

PRET FOUNDATION TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
Charity number: 1050195

PRET FOUNDATION TRUST
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2017

Trustees	C Schlee A Wareham P Christou
Chief Executive Officer	C Schlee
Principal Office	75B, Verde, 10 Bressenden Place London SW1E 5DH
Auditor	RSM UK Audit LLP Chartered Accountants Rivermead House 7 Lewis Court Grove Park Enderby Leicester LE19 1SD
Bankers	HSBC Bank plc 4 Robertson Street Hastings East Sussex TN34 1HW
Registered Charity Number	1050195

PRET FOUNDATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

The Trustees present their report together with the audited financial statements for the year ended 31 December 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

(a) Constitution

The legal form of the Charity is that of a Trust. The Charity's governing document is a Trust Deed dated 19 July 1995.

(b) Selection and training of Trustees

Due to the nature, origin and activities of the Trust, Trustees are selected from the senior management of Pret A Manger (Europe) Limited.

Trustees who served during the year and up to the date of this report were as follows:

C Schlee
A Wareham
P Christou (appointed 29 September 2017)
N Candler (resigned 29 September 2017)
C Cromar (resigned 13 November 2017)

Trustees are appointed in accordance with clause D of the Trust Deed. New Trustees are provided with copies of the Memo and Articles of Association, latest accounts, recent minutes and suitable Charity Commission guidance.

(c) Principal risks

The Trustees actively review the principal risks which the Trust faces on a regular basis, in particular those relating to its operations and finances. They are satisfied that systems are in place to mitigate the Trust's exposure to the principal risks. The Trustees' formal risk management strategy comprises:-

- an annual review of the risks which the Trust may face;
- the adequacy of current systems and procedures to mitigate those risks identified in the strategy; and
- the implementation of procedures designed to minimise any potential risk on the Trust should any of those risks materialise.

The strategy on risk is reviewed and discussed at meetings of the Trustees and details of key risks facing the Trust and how they are managed and mitigated are detailed within the financial review.

Key controls used by the Trust include:

- formal agendas for all Trustees' meetings;
- strategic planning, budgeting and management accounting;
- formal proposal processes;
- donations made after careful vetting of beneficiary charities;
- clear authority limits and annual review of charities; and
- annual review of main contractor.

PUBLIC BENEFIT

The Trustees have paid due regard to Charity Commission guidance on public benefit in deciding what activities the Trust should undertake. Through its activities of food distribution, employment programmes and cash donations to grass root homeless charities the Trust helps to improve the welfare of the homeless.

The Trust aligns its objectives and activities to achieve this public benefit as detailed in the Objectives and Activities section.

PRET FOUNDATION TRUST

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2017

OBJECTIVES AND ACTIVITIES

The remit of the Trust is "the relief of poverty in particular homelessness in the UK". This has been achieved through the distribution of unsold food at the end of each day from Pret A Manger shops, employment programmes offering work to homeless people and financial donations to grass root homeless partner charities.

These are:

1) Food Distribution

The Trust arranges for Charities to collect unsold food directly from shops or arranges delivery at no cost to the beneficiary. These various charities then distribute the food to the homeless via shelters, hostels and outreach programmes.

2) The Rising Stars Programme (previously known as The Simon Hargraves Apprenticeship Scheme) and Shooting Stars Programme

The Rising Stars Programme offers homeless people the opportunity of a three-month work experience programme, with the aim of helping them build a new future. The programme offers three-month paid placements within Pret A Manger, giving individuals from homeless backgrounds and/or with criminal records the same benefits as Pret A Manger employees, together with a mentor, career advice and a reference for future employers. It can lead to a permanent position within Pret or help to provide the confidence and experience to follow a career elsewhere.

The Shooting Stars Programme offers a cohort of 8 graduated Rising Stars the opportunity to participate in a 7 month career development programme. It consists of 5 day long learning modules culminating in a BTEC level 2 in Work Skills and the opportunity to take GCSE English and Maths. The Shooting Stars finish the programme with a clear Personal Development Plan (PDP) should they wish to remain in Pret or follow a career elsewhere.

3) Cash, Equipment and Food Donations

The Trust supports smaller, grass-root homeless charities where tangible results can be seen as a result of making cash donations, kitchen equipment donations and food donations. Pret continues to strengthen relationships with existing charities with repeat donations, while also establishing partnerships with new charities.

ACHIEVEMENTS AND PERFORMANCE

The Trustees deem the Trust to have fulfilled its objectives for the year.

