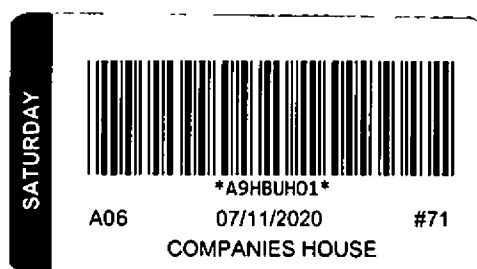


Registered number: 05309512  
Charity number: 1108296

**UNITED UTILITIES TRUST FUND**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**



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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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<b>Trustees</b>	Mrs Deborah Morton, Chair Mr Alastair Richards Mr Simon Dewsnpip Mrs Lynne Heath Mrs Sandra McCaughley
<b>Company registered number</b>	05309512
<b>Charity registered number</b>	1108296
<b>Registered office and principal address</b>	12-14 Mill Street Sutton Coldfield West Midlands B72 1TJ
<b>Company secretary</b>	Auriga Services Limited
<b>Senior management team</b>	The Trust has no employees and has engaged Auriga Services Limited as a third party provider for administration and management on behalf of the Trustees.
<b>Independent auditor</b>	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
<b>Bankers</b>	Royal Bank of Scotland 38 Mosley Road Manchester M60 2BE

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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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The Trustees present their report and the audited financial statements for the year ended 31 March 2020.

**Structure, Governance and Management**

**Governing document**

The organisation is a charitable company limited by guarantee, incorporated on 9 December 2004 and registered as a charity on 24 February 2005. Registered company number is 05309512 and charity no is 1108296.

The organisation is governed by the Articles of Association.

**Recruitment and appointment of trustees**

Recruitment of the first Trustees was by selection by the settlor drawing from experience of the sector and of the region where help is to be provided. Trustees have subsequently been appointed following public advertisement. The Trustees had commenced the recruitment of new Trustees in 2019/20 but this process was paused by the impact of Covid-19. It will re-commence in the new financial year.

A list of Trustees who governed in the year can be found on page 1.

**Trustee induction and training**

Before anyone considers seeking appointment as a Trustee, and as part of the induction process, they are expected to familiarise themselves with the responsibilities of charity trustees, read the Charity Commission literature on this subject and carefully read the trust deed, settlor's directions and the latest financial statements.

Opportunities for training are readily available and Trustees are encouraged to familiarise themselves with the day to day operations.

**Risk management**

*The Trustees have considered the risks to which the charity is exposed and have taken steps to mitigate those risks. The Trustees completed a full review of the risk register in 2019/20 and will regularly update this at Trustees' meetings.*

The Trustees periodically review the risk profile of the charity. This involves identifying the types of risk the charity faces, prioritising them in terms of potential impact and the likelihood of occurrence, and identifying the means of mitigating those risks. As part of this process, the Trustees work closely with Auriga Services Limited, who manage the day to day operations, to continually assess the adequacy of the charity's current internal controls and the costs of operating them relative to the benefits obtained. Any changes to control systems would be agreed by Trustees.

The Trustees have considered the risk that all donations are received from United Utilities Water plc and the issues that will arise from a failure to receive future donations from United Utilities Water plc. The risk has been mitigated by agreeing with United Utilities Water plc that a donation of £3.5m is guaranteed for the next year (2020/21).

The Trustees have considered the impact on the principal risks of Covid-19.

The Trustees identified that the impact of Covid-19 on the economy may result in an increase in the number of applicants. Their response is to review the criteria for awarding grants as necessary to ensure that grants continue to be awarded to those applicants with greatest need.

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**UNITED UTILITIES TRUST FUND**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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The Trustees identified that Auriga Services Limited's ability to meet its contractual liabilities to the charity could be affected by Covid-19. This risk is normally mitigated by the attendance of Auriga directors and operations managers at Trustee meetings as well as the review and monitoring of Auriga's performance by Trustees. The Trustees have also sought assurance from Auriga Services Limited of its ability to continue to operate as normal when all employees moved to homeworking and are maintaining regular contact with Auriga directors and operations managers.

