

Charity no. 1165528

The Alfred Gillett Trust
Report and Audited Financial Statements
31 March 2021

The Alfred Gillett Trust

Reference and administrative details

For the year ended 31 March 2021

Charity number	1165528																		
Registered office and operational address	The Grange Farm Road Street Somerset BA16 0EJ																		
Trustees	<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>Ms Katie Arber</td><td>(appointed 20 June 2020)</td></tr><tr><td>Mr Richard Clark</td><td></td></tr><tr><td>Mr Patrick Colton</td><td></td></tr><tr><td>Ms Eleanor Gould</td><td>(appointed 22 May 2021)</td></tr><tr><td>Mr David Hill</td><td>(appointed 20 June 2020)</td></tr><tr><td>Mr Martin Lovell</td><td></td></tr><tr><td>Mr Hugh Pym</td><td></td></tr><tr><td>Dr Charles Donald Robertson</td><td>(resigned February 2021)</td></tr></table>	Mrs Cato Pedder	Chair	Ms Katie Arber	(appointed 20 June 2020)	Mr Richard Clark		Mr Patrick Colton		Ms Eleanor Gould	(appointed 22 May 2021)	Mr David Hill	(appointed 20 June 2020)	Mr Martin Lovell		Mr Hugh Pym		Dr Charles Donald Robertson	(resigned February 2021)
Mrs Cato Pedder	Chair																		
Ms Katie Arber	(appointed 20 June 2020)																		
Mr Richard Clark																			
Mr Patrick Colton																			
Ms Eleanor Gould	(appointed 22 May 2021)																		
Mr David Hill	(appointed 20 June 2020)																		
Mr Martin Lovell																			
Mr Hugh Pym																			
Dr Charles Donald Robertson	(resigned February 2021)																		
Senior Management Team	<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 Cullen</td><td>Office Manager</td></tr><tr><td>Mr Tim Crumplin</td><td>Business Archivist</td></tr><tr><td>Ms Nicky Dowding</td><td>Collections Manager</td></tr></table>	Ms Natalie Watson	Director	Ms Samantha Cullen	Office Manager	Mr Tim Crumplin	Business Archivist	Ms Nicky Dowding	Collections Manager										
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Mr Tim Crumplin	Business Archivist																		
Ms Nicky Dowding	Collections Manager																		
Bankers	National Westminster 72 High Street Street Somerset BA16 0EJ																		
Solicitors	Lancaster Parr Pear Tree House Wanstrow Somerset BA4 4TF																		
Auditors	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 2021

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

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. There is also a finance sub-committee that was formed in early 2021 consisting of 3 trustees. 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 can 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 Frances 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 the 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. New trustees are also invited to take a tour of the sites.

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 (SMT) 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 weekly and submits reports and proposals to the trustees and stakeholders on an ongoing basis.

Due to close links with C & J Clark Limited through 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. This agreement is now superseded by a service contract from February 2021 following the purchase of the historic collections by the Trust in December 2020.

Objectives and activities

The Alfred Gillett Trust was established to advance public education through the cooperation and assistance in the foundation and maintenance of a public records centre and museum in Street. The collections are varied and include Clark 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 shoemaking 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.

The Alfred Gillett Trust

Report of the trustees

For the year ended 31 March 2021

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:
 - a) the preservation within a library archives and records centre of the historic paper 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 the public access to extensive archival and material culture collections comprising material that 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. Outside of COVID restrictions, 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. However, significant background work was undertaken while the public were not able to access the collections due to Government guidelines within collections care management which will improve access in the future.

Achievements and performance

Our strategic aims and objectives set to guide our development were 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 store and a museum on the Grange site. Progress was made on all strategic objectives set in 2020-21, including:

Impact of COVID

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 developing COVID pandemic which at the time was not deemed a massive threat by the UK Government. However, a national lockdown occurred a week later, and the subsequent closure of Trust sites and furloughing of staff throughout the year was necessary with a core team of staff who continued working. Three national COVID lockdowns led to the site being fully closed for 6 months, with the remaining 6 months operated under strict site restrictions/home working in line with covid secure working practices as dictated by the Government. As a result of the pandemic restrictions, the Trust lost 388 staff working days and £72,000 in income, with most of the planned projects, events and activities postponed or cancelled. This had a fundamental impact on how the Trust carried out its planned work and the severe restrictions throughout the year made planning and resource allocation extremely difficult.

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Report of the trustees

For the year ended 31 March 2021

All sites were closed on 17 March 2020, with staff working remotely from home or placed on furlough or flexible furlough. 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 regularly to assess the changing situation and approve use of the budget.

As restrictions were eased in the summer, 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 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 teamwork which meant delivery of a drastically different work plan. Trust sites have remained closed to external visitors since 17 March, except for essential maintenance contractors, and we have instead been providing a remote service using email and Zoom. However, as 2021 has progressed the Trust has been slowly working towards a partial re-opening of the sites in line with Government guidelines.

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, but the Trust was excited to receive a Restart grant which will focus on the background work required to resume this service in early 2022. The financial loss of this has been accounted for, 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 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 that would be manageable within the social distancing restrictions and the reduced services available from external contractors and suppliers.