1) Food Distribution

In 2017 over 3.4 million main meal items were collected and distributed on behalf of charities (2016: 3.0m), with food from approximately 88% of Pret shops collected by or distributed to charities at the end of each business day (2016: 87%). Over 80 homeless charities and shelters in London benefitted from food donations in 2017 (2016: 70). Food distribution is via Pret's Charity Run with food being distributed 7 days a week, with 7 delivery routes (2016: 8 routes) operating in London. The vans collect and distribute leftover food from the shops to homeless charities. Clean Society manages this operation on behalf of the Trust, allowing the Trust to focus its effort on its other two key activities. Where the Trust cannot collect unsold food from a shop, it arranges for a registered charity to do so, thus avoiding unnecessary waste going to landfill. In regional shops food distribution is serviced by volunteers from local charities co-ordinated by a member of the Pret Foundation Trust team.

2) The Rising and Shooting Stars Programmes

The Rising Stars programme was established in 2008. 50 Rising Stars joined the scheme in 2017 (2016: 52) and over 400 Rising Stars have now joined the programme over the last 9 years. Each Rising Star obtains a three-month placement, with the goal being that this leads to a career either within Pret or in another organisation. Throughout the programme history graduation rates have been very high and this continued in 2017 with 79% of apprentices successfully graduating (2016: 78%).

PRET FOUNDATION TRUST
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENTS AND PERFORMANCE (continued)

2) The Rising and Shooting Stars Programmes (continued)

The Shooting Stars programme was set up in 2015. 8 Shooting Stars were selected for the programme in 2017 with over 24 starting the programme over the last 3 years. Each Shooting Star attends numerous one day workshops attaining a BTEC Level 2 in work skills. The graduation rate in 2017 was 50% (2016: 78%). 2 Shooting Stars became Assistant Managers.

3) Cash, Equipment and Food Donations

The Trust supports smaller, grass-root charities with donations: cash, equipment or food donations. In 2017 67 donations were made (2016: 52). These include: Cardboard Citizens (£33k), The 999 Club Trust (£31k), Emmanuel House Winter Shelter (£30k), The Margins Project (£29k), Shelter from the Storm (£25k). Donations cover various projects and pay for support workers, rent, course supplies, counselling and drop-in centres.

Total donations (including equipment and food) were £1.1m (2016: £840k) and this number continues to increase each year, made possible by the year on year increases in income raised by Pret Foundation Trust.

The Trust reacted quickly to the Grenfell Tower disaster by donating £111k to the victims made homeless by the tragedy.

Nicki Fisher, The Head of the Pret Foundation Trust, manages the activities of the Trust on a part-time basis with a team of five full-time people as directed by the Trustees.

Funds for the Trust came from three sources in 2017:

- ★ Product donations: £1.3m, of which, £742k was raised from the 10p donations on Soup sales alongside £536k generated from the Christmas Campaign (with 50p donated from each Christmas Sandwich and Baguette sold). The campaign was prominent in every Pret shop window alongside strong in-shop and product packaging communications.
- ★ Customer donations: £427k of in-shop donations from customers, via the charity gift boxes. This number continues to rise despite the increased card usage (notably contactless) at Pret's tills.
- ★ Other donations: £16k of other donations including various individual donations from Pret employees through to small scale fund raising activities.
- ★ The Trust also held its bi-ennial Green Week Grand Auction in March 2017 raising a record £129k (2015: £90k)

FINANCIAL REVIEW

(a) General

The Statement of Financial Activities on page 8 indicates an increase in donations of £101,967 this was offset by a £223k increase in charitable donations; the subsequent funds in the Trust decreased to £145,403 as at 31 December 2017.

The Trust has continued by good house-keeping and budgeting to maintain a healthy balance sheet.

The continuing use of budgets and regular financial information again proved an effective control; expenditure and staffing levels continue to be carefully monitored.

PRET FOUNDATION TRUST
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

FINANCIAL REVIEW (continued)

(b) Principal funding sources

The Trust's principal source of funding is the receipt of contributions from Pret A Manger (Europe) Limited (and its customers), who established the Trust over twenty years ago. Both organisation's continue to operate closely together and senior management of Pret A Manager (Europe) Limited operate on the Board of Trustees and assist Pret A Manager (Europe) Limited in carrying out their continuing commitment toward the Trust's objectives.

(c) Reserves policy

Unrestricted funds are needed:

- a) to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice; and
- b) to cover administration fund-raising and support costs without which the Trust could not function.