Organisational structure

The structure of the organisation comprises the Board of Trustees with all non administrative and policy decisions made by the Trustees jointly. There is a single sub committee which is the Audit Committee. Administrative decisions are delegated to Auriga Services Limited who act on behalf of Trustees under an approved Scheme of Delegation.

The Trustees do not employ staff directly and hold no material assets other than bank balances.

The Trustees are aware of the new charity governance code issued in July 2017. A review was undertaken in 2019/20 of the guidance in order to produce recommendations for the coming year in order to ensure the charity takes positive steps towards working in line with the code, in all ways where it is practicable to so.

Audit committee

The Audit Committee is a sub committee established by the Board of Trustees and has authority from the Board to require Auriga Services Limited to report on any aspect of the powers delegated to it, in respect of the management of the charity and on its service provision.

The responsibility of the committee is:

- to ensure that there is an appropriate and effective framework of accountability;
- to examine and review all systems and methods of control both financial and otherwise including risk analysis and risk management;
- to assist the Board in longer-term financial planning and in reviewing performance against the budget and activity projections;
- to prepare and present to Trustees the audit plan, to review the draft annual accounts and the audit report for their approval;
- to ensure the charity is complying with all aspects of the law, relevant regulations and good practice;
- to ensure the charity has relevant systems and processes in place to enable it to comply with all aspects of the law, relevant regulations and good practice.

The committee may be authorised to investigate on behalf of the Board anything that threatens or adversely affects the accomplishment of the charity's aims and objectives, its assets, the reliability of all records and information, its compliance with all relevant laws, regulations, policies, and its governing articles.

The committee shall request and review reports and positive assurances from Auriga Services Limited on the overall arrangements for governance, risk management and internal control. It may also request specific reports from individual functions within Auriga Services Limited as may be appropriate to the overall arrangements.

The Audit Committee will consist of no fewer than two Trustees appointed by the Board.

The Chair of the Audit Committee will be appointed by the Board.

The Company Secretary shall attend meetings of the Committee, along with any other employees of Auriga Services Limited who may be required.

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**UNITED UTILITIES TRUST FUND**  
*(A company limited by guarantee)*

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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Unless otherwise determined by the Board, a quorum shall consist of two members of the Audit Committee. (The Chair does not have to be present for a quorum to exist.)

Membership of the committee and its terms of reference shall be reviewed annually by the Board at the Annual General Meeting. Any Trustee of United Utilities Trust Fund has the right to attend any Audit Committee meeting.

The committee meets at least twice a year.

During the year the Audit Committee comprised Alastair Richards (Chairman), Simon Dewsnip and Lynne Heath.

**Objectives and activities for the public benefit**

The Charity's objects are the relief of those persons who are in condition of need, poverty, hardship or other distress and are unable to meet the cost of charges for the supply of water and/or sewerage services provided to premises used or occupied by them by United Utilities as water and/or sewerage undertaker appointed pursuant to the Water Industry Act 1991 (or any statutory modification or amendment to that Act). Such relief is to be provided at such times and in such manner as the Trustees think fit and includes the prevention and relief of poverty by the provision of advice, counselling and the education of the general public in relation to debt, debt awareness and debt prevention.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year. The Trustees provide grants to assist eligible people or organisations to achieve the charity's objects.

**How our grants delivered public benefit**

**Achievements and performance**

During the year a £3.5m donation was received from United Utilities Water Plc (2019: £4.0m was received from United Utilities Water Plc). This is the fifteenth year of the charity's activities and it has worked to ensure that potential beneficiaries are aware of the availability of grants, as well as providing grants where applicable.

**Help for individuals**

In pursuit of charitable objectives, the Trust was able to award grants to individuals towards water and other priority costs. Grant payments have been made, as far as possible, directly to the organisation to which the amount is due. The aim of the Trust is to help people out of immediate crisis and financial difficulty and wherever possible, to encourage future financial stability. During the year the Trust received 6,572 (2019 – 6,086) applications and was able to provide grants and further assistance to 3,455 (2019 – 3,540) individuals or families amounting to £2,879,137 (2019 - £3,348,900).