Site restrictions and home working caused significant delays to all projects, particularly the time-sensitive Donnes decant and lack of site access has led to a rapid deterioration of the facility. The unexpected opportunity to purchase the company collection created a significant amount of additional work, that did not appear in our plans and further delayed other projects.

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. After only 2 weeks on-site in December, a third national lockdown was implemented which saw the return to remote working for all staff until restrictions began to ease on 30 March 2021.

Aim 1: Improve the standards of collections care, storage and documentation

- Complete decant of Gallery 3 of the Shoe Museum;
- Induct and train new Collections Manager;
- Stabilise the environment at Park Road Store and prepare for collections storage;
- Complete ethical sale of El Anatsui sculpture;
- Complete transfer of ownership of the CJC collection;
- Continue the shoe digitisation project and POS digitisation project;
- Investigate feasibility of providing company with remote access to the collections database;

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Report of the trustees

For the year ended 31 March 2021

- Develop long-term storage solution for large objects collection including machinery;
- Move collections into temporary storage at Park Road Store;
- Document and digitise collections and transfer them into permanent storage; and
- Continue Donnes decant project.

Continue the Shoe Museum decant project*	ND/JS (CMT)	Ongoing*	Delays due to closure of external site and restrictions on access
Work with CJC to set up a machinery collections storage facility in Morelight*	ND (CMT)	Ongoing*	Delays due to closure of external site and restrictions on access, given lower priority to other storage projects
Develop brief for permanent storage facility for the large object collection	NW (SMT, CMT)	Not Started	Scheduled to begin in March 2021
Transfer the machinery collection from Donnes to new storage	ND (CMT, FM)	Delayed	Delayed due to closure of site and restrictions on contractor availability
Continue Donnes Decant Project*	TC/ND (CMT)	Ongoing*	Significant delays to plan due to closure of site and restrictions on contractor availability
Document and digitise decanted collections and transfer into storage*	ND (CMT)	Ongoing*	Only possible to do during site access, during lockdown focus was on database work and post-processing of images
Negotiate IPR and copyright agreements with CJC	NW (SMT, CMT)	Complete	Incorporated into Transfer Agreement, follow up work required
Renegotiate and renew the Grant Funding Agreement	CJC NW (SMT)	Ongoing	GFA replaced with Transfer Agreement and Schedule of Services to CJCI
Complete the Shoe Project*	Digitisation ND (KV, NW, RW,	Ongoing*	No digitisation during lockdowns, post-processing of images undertaken, project extended in Jan
Complete POS Project*	Digitisation ND (KC, KV, NW,	Ongoing*	No digitisation during lockdowns, post-processing of images undertaken, project extended in Jan
Complete transfer of ownership of the CJC collection	NW (SMT, CMT)	Complete	Delayed completion due to external partner deadline
Develop proposal to provide the company with remote access to the collections database	JM (ND, NW, WP)	Ongoing	Initial report created, proposal incorporated into the Transfer Agreement, expected delay to completion
Provide enquiry service and enhanced support for company projects, research and development*	TC (CMT)	Ongoing*	Only remote service has been offered throughout period

Aim 2: Increase access through outreach and engagement

- Refresh the AGT e-newsletter design and content;
- Host Open Orchard for Heritage Open Days Open aimed at the family audience;
- Support Crispin Hall's Dino Week with access to small fossil collection;
- Expand the World Comes to Street project with local schools;
- Investigate the potential for hosting large scale events e.g. outdoor cinema, outdoor theatre, ice rinks, craft fairs;
- Complete the #AGTAZ social media campaign;
- Develop online digital engagement offer and upgrade website;
- Host Wassail in Grange Orchard aimed at the family audience;
- Develop brief for an Oral History Project in 2021-22 aimed at local audiences;
- Host International Women's Day event and associated lecture;
- Host a Lecture Series aimed at the 'Home and Heritage' audience;
- Provide an enquiries service to the company and associated contractors;

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For the year ended 31 March 2021

- Provide enhanced support for company projects, research and development;
- Provide a limited public enquiry service; and
- Provide a limited number of public talks and tours.

Develop proposal to provide the company with remote access to the collections database	JM (ND, NW, WP)	Ongoing	Initial report created, proposal incorporated into the Transfer Agreement, expected delay to completion
Provide enquiry service and enhanced support for company projects, research and development*	TC (CMT)	Ongoing	Only remote service has been offered throughout period
Complete the #AGTAZ social media campaign	SB (RW)	Ongoing*	On time and to plan
Provide a remote public enquiry service*	TC (CMT)	Ongoing	Only remote service has been offered throughout period
Refresh the AGT e-newsletter design and content	SB (DEG)	Delayed	Delayed followed review by Digital Engagement Team
Investigate opportunities to provide COVID-19 secure events and activities and create activity plan for 2021	SB (SMT)	Complete	Discussions held and agreed to focus of virtual and digital engagement in 2021
Complete Christmas Advent social media campaign	SB (RW)	Complete	On time and to plan
Develop room hire and commercial income generation offer for 2021	SB (SMT)	Delayed	Completion expected to be delayed due to ongoing COVID restrictions
Investigate the future income generation potential of the Grange	SB (SMT)	Delayed	Delayed due to closure of site and lack of clarity around access for public

Aim 3: Improve our services, facilities and operations

- Install information board about Trust facing into Clarks Village;
- Refresh decoration in public hire spaces;
- Complete asbestos survey of Grange and undertake identified actions;
- Develop ethical investment policy and restructure Trust investments and finances;
- Install new front entrance to Grange in partnership with Landsec;
- Renegotiate and renew the CJC Grant Funding Agreement;
- Renew the R&SBC Grant Funding Agreement;
- Diversify image capture and management capabilities to incorporate video, webcams and rotational photography;
- Develop branding for Trust site and services to support capital development; and
- Undertake repair and maintenance of high-risk high-impact building defects.