The Trustees consider it prudent that unrestricted reserves should be sufficient:

- c) to provide a pool equal to 10% of charitable expenditure from which funds can be designated to specific projects; and
- d) to cover one year's administration, fund-raising and support costs.

As at 31 December 2017, unrestricted reserves not invested in functional fixed assets were £145,403, approximately £57k above the reserves policy level.

The level of reserves is monitored and reviewed by the Trustees at each Trustee meeting.

PLANS FOR THE FUTURE

The Trustees aim to continue to develop the three key activities.

1) Food Distribution

The Trust will maintain distribution of unsold food from Pret A Manger shops to charities, who provide the food to the homeless via shelters, hostels and outreach programmes.

2) The Rising and Shooting Stars Programmes

For the Rising Stars programme the aim in 2018 is consistent with the last few years with an objective of employing 50 Rising Stars across the country, aiming for an 80% graduation success rate.

For the Shooting Stars Programme the objective is to select 8 Shooting Stars with a 90% graduation success rate.

3) Cash, Equipment and Food Donations

The Trust will continue to work with existing beneficiaries, as well as identifying and supporting other small charities that have a direct impact on homelessness and poverty.

The Trust aims to reflect the presence of Pret A Manger outside of London by ensuring a fair distribution of resources to charities based in the UK regions.

PRET FOUNDATION TRUST
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

TRUSTEES' RESPONSIBILITIES

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

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

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust Deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees, individually, are aware:

- There is no relevant audit information of which the Trust's auditor is unaware; and
- The Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.


AUDITOR

A resolution to reappoint RSM UK Audit LLP for the ensuring year will be proposed at the forthcoming Annual General Meeting.

ACCOUNTS PREPARATION

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Report 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 published on 16 July 2014.

For and on behalf of the Board


C Schlee
Trustee

Date: 26/06/2018

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF PRET FOUNDATION TRUST

Opinion

We have audited the financial statements of Pret Foundation Trust (the 'Trust') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, Balance Sheet, the Statement of Cash Flow and 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 FRS 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 Trusts' affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the "Report of the Trustees" other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF PRET FOUNDATION TRUST (continued)

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 5, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trusts' 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 Trust 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 provided on the Financial Reporting Council's website at <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 Trust's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trust'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 Trust and the Trust's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Enderby
LE19 1SD

4/7/18

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

PRET FOUNDATION TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted funds 2017 £	2016 £
Income from:			
Donations	4 (a)	1,882,407	1,780,440
Investment income	4 (b)	81	72
		<u> </u>	<u> </u>
Total		1,882,488	1,780,512
		<u> </u>	<u> </u>
Expenditure on:			
Charitable activities	5 (a)	2,073,765	1,749,967
		<u> </u>	<u> </u>
Total		2,073,765	1,749,967
		<u> </u>	<u> </u>
Net movement in funds		(191,277)	30,545
Reconciliation of funds:			
Total funds brought forward		336,680	306,135
		<u> </u>	<u> </u>
Total funds carried forward		145,403	336,680
		<u> </u>	<u> </u>


The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

PRET FOUNDATION TRUST
BALANCE SHEET AT 31 DECEMBER 2017

	Note	2017 £	2017 £	2016 £	2016 £
Current assets:					
Debtors	9	96,248		239,136	
Cash at bank and in hand		107,698		117,504	
Total current assets		203,946		356,640	
Liabilities:					
Creditors: amounts falling due within one year	10	(58,543)		(19,960)	
Net current assets			145,403		336,680
Total net assets			145,403		336,680
The funds of the charity:					
Unrestricted funds			145,403		336,680

These financial statements on pages 8 to 18 were approved by the Board of Trustees and authorised for issue on 26/06/2018 and signed on their behalf by:


C Schlee
Trustee

PRET FOUNDATION TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	14	(9,887)	50,803
Cash flows from investing activities:			
Investment income		81	72
Net cash provided by investing activities		81	72
Change in cash and cash equivalents in the reporting period		(9,806)	50,875
Cash and cash equivalents at the beginning of the reporting period		117,504	66,629
Cash and cash equivalents at the end of the reporting period		107,698	117,504

PRET FOUNDATION TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1 Legal status of the charitable trust

Pret Foundation Trust is an unincorporated Charitable Trust registered as a Charity at the Charity Commission in England and Wales. The principal place of business is 75B, Verde, 10 Bressenden Place, London, SW1E 5DH.