**Organisational grants**

Trustees recognise the value of offering long term help and support to individuals experiencing hardship and have adopted a policy of making grants available to organisations that provide free money advice and debt counselling services. In pursuit of charitable objectives Trustees paid grants of £28,460 to two organisations (2019 £169,621) to support the delivery of money advice and debt counselling services in this financial year.

During the period Trustees decided that applications for funding would be invited from local organisations that delivered debt and money advice services within areas of particular hardship. Applications from organisations that specialised in providing services that are focussed on specific groups of people were encouraged.

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UNITED UTILITIES TRUST FUND  
(A company limited by guarantee)

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

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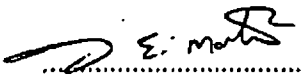
Information for the auditor

In respect of each Trustee at the date the Trustees' Report is signed:

- So far as we are aware, there is no information needed by the charity's auditor in connection with preparing their report (relevant audit information) of which they are unaware, and
- As trustees of the charity we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of the information.

This report has been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in January 2015) and in accordance with Part 15 of the Companies Act 2006. The Trustees have taken advantage of the small company's exemption from preparing a strategic report for the year.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
.....  
Mrs Deborah Morton  
(Chair of Trustees)  
Date: 26.09.20

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**UNITED UTILITIES TRUST FUND**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Trustees' indemnity**

The Trustees confirm that the company has Trustees' and Officers' insurance in place.

**Financial review**

The Trustees consider that the financial position of the Trust is satisfactory.

The Trustees have considered the actual impact and potential impact of Covid-19 on the charity and while there may be significant effects for the wider economy which could in turn result in increased demand for the Charity's grants, we have not identified any significant impact to date or specific risk that requires further disclosure. The full impact following the recent emergence of the global coronavirus is still unknown.

**Reserves policy**

The Trust maintains reserves to ensure that it is able to continue to fulfil its charitable purpose by providing for business continuity and to support future capital and revenue expenditure requirements which may not be covered by incoming resources.

At the end of the period total funds of £271,505 (2019: £226,966) represent unrestricted funds of £260,901 and £10,604 designated funds to meet the future costs of the provision of Money Advice and Debt Counselling.

The Trustees have reviewed the reserves policy in the light of the Covid-19 pandemic and have agreed that the appropriate target for the Trust's general, unrestricted reserves should remain at approximately £200,000.

The reserves policy will be reviewed again during 2020-21.

**Investment policy**

The trust deed grants the Trustees the power to invest funds, employ a fund manager and arrange for investments or other property of the charity to be held in the name of a nominee subject to the same conditions permitted by the Trustee Act 2000.

The trustees have adopted a policy to invest any excess funds in a special interest bearing account with the Royal Bank of Scotland.

Going Concern:

After considering the future potential impact of Covid-19, the Trustees are of the view that there are sufficient reserves to secure the immediate future of the charity for the next 12 to 18 months and on that basis the charity is a going concern.

**Plans for future periods**

The Trustees have considered the potential impact of Covid-19 on the charity and have determined that as United Utilities Water Plc have confirmed their commitment to support the Trust until March 2021, the charity will be able to continue to:

- provide grants up to the full value of available funds
- continue its commitment to support the organisational grant programme
- maintain the relationship with the donor company, United Utilities Water Plc, to continue the positive work of the Trust.



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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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The Trustees (who are also the directors of the company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED UTILITIES TRUST FUND**

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**Opinion**

We have audited the financial statements of United Utilities Trust Fund (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company'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 Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED UTILITIES TRUST FUND**  
**(CONTINUED)**

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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.

We have nothing to report in this regard.