Implement COVID-19 safe working practices for staff and visitors	SB (SMT)	Complete	Site only open to staff and contractors throughout period, not volunteers or visitors
Complete portico tender and book works for Spring 2021*	SB (FMT)	Complete	Tenders received, supplier selected, trustee approval granted
Complete asbestos survey of Grange and undertake identified actions*	SB (FMT)	Delayed	Delayed due to closure of site and restrictions on contractor availability
Resolve latent defects in construction of Archive building*	SB (FMT)	Ongoing	Completion expected to be delayed as reliant on external contractor

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Report of the trustees

For the year ended 31 March 2021

Undertake repair and maintenance of high-risk high-impact building defects*	SB (FMT)	Ongoing*	Significant delays to plan due to closure of site and restrictions on contractor availability
Resolve Wi-Fi issue in Hoddinotts	SB (Bluetech)	Complete	Delayed completion
Create brief for repairing walkway roof and implement	Archive SB (FMT)	Ongoing	Completion delayed due to closure of site and restrictions on contractor availability, minor work required
Install additional fall arrest system for Grange roof access	SB (FMT)	Ongoing	Delayed due to complexity of issue, closure of site and restrictions, contractor availability
Resolve role required to fulfil needs	FM SB (SMT)	Complete	External FM providers contacted, decision made to retain current service and bring in contractors on case-by-case basis

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 trustees postponed this development until 2021, prioritising the use of the capital development grant on supporting the collections decant and storage projects.

- Finalise museum vision;
- Appoint capital development project manager;
- Develop and implement new business plan;
- Develop proposal for education and outreach officer;
- Create audience development strategy and implement of activity plan;
- Undertake visits to recent capital development projects for research and development opportunities;
- Develop fundraising plan for Phase I-III of the capital development project;
- Finalise project programme (RIBA Stage 0) and budget;
- Finalise 2021-22 capital development project programme; and
- Marketing and communications planning.

Complete ethical sale of Anatsui sculpture	EI NW (ND)	Complete	Delay in receiving final funds from Sotheby's, sale done to schedule
Develop ethical investment policy	NW (SMT)	Delayed	Delayed completion due to complexity of Transfer of company collections
Restructure Trust investments and finances	NW (SB)	Ongoing	Completion expected to be delayed as reliant on delayed investment policy work
Develop 5-year business plan	NW (SMT)	Ongoing	Completion expected to be delayed as reliant on delayed investment policy work
Negotiate the transfer of the Capital Development Grant from R&SBC	NW	Not Started	Scheduled to begin in January 2021

Financial review

Investment performance

The charity made an unrealised gain of £477,369 (2020: unrealised loss of £587,030) on the units held in the Schroder's funds based upon the market value of these units as at 31 March 2021.

The charity made an unrealised loss of £1,013,528 (2020: unrealised gain of £190,832) on the unlisted investment in C & J Clark Limited shares following the continued fall in value and the continued cancellation of any dividend payments.

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Report of the trustees

For the year ended 31 March 2021

A Qualification was listed on the 2019/20 accounts due to the September 2019 valuation which was not deemed fit for purpose. It has been custom and practice for this annual valuation to be supplied by C & J Clark Ltd, therefore removing the need for trustees to obtain their own valuation. However, a new valuation was not forthcoming for this financial year and at the point that the annual audit took place, the trustees took the decision that a new share valuation at that point would be no more accurate for the expense that would be incurred and accepted the Qualification. Trustees note that the Qualification will remain in place for these accounts due to this and the opening balance being incorrect.

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 14 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.

At the end of the year we had unrestricted reserves of £5,450,194 (2020: £5,512,436), with 'free' reserves of £883,752 (2020: £1,122,969), this being the unrestricted reserves less designated funds, fixed assets and investments. 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 an investment manager 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 annual valuation of the shares by BDO, 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.

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 and invest our identified assets in a diversified investment portfolio. Any policy will work within the Charity Law framework to ensure that the Trust is achieving best financial results. The Trust is keeping a watching brief on the developments of the Charity Commission consultation which may give trustees more freedom to work ethically in balance with financial return;
 - b) We will review the 5-year operational business plan put in place in December 2019 to guide our income generation and expenditure; and
 - c) We will continue to explore ways of generating income through our services and activities, partnership projects and seek external funding.

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Report of the trustees

For the year ended 31 March 2021

2 COVID restrictions continue to have a significant impact on planning and expenditure.

- a) The trustees have considered the impact of the pandemic on the charity's current and future financial position. The charity held unrestricted funds of £5,450,194, cash reserves of £1,167,428 and investments of £1,920,477 which can be drawn down if necessary;
- b) We will continue to take advantage of the Job Retention Scheme and recovery grants being offered by our local authorities to help with staff costs during site closure; and
- c) The trustees consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1 to the financial statements.

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.