The remit of the Trust is "the relief of poverty in particular homelessness in the UK". Historically, this has been achieved through the distribution of unsold food at the end of each day from Pret A Manger shops, employment programmes offering work to homeless people and financial donations to grass root homeless partner charities.

2 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Pret Foundation Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Going concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of the Trust's resources and the challenges presented by the current economic climate, the Trustees are satisfied that the Trust has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The Trustees are also not aware of any material uncertainty that will prevent the Trust continuing as a going concern.

Income

All income is recognised once the Trust has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

- Income from donations, including gifts are recognised where there is entitlement, probability of receipt and the amount can be measured reliably.
- Investment income is recognised on a receivable basis.

Funds

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

PRET FOUNDATION TRUST
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

2 Accounting policies (continued)

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 obligation can be measured reliably.

Expenditure is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable activity costs comprise both direct expenditure, including direct staff costs attributable to the activity, and support costs relating to these activities.

As Pret Foundation Trust is unable to reclaim any of the Value Added Tax (VAT) that it incurs, all expenditure in these financial statements in relation to its activities is shown inclusive of any VAT which cannot be recovered.

Financial instruments

The Trust only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of financial nature. Such financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash at bank and in hand

Cash at bank and in hand includes cash and monies on short term deposits at the bank, other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors are recognised where the Trust 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 are normally recognised at their settlement amount.

Taxation

The Trust is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

PRET FOUNDATION TRUST

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2017

3 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting estimates and areas of judgement to note.

4 Analysis of income

(a) Donations	2017 £	2016 £
Donations received	1,882,407	1,780,440
	<u> </u>	<u> </u>
(b) Investment income	2017 £	2016 £
Interest receivable	81	72
	<u> </u>	<u> </u>

5 Analysis of expenditure incurred by Pret Foundation Trust

The Trust fulfilled its charitable purposes by picking up unsold food from Pret A Manger shops throughout the UK and delivering it to other Charities that assist with the relief of poverty. In other instances the Trust made cash grants as the Trustees saw fit.

The accounts do not include the monetary value of the unsold food collected and distributed from the Pret A Manger shops as the Trustees believe that the food has no monetary value by virtue of it being unsold.

(a) Charitable activities

	Note	Food distributions £	The Rising Stars and Shooting Stars programmes £	Cash equipment and food donations £	Total 2017 £	Total 2016 £
Gifts and donations	5c	-	-	986,836	986,836	781,828
Food delivery costs		506,178	-	-	506,178	435,924
Apprenticeship costs		-	216,425	-	216,425	231,547
Food donations		-	-	17,459	17,459	13,441
Equipment donations		-	-	58,886	58,886	44,546
Support costs	5b	70,424	137,498	80,059	287,981	242,681
		<u>576,602</u>	<u>353,923</u>	<u>1,143,240</u>	<u>2,073,765</u>	<u>1,749,967</u>

(b) Support costs

	Note	Food distributions £	The Rising Stars and Shooting Stars programmes £	Cash equipment and food donations £	Total 2017 £	Total 2016 £
Staff costs	6	54,380	108,758	54,380	217,518	165,417
Charity site visits		-	-	399	399	6,921
Green week		-	-	9,236	9,236	-
Team expenses		12,696	25,392	12,696	50,784	58,875
Bank charges		91	91	92	274	68
Audit and accounting fees		3,257	3,257	3,256	9,770	11,400
		<u>70,424</u>	<u>137,498</u>	<u>80,059</u>	<u>287,981</u>	<u>242,681</u>

Support costs are allocated on a basis consistent with the activities of the Trust.

