,589.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2020

7. Total expenditure: prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2019 Total £
Wages and salaries	-	306,412	26,553	332,965
Training and conferences	-	7,921	-	7,921
Premises costs	-	58,642	-	58,642
Insurance	-	14,322	-	14,322
Health and safety	-	4,081	-	4,081
Other motor / travel costs	-	2,654	-	2,654
Other staff costs	-	1,067	-	1,067
Advertising	-	2,255	-	2,255
Depreciation	-	73,477	-	73,477
Subscriptions	-	179	-	179
Archivist costs	-	4,750	-	4,750
Sundry purchases	-	5,120	-	5,120
Communications and IT	-	-	5,858	5,858
General office	-	160	16,926	17,086
Accounting	-	-	860	860
Bank charges	-	-	318	318
Room hire costs	2,196	-	-	2,196
Professional fees	-	381	26,147	26,528
Audit	-	-	4,800	4,800
Legal	-	-	1,650	1,650
Trustee meetings	-	-	40	40
<b>Sub-total</b>	<b>2,196</b>	<b>481,421</b>	<b>83,152</b>	<b>566,769</b>
Allocation of support and governance costs	-	83,152	(83,152)	-
<b>Total expenditure</b>	<b>2,196</b>	<b>564,573</b>	<b>-</b>	<b>566,769</b>

Total governance costs were £12,431.

In prior year, charitable activity expenditure was split out into 'archive and collection care' and 'exhibition and educational projects'. This split was deemed no longer applicable to the charity's activities and the columns have therefore been combined.

## The Alfred Gillett Trust

### Notes to the financial statements

#### For the year ended 31 March 2020

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#### 8. Net movement in funds

This is stated after charging:

	2020 £	2019 £
Depreciation	72,871	73,477
Operating lease payments	1,636	1,636
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	419	445
Auditors' remuneration:		
▪ Statutory audit and accounts preparation (including VAT)	<u>4,920</u>	<u>4,800</u>

Trustees' reimbursed expenses relates to reimbursed travel costs for two trustees of £319 (2019: £445 for two trustees). During the year, £100 was spent on subsistence for trustee meetings (2019: £40).

#### 9. Staff costs and numbers

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	290,314	286,866
Social security costs	20,355	20,941
Pension costs	<u>39,339</u>	<u>25,158</u>
	<u>350,008</u>	<u>332,965</u>

No employee earned more than £60,000 during the year (2019: none).

The key management personnel of the charity comprise the Trustees, Director, Office Manager and Business Archivist. The total employee benefits of the key management personnel were £133,902 (2019: £128,696).

Within staff costs is the final payment to withdraw from the defined benefit pension scheme totalling £11,584 (2019: £nil). The charity no longer operates a defined benefit pension scheme and all liabilities regarding the scheme have now been paid.

	2020 No.	2019 No.
Average head count	<u>13</u>	<u>14</u>
Average number of full-time equivalent employees	<u>11</u>	<u>11</u>

#### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2020

11. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2019	1,748,826	691,299	51,020	<b>2,491,145</b>
Additions in year	<u>-</u>	<u>-</u>	<u>1,575</u>	<u><b>1,575</b></u>
At 31 March 2020	<u>1,748,826</u>	<u>691,299</u>	<u>52,595</u>	<u><b>2,492,720</b></u>
<b>Depreciation</b>				
At 1 April 2019	229,726	230,716	38,576	<b>499,018</b>
Charge for the year	<u>29,188</u>	<u>35,776</u>	<u>7,907</u>	<u><b>72,871</b></u>
At 31 March 2020	<u>258,914</u>	<u>266,492</u>	<u>46,483</u>	<u><b>571,889</b></u>
<b>Net book value</b>				
<b>At 31 March 2020</b>	<u><b>1,489,912</b></u>	<u><b>424,807</b></u>	<u><b>6,112</b></u>	<u><b>1,920,831</b></u>
At 31 March 2019	<u>1,519,100</u>	<u>460,583</u>	<u>12,444</u>	<u>1,992,127</u>

12. Heritage assets

	Artwork £	Total £
<b>Cost</b>		
At 1 April 2019 and 31 March 2020	<u>12,000</u>	<u><b>12,000</b></u>
<b>Depreciation</b>		
At 1 April 2019 and 31 March 2020	<u>-</u>	<u>-</u>
<b>Net book value</b>		
<b>At 31 March 2020</b>	<u><b>12,000</b></u>	<u><b>12,000</b></u>
At 31 March 2019	<u>12,000</u>	<u>12,000</u>

The Trust has a number of collections and historical artefacts which it manages and is in the process of cataloguing and digitising. These historic collections are being held to advance the preservation, conservation and educational objects of the Trust. The majority of these collections are currently on loan to the Trust from C&J Clark Limited, the Clark family and others and therefore do not belong to the Trust itself. These assets on loan are not capitalised within these financial statements although some of the expenditure relating to their use and maintenance is included in the Statement of Financial Activities. The trust occasionally receives additions to the collections, and these acquisitions are invariably classified as heritage assets but are not included in the balance sheet as it would be both difficult and costly to attribute a value to them.