The Trust will be looking to develop a strategic fundraising plan in line with strategic ambitions and our charitable objectives.

The Trust has benefitted from a number of covid-19 related grants in this period:

- HMRC Coronavirus Job Retention Scheme £28,915;
- HMRC Coronavirus SSP £94;
- SSDC Local Grant £5,500;
- MDC Local Grant £26,750; and
- National Archives Grant £24,657.

Plans for future periods

Impact of COVID

The ongoing pandemic restrictions in the form of lockdowns or controlled movement continues to have a significant impact on our ability to plan for the coming year. Much of our staff and volunteer work usually focuses on physically handling and processing collections and interacting with our sites and users. 388 staff days were lost in 2020 due to restrictions or lack of suitable work that could be done remotely, and with the situation looking set to continue well in 2021. To plan and budget for 2021-22, a flexible forward plan and budget has been adopted which can be tailored depending on the pandemic restrictions on staff and external contractors. This will give the SMT the ability to ensure the overarching aims and objectives of the Trust provide the core direction and keep staff productively employed instead of furloughed. This does mean that budgets, key performance indicators and timescales are difficult to assign to projects, and these will instead be monitored by the SMT and director and variations reported to the board throughout the year.

As a consequence of the flexibility required, the budget has been calculated using two strands: a fixed revenue budget covering predictable core running costs and a flexible activity budget covering the projects which may take place in each department. Use of the activity budget to operate the flexible forward plan will be authorised by the director and SMT in cases under £5,000, or the trustee finance sub-committee or wider trustees if over £5,000. Funding to achieve the forward plan comes from our reserves and external funding already secured.

The objectives of the flexible forward plan feed into our strategic and capital development aims, which were established in 2019 and are detailed in the Strategic Plan 2019-25. To respond to the acquisition of the company collection, a fifth aim has been added for 2021 onwards which focuses on providing the new service to the company:

- 1 Improve the standards of collections care, storage and documentation;
- 2 Provide a professional heritage service to C & J Clark Ltd;
- 3 Increase access through outreach and engagement;
- 4 Develop our sites and facilities; and

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Report of the trustees

For the year ended 31 March 2021

5 Develop our strategic direction and capital development aspirations.

At the heart of the proposed plan is an uplift in our digital engagement, with major projects aimed at opening up access to the collections for a range of audiences. Time will be put towards establishing a secure foundation for our long-term strategic goals, much of which can also be done remotely. The framework for this will be the trust's capital development plan, with preparatory groundwork being put in place now to ensure we stay on track for completion of phase 1 in 2025. Dealing with the purchase of the company collection and the ongoing work to understand the legal and commercial basis of the new setup form a core part of the proposed plan. When COVID-restrictions are eased and sites are accessible to staff, the ongoing decant of collections from external storage will become the highest priority.

Aim 1: Improve the standards of collections care, storage and documentation

This strand of the forward plan has the most risk associated with completion due to the practical, hands-on nature of our work. When possible, the ongoing decant of collections from Donnes and the Shoe Museum to the Grange will be continued. The temporary storage sites will be fully prepared and utilised to hold collections until the brief for the new collections storage facility in the Link is created, including Park Road Store, Morelight and the Shipping Containers. Both the decant projects and the purchase of the company collection creates a huge backlog of documentation work to update ownership details, and time to understand the extent and risks posed by what has been taken on is allocated. A significant project to audit the IPR and Data Protection issues within the collection will enable us to understand the legal basis under which we can utilise the collections to achieve both our charitable objectives and generate income. Proposals to develop online access to the collections will be part of our wider digital engagement strategy for 2021.

In December 2020, the Trust purchased a heritage collection from C&J Clark Ltd. The purchase was made specifically to safeguard the future of the collection and to ensure it remains in the public domain. Whilst a financial value was attributed to the collection for the purposes of the acquisition, the Trust considers its true value to be in its cultural significance. The assets themselves are inalienable, held in perpetuity and mostly irreplaceable, making them inherently difficult to value in financial terms. However, the trustees recognise that the collection meets the SORP FRS102 accounting criteria for a heritage asset and as such the collection is carried on the balance sheet at cost. Should the Trust become insolvent or unable to operate, it is the Trust's intention to seek an alternative organisation within the Museum and Archive sector to become custodians of the collection so that it remains in the public domain. The Trust is researching ways to legally protect the collection to ensure it remains available for the education and enjoyment of the public.

Aim 2: Provide a professional heritage service to C & J Clark Ltd

The new service agreement with the company features several contractual obligations through the year in return for the £300,000 pa service fee, including an enquiry service, digitisation and physical and virtual talks and tours. In order to establish a professional service to the company reflecting the new arrangement, we will implement new policies and digital systems and work closely with the company to deliver a valued service. This will include developing contemporary collecting, closer collaboration on company projects and investigations into making the digital archive more accessible through a company website.

Aim 3: Increase access through outreach and engagement

Due to inherent uncertainties about physical events, we will focus entirely on digital engagement for 2021, guided by a separate Activity Plan with virtual opportunities for outreach and engagement targeted at a wider range of identified audiences. The core vehicle for this will be a Digital Engagement Strategy developed by the Digital Engagement Group, which also encompasses the development of our wider digital infrastructure and skills. We will provide a remote public and academic enquiry service, with digitisation and collections access also offered when possible. A digital extension to the education project with local schools aims to build on the success of the project in previous years and providing tailored resources for teachers. The viability of hosting in-person events, exhibitions and providing room hire will be reviewed in mid-2021.