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**UNITED UTILITIES TRUST FUND**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED UTILITIES TRUST FUND**  
(CONTINUED)

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**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

*Kerry Brown*

**Kerry Brown (Senior statutory auditor)**  
for and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: 3 November 2020

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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 05309512**

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**BALANCE SHEET**  
**AS AT 31 MARCH 2020**

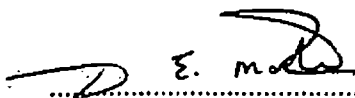
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	Note	2020 £	2019 £
<b>Current assets</b>			
Cash at bank and in hand		296,193	245,451
Creditors: amounts falling due within one year	11	(24,688)	(18,485)
<b>Net current assets</b>		<u>271,505</u>	<u>226,966</u>
<b>Charity funds</b>			
Unrestricted funds		<u>271,505</u>	<u>226,966</u>
<b>Total funds</b>		<u><u>271,505</u></u>	<u><u>226,966</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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

  
.....  
**Mrs Deborah Morton**  
(Chair of Trustees)  
Date: 26.09.20

The notes on pages 14 to 22 form part of these financial statements.

**UNITED UTILITIES TRUST FUND**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>				
Donations	3	3,500,000	3,500,000	4,000,000
Investments	4	583	583	443
<b>Total income</b>		<b>3,500,583</b>	<b>3,500,583</b>	<b>4,000,443</b>
<b>Expenditure on:</b>				
Grants payable	6	3,456,044	3,456,044	4,068,409
<b>Total expenditure</b>		<b>3,456,044</b>	<b>3,456,044</b>	<b>4,068,409</b>
<b>Net movement in funds</b>		<b>44,539</b>	<b>44,539</b>	<b>(67,966)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		226,966	226,966	294,932
Net movement in funds		44,539	44,539	(67,966)
<b>Total funds carried forward</b>		<b>271,505</b>	<b>271,505</b>	<b>226,966</b>

The notes on pages 14 to 22 form part of these financial statements.

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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	14	50,159	(83,650)
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		583	443
<b>Net cash provided by investing activities</b>		583	443
<b>Change in cash and cash equivalents in the year</b>		50,742	(83,207)
Cash and cash equivalents at the beginning of the year		245,451	328,658
<b>Cash and cash equivalents at the end of the year</b>	15	296,193	245,451

The notes on pages 14 to 22 form part of these financial statements

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**UNITED UTILITIES TRUST FUND**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**1. General Information**

United Utilities Trust Fund is a registered charity number 1108296, a Company Limited by Guarantee and registered in England (registered number 05309512). The registered office and principal place of business is 12-14 Mill Street, Sutton Coldfield, West Midlands, B72 1TJ.

The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

United Utilities Trust Fund 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.

**2.2 Going concern**

The Trustees consider they have sufficient reserves and cash to continue operating on a going concern basis for the foreseeable future.

As stated in the Trustee's Report, Trustees believe there are no material uncertainties that call into doubt the Charity's ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Charity is a going concern. In light of the current climate in relation to the COVID-19 pandemic the Trustees have reviewed the Charity's finances. In the short term cash holdings are sufficient to ensure adequate cashflow for the foreseeable future. In the medium to long term plans for, and the structure of, United Utilities Trust Fund remain extant and will continue to be reviewed regularly.

**2.3 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.



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**UNITED UTILITIES TRUST FUND**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

The costs of each activity are made up of costs that can be allocated directly and those of an indirect nature necessary to support them. Support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Governance costs include those costs associated with the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Grant awards are accounted for as expenditure as soon as a valid expectation has been communicated to the recipient, unless the offer is conditional upon events outside the Trust's control and it is possible but not probable that an outflow of economic benefits will arise, in which case such amounts are recognised as contingent liabilities until the grant conditions are fulfilled.

**2.5 Fund accounting**

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

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

**2.6 Taxation**

The organisation is a registered charity and as such is exempt from taxation on its income and gains to the extent that they are applied for its charitable purposes.

**2.7 Cash at bank and in hand**

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

**2.8 Financial instruments**

The company 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.

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**UNITED UTILITIES TRUST FUND**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**3. Income from donations**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Donations from United Utilities	3,500,000	3,500,000

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	4,000,000	4,000,000

**4. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Investment income	583	583

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income	443	443

**UNITED UTILITIES TRUST FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. Grants payable**

Payable to individual beneficiaries or direct to creditors in respect of debts owed \*.