Heritage assets therefore comprises one item held outside the main collection which is considered practicable to be held at cost in the accounts. Professional valuations have suggested that the fair value is significantly higher.

## The Alfred Gillett Trust

### Notes to the financial statements

For the year ended 31 March 2020

#### 13. Investments

	2020 £	2019 £
Market value at 1 April 2019	2,852,834	4,205,822
Unrealised loss	<u>(396,198)</u>	<u>(1,352,988)</u>
<b>Market value at 31 March 2020</b>	<b><u>2,456,636</u></b>	<b><u>2,852,834</u></b>

#### Investments comprise:

	2020 £	2019 £
<b>Market value</b>		
C and J Clark ordinary shares	1,208,600	1,017,768
Investments via Schroders	<u>1,248,036</u>	<u>1,835,066</u>
	<b><u>2,456,636</u></b>	<b><u>2,852,834</u></b>

The unlisted investments in C&J Clark Limited are revalued based on semi-annual valuations of the shares by PricewaterhouseCoopers, Chartered Accountants. The valuation incorporated in the accounts was prepared on 20 September 2019, the valuation closest to the balance sheet date.

At 20 September 2019 the value of unlisted investments was £1,208,600 at £2.85 per share (2019: £2.40 per share).

Listed investments held by Schroders are shown at the market value at the balance sheet date.

#### 14. Debtors

	2020 £	2019 £
Prepayments	24,535	11,055
Dividends receivable	8,655	17,842
Other debtors	<u>262,234</u>	<u>487,993</u>
	<b><u>295,424</u></b>	<b><u>516,890</u></b>

#### 15. Creditors : amounts due within 1 year

	2020 £	2019 £
Trade creditors	23,382	8,427
Accruals	12,416	14,473
Deferred income (see note 16)	-	8,000
Other taxation and social security	<u>5,919</u>	<u>6,449</u>
	<b><u>41,717</u></b>	<b><u>37,349</u></b>

## The Alfred Gillett Trust

### Notes to the financial statements

For the year ended 31 March 2020

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#### 16. Deferred income

	2020 £	2019 £
At 1 April 2019	8,000	-
Deferred during the year	-	8,000
Released during the year	<u>(8,000)</u>	<u>-</u>
At 31 March 2020	<u>-</u>	<u>8,000</u>

Deferred income relates to sponsorship income for events to be held after year end.

#### 17. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	1,920,831	1,920,831
Heritage assets	-	12,000	12,000
Investments	-	2,456,636	2,456,636
Current assets	164,053	1,164,686	1,328,739
Current liabilities	<u>-</u>	<u>(41,717)</u>	<u>(41,717)</u>
<b>Net assets at 31 March 2020</b>	<b><u>164,053</u></b>	<b><u>5,512,436</u></b>	<b><u>5,676,489</u></b>
<b>Prior period comparative</b>			
	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	1,992,127	1,992,127
Heritage assets	-	12,000	12,000
Investments	-	2,852,834	2,852,834
Current assets	90,977	1,093,770	1,184,747
Current liabilities	<u>-</u>	<u>(37,349)</u>	<u>(37,349)</u>
<b>Net assets at 31 March 2019</b>	<b><u>90,977</u></b>	<b><u>5,913,382</u></b>	<b><u>6,004,359</u></b>

## The Alfred Gillett Trust

### Notes to the financial statements

For the year ended 31 March 2020

#### 18. Movements in funds

	At 1 April 2019 £	Income £	Expenditure £	Gains and losses £	At 31 March 2020 £
<b>Restricted funds</b>					
Capital project	-	192,343	(77,800)	-	<b>114,543</b>
Getting to know the Grange project	110	-	(110)	-	-
C&J Clark collection care and digitisation project	<u>90,867</u>	<u>150,000</u>	<u>(191,357)</u>	-	<b>49,510</b>
<b>Total restricted funds</b>	<u>90,977</u>	<u>342,343</u>	<u>(269,267)</u>	-	<b>164,053</b>
<b>Unrestricted funds</b>					
General funds	<u>5,913,382</u>	<u>382,098</u>	<u>(386,846)</u>	<u>(396,198)</u>	<b>5,512,436</b>
<b>Total unrestricted funds</b>	<u>5,913,382</u>	<u>382,098</u>	<u>(386,846)</u>	<u>(396,198)</u>	<b>5,512,436</b>
<b>Total funds</b>	<u>6,004,359</u>	<u>724,441</u>	<u>(656,113)</u>	<u>(396,198)</u>	<b>5,676,489</b>

#### Purposes of restricted funds

##### Capital project

A grant for the purpose of capital expenditure for any costs incurred by the Trust directly attributable to the construction and/or development of a new Museum. Includes costs attributable to the storage of the artefacts and archives of the Trust which are or may be displayed in the Museum.