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Report of the trustees

For the year ended 31 March 2021

Aim 4: Develop our sites and facilities

The ongoing maintenance of the Trust sites is impacted severely by COVID-restrictions, both by lack of access to the site but also the availability of contractors, suppliers and materials. Prioritised projects of the Maintenance Schedule include those which pose an immediate threat to the fabric of the buildings, such as the repair of the Grange portico and the Archive, or are required by legislation, such as the asbestos survey of Grange. Where possible other work to keep the various sites well maintained and fit for purpose will be undertaken, including all off-site stores and shared facilities.

Aim 5: Develop our strategic direction and capital development aspirations

This strand remains largely unaffected by COVID restrictions and focuses on providing the financial and legal basis to continue developing both the trust and the capital development plan. Key projects focus on restructuring the trust's finances and systems, including establishing a business plan, ethical investment portfolio, completing VAT registration and establishing a trading subsidiary. To guide the longer-term strategic development, our charitable objectives and capital vision will be refreshed and an updated capital development plan created.

However, it should be noted that post year end, the director during 2021-22, Natalie Watson, left the Trust and will be replaced with a new director from October 2021. Trustees expect the new director to review the existing Strategic Plan to develop a robust 10-year Strategic Plan which allows the Trust to achieve our ambitions for a new museum to benefit the community and sector.

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 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 charity'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

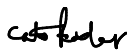
For the year ended 31 March 2021

Members of the charity have no liability to contribute to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

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 on 20 November 2021 and signed on their behalf by



Mrs Cato Pedder (Chair)

Independent auditors' report

To the trustees of

The Alfred Gillett Trust

Qualified opinion

We have audited the financial statements of The Alfred Gillett Trust (the 'charity') for the year ended 31 March 2021 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 2021 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 were carried at a value of £1,208,600 on the balance sheet at 31 March 2020. As described in Note 14 to the accounts, this valuation was determined at 20 September 2019. The trustees did not determine a valuation for the investments as at 31 March 2020 as required under FRS102, and did not facilitate 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 to support the valuation at 31 March 2020. We have obtained sufficient, appropriate audit evidence to support the valuation at 31 March 2021.

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report

To the trustees of

The Alfred Gillett Trust

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 prior year 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 for the prior period:

- 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the trustees of

The Alfred Gillett Trust

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. 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.

Godfrey Wilson Limited

Date: 22 November 2021

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 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	3	24,657	96,551	121,208	621,526
Charitable activities	4	7,059	45,998	53,057	1,123
Other trading activities	5	-	-	-	6,754
Investments	6	-	58,513	58,513	95,038
Other income	7	-	854,900	854,900	-
Total income		<u>31,716</u>	<u>1,055,962</u>	<u>1,087,678</u>	<u>724,441</u>
Expenditure on:					
Raising funds		-	60,364	60,364	1,961
Charitable activities		<u>169,166</u>	<u>405,236</u>	<u>574,402</u>	<u>654,152</u>
Total expenditure	8	<u>169,166</u>	<u>465,600</u>	<u>634,766</u>	<u>656,113</u>
Net income / (expenditure) before gains / (losses)		(137,450)	590,362	452,912	68,328
Net gains / (losses) on investments	14	<u>-</u>	<u>(536,159)</u>	<u>(536,159)</u>	<u>(396,198)</u>
Net income / (expenditure)		(137,450)	54,203	(83,247)	(327,870)
Transfers between funds		<u>116,445</u>	<u>(116,445)</u>	<u>-</u>	<u>-</u>
Net movement in funds	9	(21,005)	(62,242)	(83,247)	(327,870)
Reconciliation of funds:					
Total funds brought forward		<u>164,053</u>	<u>5,512,436</u>	<u>5,676,489</u>	<u>6,004,359</u>
Total funds carried forward		<u><u>143,048</u></u>	<u><u>5,450,194</u></u>	<u><u>5,593,242</u></u>	<u><u>5,676,489</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 20 to the accounts.

The Alfred Gillett Trust

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Fixed assets				
Tangible assets	12		1,837,565	1,920,831
Heritage assets	13		585,136	12,000
Investments	14		1,920,477	2,456,636
			4,343,178	4,389,467
Current assets				
Stock	15	533		-
Debtors	16	163,242		295,424
Cash at bank and in hand		1,167,428		1,033,315
		1,331,203		1,328,739
Liabilities				
Creditors: amounts falling due within 1 year	17	81,139		41,717
Net current assets				
			1,250,064	1,287,022
Net assets				
	19		5,593,242	5,676,489
Funds				
Restricted funds	20		143,048	164,053
Unrestricted funds				
Designated funds			223,264	-
General funds			5,226,930	5,512,436
Total charity funds				
			5,593,242	5,676,489

Approved by the trustees on 20 November 2021 and signed on their behalf by



Mrs Cato Pedder (Chair)