	2020 £	2019 £
<b>Grants payable</b>		
Water debt - United Utilities Water Plc	2,729,722	3,199,948
White goods and other household needs	99,375	98,867
Bankruptcy orders	41,190	40,435
Debt Relief Order	8,650	8,550
Funeral costs	300	1,100
	<b>2,879,137</b>	<b>3,348,900</b>
<b>Grants payable - Organisational grants</b>		
Citizens Advice Cheshire West	-	14,796
Citizens Advice Copeland	-	15,600
Citizens Advice Rossendale & Hyndburn	-	13,500
Gaddum Centre	-	22,500
Institute of Money Advisers	2,460	10,150
Involve Northwest	12,500	27,391
Mind in Salford	13,500	36,936
Salford Foundation	-	22,500
St Andrews Community Network	-	6,248
	<b>28,460</b>	<b>169,621</b>
<b>Total Grants payable</b>	<b>2,907,597</b>	<b>3,518,521</b>

\* It is the policy of the Trustees that wherever possible a beneficiary's grant will be paid direct to the relevant creditor.

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**6. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Grant making	529,402	2,907,597	19,045	3,456,044

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total funds 2019 £
Grant making	531,760	3,518,521	18,128	4,068,409

**7. Direct costs**

	2020 £	2019 £
Auriga administration charges	529,402	531,760

**8. Support costs**

	2020 £	2019 £
Insurance	2,938	2,776
Website and web maintenance	6,300	6,000
Bank charges	444	411
Governance costs	9,363	8,941
	<u>19,045</u>	<u>18,128</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Auditor's remuneration**

The auditor's remuneration amounts to an auditor fee of £6,250 (2019 - £6,250).

**10. Trustees' remuneration and related party transactions**

During the year, no Trustees received any remuneration or other benefits (2019 - *ENIL*).

During the year ended 31-March 2020, expenses totalling £388 were reimbursed to four Trustees (2019 - £347 to four Trustees).

No Trustee or person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period.

**11. Creditors: Amounts falling due within one year**

	2020	2019
	£	£
Trade creditors	10,535	4,574
Accruals	14,153	13,911
	<u>24,688</u>	<u>18,485</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**12. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	29,766	-	(28,460)	9,298	10,604
General funds	197,200	3,500,583	(3,427,584)	(9,298)	260,901
	<u>226,966</u>	<u>3,500,583</u>	<u>(3,456,044)</u>	<u>-</u>	<u>271,505</u>

**Summary of funds - prior year**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds	148,937	-	(169,621)	50,450	29,766
General funds	145,995	4,000,443	(3,898,788)	(50,450)	197,200
	<u>294,932</u>	<u>4,000,443</u>	<u>(4,068,409)</u>	<u>-</u>	<u>226,966</u>

**Designated Funds**

Designated Funds represents amounts designated by the Trustees to meet the future costs of the provision of Organisation Grants.

A transfer was made from the general fund to cover the resources expended from designated funds.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Current assets	296,193	296,193
Creditors due within one year	(24,688)	(24,688)
<b>Total</b>	<b>271,505</b>	<b>271,505</b>

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Current assets	245,451	245,451
Creditors due within one year	(18,485)	(18,485)
<b>Total</b>	<b>226,966</b>	<b>226,966</b>

**14. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2020 £</b>	<b>2019 £</b>
Net income for the period (as per Statement of Financial Activities)	44,539	(67,966)
<b>Adjustments for:</b>		
Dividends, interests and rents from investments	(583)	(443)
Increase/(Decrease) in creditors	6,203	(15,241)
<b>Net cash provided by/(used in) operating activities</b>	<b>50,159</b>	<b>(83,650)</b>

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**UNITED UTILITIES TRUST FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Analysis of cash and cash equivalents**

	2020	2019
	£	£
Cash in hand	296,193	245,451
<b>Total cash and cash equivalents</b>	<u>296,193</u>	<u>245,451</u>

**16. Analysis of Net Debt**

	At 1 April 2019	Cash flows	At 31 March 2020
	£	£	£
Cash at bank and in hand	245,451	50,742	296,193

**17. Related party transactions**

There have been no related party transactions that require disclosure.