##### Getting to know the Grange project

Funding received from Clark Foundation to improve the Grange's public appeal and facilitate consultation and learning on the site over a number of years. The grant was awarded to create new exhibition spaces, host community events and outreach projects, make improvements to publicly accessible rooms and install public facilities and furniture.

##### C&J Clark collection care and digitisation project

Funding received from C & J Clark Ltd as part of the 2018-21 Grant Funding Agreement to undertake the Digitisation Project. £150,000 of the annual grant is allocated to digitise portions of the company collection loaned to the Trust including footwear, point of sale, shoe catalogues, newspapers and the audio-visual collections. The Digitisation Project commenced in 2013 and is projected to finish at the end of the Grant Funding Agreement in 2021.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2020

18. Movements in funds (continued): prior period comparative

	At 1 April 2018 £	Income £	Expenditure £	Gains and losses £	At 31 March 2019 £
<b>Restricted funds</b>					
Emily Estate	3,500	-	(3,500)	-	-
Getting to know the Grange project	5,216	912	(6,018)	-	110
C&J Clark collection care and digitisation project	<u>118,674</u>	<u>150,000</u>	<u>(177,807)</u>	-	<u>90,867</u>
<b>Total restricted funds</b>	<u>127,390</u>	<u>150,912</u>	<u>(187,325)</u>	-	<u>90,977</u>
<b>Unrestricted funds</b>					
General funds	<u>7,242,900</u>	<u>402,914</u>	<u>(379,444)</u>	<u>(1,352,988)</u>	<u>5,913,382</u>
<b>Total unrestricted funds</b>	<u>7,242,900</u>	<u>402,914</u>	<u>(379,444)</u>	<u>(1,352,988)</u>	<u>5,913,382</u>
<b>Total funds</b>	<u><u>7,370,290</u></u>	<u><u>553,826</u></u>	<u><u>(566,769)</u></u>	<u><u>(1,352,988)</u></u>	<u><u>6,004,359</u></u>

19. Financial instruments at fair value

	2020 £	2019 £
Financial assets measured at fair value	<u>2,456,636</u>	<u>2,852,834</u>

Financial assets measured at fair value comprise listed and unlisted investments.

20. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2020 £	2019 £
Amount falling due:		
Within 1 year	1,635	1,636
Within 1 - 5 years	<u>409</u>	<u>3,679</u>
	<u><u>2,044</u></u>	<u><u>5,315</u></u>



## **The Alfred Gillett Trust**

### **Notes to the financial statements**

**For the year ended 31 March 2020**

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#### **21. Related party transactions**

Both The Roger and Sarah Bancroft Charitable Trust (registered charity number 211513) and the Joseph and Francis Clark Trust (registered charity number 267441) have the power to appoint and remove one Trustee.

Two of the trustees, Alice Clark (resigned) and Martin Lovell, are also trustees of the Roger And Sarah Bancroft Clark Charitable Trust. Grant funding of £296,177 (2019: £156,000) was received during the year from the Roger And Sarah Bancroft Clark Charitable Trust.

The Trust works very closely with C&J Clark Limited and some of the projects being undertaken are funded in part by the company as per note 18. C&J Clark Limited also has the power under the Trust Deed to appoint one trustee to the board of trustees and for the current year and the prior year this was Martin Lovell.

Two of the trustees, Martin Lovell and Richard Clark, are also trustees of the Clark Foundation. In the prior year, the Clark Foundation provided accounting services to the trust amounting to £238 and made a donation of £912 to be used for the "Getting to know the Grange Project" as detailed in Note 18. There were no transactions in the current year.

Two of the trustees, Martin Lovell and Richard Clark, are also trustees of the Crispin Hall Trust. In the prior year £72 was paid to the Crispin Hall Trust for health and safety training. There were no transactions in the current year.

#### **22. Post balance sheet events**

On 9 October 2020, The Alfred Gillett Trust sold one of its heritage assets, an artwork falling outside of the main shoe collection, at auction for a hammer price of £850,000. The artwork is held at its cost price in the accounts, as permitted by the SORP, and detailed in Note 12 to the accounts.