The Alfred Gillett Trust

Statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash used in operating activities:		
Net movement in funds	(83,247)	(327,870)
Adjustments for:		
Depreciation charges	93,595	72,871
(Gains) / losses on investments	536,159	396,198
Dividends and interest from investments	(58,513)	(95,038)
Loss / (profit) on the sale of heritage assets	(854,900)	-
Decrease / (increase) in stock	(533)	-
Decrease / (increase) in debtors	132,182	221,466
Increase / (decrease) in creditors	39,422	4,368
	<u>(195,835)</u>	<u>271,995</u>
Net cash provided by / (used in) operating activities		
Cash flows from investing activities:		
Dividends and interest from investments	58,513	95,038
Proceeds from the sale of heritage assets	867,000	-
Purchase of tangible fixed assets	(10,429)	(1,575)
Purchase of heritage assets	(585,136)	-
	<u>329,948</u>	<u>93,463</u>
Net cash provided by investing activities		
Increase / (decrease) in cash and cash equivalents in the year	134,113	365,458
Cash and cash equivalents at the beginning of the year	<u>1,033,315</u>	<u>667,857</u>
Cash and cash equivalents at the end of the year	<u>1,167,428</u>	<u>1,033,315</u>

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

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 2019) - (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 £5,450,194, cash reserves of £1,167,428 and investments of £1,920,477 which can be drawn down if necessary as at 31 March 2021. 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 services, sponsorship and event income and deposit 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. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

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 expected useful life of assets held as fixtures and fittings and equipment were updated during the year. This was done to better reflect the estimated expected usage of these assets. The revised depreciation rates in use are as follows:

Freehold property	50 years
Fixtures and fittings	15 years
Equipment	3 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. Historically, the majority of these collections were loaned to the Trust from C&J Clark Limited, the Clark family and others and therefore did not belong to the Trust itself. However, during 2020/21 the Trust purchased this collection from C&J Clark Limited. The purchased collection has been capitalised as a heritage asset during the year. Any remaining loaned assets 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 2021

i) Heritage assets (continued)

The very long expected life of heritage assets, 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 BDO 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 prior 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 2021

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.

During the year, the charity reviewed and revised its depreciation policies to better reflect the estimated expected usage of certain assets. Rates in operation for the current and prior years were as follows:

	2021	2020
Freehold property	50 years	50 years
Fixtures and fittings	15 years	15 - 20 years
Equipment	3 years	3 - 5 years

No depreciation has been charged on freehold land.

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.

Valuation of unlisted investments

The charity holds unlisted investments in the shares of C&J Clark Limited, a private limited company. Valuations are currently carried out by the company on an annual basis under a process set out in the company's Articles. As at 31 July 2021, the shares were valued at £0.46 per share. As no previous valuations have been carried out since September 2019 due to the Covid-19 pandemic, the July 2021 price has been used to value the shareholding at 31 March 2021.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

2. Statement of financial activities: prior period comparative

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations and legacies	342,343	279,183	621,526
Charitable activities	-	1,123	1,123
Other trading activities	-	6,754	6,754
Investments	-	95,038	95,038
Total income	342,343	382,098	724,441
Expenditure on:			
Raising funds	-	1,961	1,961
Charitable activities	269,267	384,885	654,152
Total expenditure	269,267	386,846	656,113
Net income / (expenditure) before losses	73,076	(4,748)	68,328
Net losses on investments	-	(396,198)	(396,198)
Net movement in funds	73,076	(400,946)	(327,870)

3. Income from donations and legacies

	Restricted £	Unrestricted £	2021 Total £
CJRS income	-	30,885	30,885
Roger And Sarah Bancroft Clark Charitable Trust grant	-	33,322	33,322
The National Archives	24,657	-	24,657
Other donations	-	32,344	32,344
Total income from donations and legacies	24,657	96,551	121,208
Prior period comparative			2020
	Restricted £	Unrestricted £	Total £
C&J Clark Limited annual grant	150,000	167,500	317,500
Roger And Sarah Bancroft Clark Charitable Trust grant	192,343	103,834	296,177
Other donations	-	7,849	7,849
Total income from donations and legacies	342,343	279,183	621,526

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

4. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £
Heritage services - research and service fees	7,059	34,391	41,450
Heritage services - storage fee	-	11,607	11,607
Total income from charitable activities	7,059	45,998	53,057

Prior period comparative

	Restricted £	Unrestricted £	2020 Total £
Talks	-	825	825
Heritage services	-	43	43
Other	-	255	255
Total income from charitable activities	-	1,123	1,123

5. Income from other trading activities

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Room lettings	-	-	-	5,718
Other income	-	-	-	1,036
Total income from other trading activities	-	-	-	6,754

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

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

6. Income from investments

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Investments listed on a recognised stock exchange	-	57,242	57,242	81,109
Other unlisted securities	-	-	-	12,722
Bank interest receivable	-	1,271	1,271	1,207
Total income from investments	-	58,513	58,513	95,038

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

7. Other income

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Profit on disposal of heritage asset	-	854,900	854,900	-

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

8. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Wages and salaries	60,364	275,744	22,931	359,039
Training and conferences	-	3,338	-	3,338
Premises costs	-	70,169	-	70,169
Insurance	-	16,225	-	16,225
Health and safety	-	8,333	-	8,333
Other motor / travel costs	-	855	-	855
Other staff costs	-	4,866	-	4,866
Advertising	-	508	-	508
Depreciation	-	93,595	-	93,595
Subscriptions	-	1,023	-	1,023
Outreach and event costs	-	33	-	33
Sundry purchases	-	4,679	-	4,679
Communications and IT	-	-	3,261	3,261
General office	-	-	19,698	19,698
Bank charges	-	-	60	60
Professional fees	-	-	9,726	9,726
Audit	-	-	6,460	6,460
Legal	-	32,898	-	32,898
Sub-total	60,364	512,266	62,136	634,766
Allocation of support and governance costs	-	62,136	(62,136)	-
Total expenditure	60,364	574,402	-	634,766

Total governance costs were £6,460.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

8. Total expenditure: prior period comparative

	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
Sub-total	1,961	565,434	88,718	656,113
Allocation of support and governance costs	-	88,718	(88,718)	-
Total expenditure	1,961	654,152	-	656,113

Total governance costs were £7,589.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

9. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	93,595	72,871
Operating lease payments	1,636	1,636
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	419
Auditors' remuneration:		
▪ Statutory audit and accounts preparation (including VAT)	5,160	4,920
▪ Under accrual of prior year	1,300	Nil
	<u>1,300</u>	<u>Nil</u>

10. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	300,223	290,314
Social security costs	21,279	20,355
Pension costs	37,537	39,339
	<u>359,039</u>	<u>350,008</u>

No employee earned more than £60,000 during the year (2020: none).

The key management personnel of the charity comprise the Trustees, Director, Office Manager, Collections Manager and Business Archivist (2020: Trustees, Director, Office Manager and Business Archivist). The total employee benefits of the key management personnel were £172,013 (2020: £133,902).

Included in the prior year staff costs is the final payment to withdraw from the defined benefit pension scheme totalling £11,584. The charity no longer operates a defined benefit pension scheme and all liabilities regarding the scheme have now been paid.

	2021 No.	2020 No.
Average head count	<u>13</u>	<u>13</u>
Average number of full-time equivalent employees	<u>11</u>	<u>11</u>

11. 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 2021

12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2020	1,748,826	691,299	52,595	2,492,720
Additions in year	-	-	10,429	10,429
Disposals	-	-	(11,355)	(11,355)
At 31 March 2021	<u>1,748,826</u>	<u>691,299</u>	<u>51,669</u>	<u>2,491,794</u>
Depreciation				
At 1 April 2020	258,914	266,492	46,483	571,889
Charge for the year	29,165	57,880	6,550	93,595
Disposals	-	-	(11,255)	(11,255)
At 31 March 2021	<u>288,079</u>	<u>324,372</u>	<u>41,778</u>	<u>654,229</u>
Net book value				
At 31 March 2021	<u>1,460,747</u>	<u>366,927</u>	<u>9,891</u>	<u>1,837,565</u>
At 31 March 2020	<u>1,489,912</u>	<u>424,807</u>	<u>6,112</u>	<u>1,920,831</u>

As described in note 1(p), depreciation rates for fixtures and fittings and equipment were revised during the year. Under previous rates, the depreciation charge for fixtures and fittings would have been £35,387, net book value £389,420. The depreciation charge and net book value of equipment would be unchanged.

13. Heritage assets

	Shoe collection £	Artwork £	Total £
Cost			
At 1 April 2020	-	12,000	12,000
Additions in year	585,136	-	585,136
Disposals	-	(12,000)	(12,000)
At 31 March 2021	<u>585,136</u>	<u>-</u>	<u>585,136</u>
Depreciation			
At 1 April 2020 and 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 March 2021	<u>585,136</u>	<u>-</u>	<u>585,136</u>
At 31 March 2020	<u>-</u>	<u>12,000</u>	<u>12,000</u>

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

13. Heritage assets (continued)

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. Historically, the majority of these collections were loaned to the Trust from C&J Clark Limited, the Clark family and others and therefore did not belong to the Trust itself. However, during 2020/21 the Trust purchased this collection from C&J Clark Limited.

The purchased collection has been capitalised as a heritage asset during the year. Any remaining loaned assets 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 rarely included in the balance sheet as it would be both difficult and costly to attribute a value to them.

In the prior year, heritage assets comprised one item held outside the main collection. This asset was sold during the year and the proceeds were used to purchase the collection previously held on loan.

Five year summary analysis of heritage asset transactions:

	2021	2020	2019	2018	2017
	£	£	£	£	£
Additions					
Shoe collection: cost	<u>585,136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disposals					
Artwork: carrying amount	<u>(12,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Proceeds from disposal					
Artwork: sales proceeds	<u>867,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

14. Investments

	2021	2020
	£	£
Market value at 1 April 2020	2,456,636	2,852,834
Unrealised loss	(536,159)	(396,198)
Market value at 31 March 2021	<u>1,920,477</u>	<u>2,456,636</u>
Investments comprise:		
	2021	2020
	£	£
Market value		
C and J Clark ordinary shares	195,072	1,208,600
Investments via Schroders	1,725,405	1,248,036
	<u>1,920,477</u>	<u>2,456,636</u>

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Notes to the financial statements

For the year ended 31 March 2021

14. Investments (continued)

The unlisted investments in C&J Clark Limited are revalued based on annual valuations of the shares by BDO, Chartered Accountants. The valuation incorporated in the accounts relates to the valuation as of 31 July 2021, the valuation closest to the balance sheet date.

At 31 July 2021, the value of unlisted investments was £195,072 at £0.46 per share (2020: £2.85 per share at 20 September 2019).

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

15. Stock

	2021 £	2020 £
Merchandise	<u>533</u>	<u>-</u>

16. Debtors

	2021 £	2020 £
Prepayments	11,601	24,535
Dividends receivable	13,349	8,655
Other debtors	<u>138,292</u>	<u>262,234</u>
	<u>163,242</u>	<u>295,424</u>

17. Creditors : amounts due within 1 year

	2021 £	2020 £
Trade creditors	6,740	23,382
Accruals	34,906	12,416
Deferred income (see note 18)	29,465	-
Other taxation and social security	6,438	5,919
Other creditors	<u>3,590</u>	<u>-</u>
	<u>81,139</u>	<u>41,717</u>

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

18. Deferred income

	2021 £	2020 £
At 1 April 2020	-	8,000
Deferred during the year	29,465	-
Released during the year	-	(8,000)
	<u>-</u>	<u>(8,000)</u>
At 31 March 2021	<u>29,465</u>	<u>-</u>

Deferred income relates to contract income received in advance of the services being delivered.

19. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,837,565	1,837,565
Heritage assets	-	-	585,136	585,136
Investments	-	-	1,920,477	1,920,477
Current assets	143,048	223,264	964,891	1,331,203
Current liabilities	-	-	(81,139)	(81,139)
	<u>-</u>	<u>-</u>	<u>(81,139)</u>	<u>(81,139)</u>
Net assets at 31 March 2021	<u>143,048</u>	<u>223,264</u>	<u>5,226,930</u>	<u>5,593,242</u>
Prior period comparative	Restricted funds £	Designated funds £	General 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	-	-	(41,717)	(41,717)
	<u>-</u>	<u>-</u>	<u>(41,717)</u>	<u>(41,717)</u>
Net assets at 31 March 2020	<u>164,053</u>	<u>-</u>	<u>5,512,436</u>	<u>5,676,489</u>

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

20. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers and gains and losses £	At 31 March 2021 £
Restricted funds					
Capital project	114,543	-	(3,390)	-	111,153
C&J Clark collection care and digitisation project	49,510	-	(165,776)	116,266	-
Fossil care	-	7,059	-	179	7,238
Storage containers project	-	24,657	-	-	24,657
Total restricted funds	164,053	31,716	(169,166)	116,445	143,048
Unrestricted funds					
<i>Designated funds:</i>					
Proceeds from sale of El Anatsui	-	223,264	-	-	223,264
<i>Total designated funds</i>	-	223,264	-	-	223,264
General funds	5,512,436	832,698	(465,600)	(652,604)	5,226,930
Total unrestricted funds	5,913,382	1,055,962	(465,600)	(652,604)	5,450,194
Total funds	6,004,359	1,087,678	(634,766)	(536,159)	5,593,242

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.

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 finished at the end of the Grant Funding Agreement in 2021.

Fossil care

Following the transfer of ownership of the fossil collection from the Crispin Geology Trust to the Alfred Gillett Trust in 2016, an endowment was meant to be transferred. This has now been achieved. These funds will form the foundation of fundraising for the ongoing care and conservation of the fossil collection.

Storage containers project

A grant of £25,000 received from The National Archives as part of their Covid recovery funding. The grant will pay for two shipping containers and groundworks and infrastructure costs to be implemented for the archive collection of the Trust and will provide the sector with research into the use of shipping containers as appropriate storage for heritage collections.

The Alfred Gillett Trust

Notes to the financial statements

For the year ended 31 March 2021

20. Movements in funds (continued)

Purposes of designated funds

Proceeds from sale of El Anatsui

The proceeds from the sale of this previously listed heritage asset have been designated to be spent on the purchase of the heritage collections of C & J Clark Ltd and any associated legal and professional fees, including VAT registration and specialist advice required. The remaining funds will be spent on collections storage.

Prior period comparative:

	At 1 April 2019 £	Income £	Expenditure £	Gains and losses £	At 31 March 2020 £
Restricted funds					
Capital project	-	192,343	(77,800)	-	114,543
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>	-	<u>49,510</u>
Total restricted funds	<u>90,977</u>	<u>342,343</u>	<u>(269,267)</u>	-	<u>164,053</u>
Unrestricted funds					
General funds	<u>5,913,382</u>	<u>382,098</u>	<u>(386,846)</u>	<u>(396,198)</u>	<u>5,512,436</u>
Total unrestricted funds	<u>5,913,382</u>	<u>382,098</u>	<u>(386,846)</u>	<u>(396,198)</u>	<u>5,512,436</u>
Total funds	<u><u>6,004,359</u></u>	<u><u>724,441</u></u>	<u><u>(656,113)</u></u>	<u><u>(396,198)</u></u>	<u><u>5,676,489</u></u>

21. Operating lease commitments

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

	2021 £	2020 £
Amount falling due:		
Within 1 year	409	1,635
Within 1 - 5 years	<u>-</u>	<u>409</u>
	<u>409</u>	<u>2,044</u>

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22. 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.

One of the trustees, Martin Lovell, is also a trustee of the Roger And Sarah Bancroft Clark Charitable Trust. Grant funding of £33,322 (2020: £296,177) 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 20. 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.