PRET FOUNDATION TRUST
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

5 Analysis of expenditure incurred by Pret Foundation Trust (continued)

(c) Gifts and donations

	No of gifts	2017 £	No of gifts	2016 £
The Trust has made the following gifts of £5,000 or more:				
The 999 Club	1	30,842	1	13,067
The Clock Tower Sanctuary	1	24,306	1	27,956
Emmanuel House Day Centre	1	30,000	-	-
West London Day Centre	-	-	1	15,789
Notting Hill Churches Homeless Concern	1	22,500	-	-
Salford Loaves & Fishes	1	12,957	1	14,000
240 Project	-	-	1	22,500
Cardboard Citizens	1	32,500	1	50,000
Action Homeless Leicester	1	6,312	1	6,312
Glasgow City Mission	1	21,325	1	20,503
Notre Dame Refugee Centre	1	12,000	1	10,400
Shelter from the Storm	1	25,000	1	32,032
The Choir with No Name	1	8,890	1	19,738
Acting on Impulse	1	7,870	1	8,470
Caris Camden	-	-	1	11,500
Create (Arts) Ltd	1	12,635	1	15,078
Genesis Trust	1	17,591	-	-
Hackney Doorways	1	22,630	-	-
AKT	-	-	1	15,000
Aspire Oxford Community Enterprise Ltd	1	16,787	1	13,387
London City Mission	1	18,000	1	24,280
Notre Dame de France Trust	1	7,006	1	5,681
Off the Fence Trust	1	21,936	1	25,274
Barnabas	1	17,043	1	17,223
Bridges Project	1	8,385	1	6,000
Caritas – Diocese of Salford	1	15,000	1	15,000
Crisis Centre Ministeries	1	9,300	1	10,000
Glass Door	1	15,725	1	16,880
Firm Foundation	1	7,740	1	6,144
Manchester City Mission	1	15,222	-	-
The Albert Kennedy Trust	1	20,000	-	-
Bethany Christian Trust	1	13,000	1	13,000
Restart	-	-	1	20,000
St James Piccadilly	1	9,176	1	10,072
Subtotal (continued on following page)	29	481,678	28	465,286

PRET FOUNDATION TRUST
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

5 Analysis of expenditure incurred by Pret Foundation Trust (continued)

(c) Gifts and donations (continued)

	No of gifts	2017 £	No of gifts	2016 £
The Trust has made the following gifts of £5,000 or more (continued):				
Subtotal brought forward from prior page	29	481,678	28	465,286
Vineyard Community Centre	1	20,081	1	20,961
Hinde St Methodist Church	1	9,316	1	5,500
The Upper Room	1	21,190	1	20,000
Ace of Clubs	1	17,510	1	14,000
Deptford Reach	1	21,500	1	22,920
Hackney Winter Night Shelter	-	-	1	22,412
St Stephens Church Canonbury	1	14,040	1	15,000
St Cuthbert's Centre	1	20,700	-	-
ASLAN	1	16,694	1	13,072
FCENS	1	19,000	1	18,385
The Margins Project	1	29,374	1	25,634
Fareshare	1	23,726	2	32,920
Vision Care for Homeless People	-	-	1	7,400
Nottingham Winter Shelter	-	-	1	30,000
Saint John of God Hospitaller Services	1	20,075	1	20,075
The Simon Community	-	-	1	5,000
The Suited and Booted Centre	1	5,000	1	5,000
This Is Growth Ltd	-	-	1	15,000
Brixton Soup Kitchen	1	6,000	-	-
Caring in Bristol	1	7,000	-	-
Castlemilk Community Church	1	8,870	-	-
Cheltenham Open Door	1	7,000	-	-
Crawley House, Crawley	1	12,000	-	-
Door Step	1	9,500	-	-
Hope Housing Training and Support Limited	1	10,150	-	-
Maggs Day Centre	1	7,800	-	-
Peterborough Soup Kitchen	1	7,500	-	-
Start up on line	1	9,500	-	-
The Foyer Federation	1	5,000	-	-
The Friary	1	8,799	-	-
The People's Kitchen	1	5,000	-	-
The Vineyard Arches Trust	1	8,000	-	-
West London Mission	1	15,235	-	-
Grenfell Tower	1	111,000	-	-
Other amounts less than £5,000	9	28,598	6	23,263
Total	67	986,836	52	781,828

PRET FOUNDATION TRUST
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

6 Analysis of staff costs and numbers

Total staff emoluments for the year were as follows:

	2017 £	2016 £
Wages and salaries	196,797	145,498
Social security costs	20,721	19,919
	<u>217,518</u>	<u>165,417</u>

These costs relate to the reimbursement of wages and salaries by the Trust to Pret A Manger (Europe) Limited, for the time incurred by employees of Pret A Manger (Europe) Limited on the Trust's activities.

The average number of employees whose wages were recharged to the Charity during the year were 6 (2016: 4).

No employees are paid through the Trust and no employees or trustees were paid in excess of £60,000 in the year (2016: £Nil).

7 Trustees' remuneration and expenses and costs of key management personnel

None of the Trustees received any remuneration or payment for expenses during the year (2016: £Nil).

The Trust considers that the only key management are the Trustees and Chief Executive Officer, and these personnel are not remunerated during this year or last year by the Trust.

8 Net (expenditure)/income

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:

	2017 £	2016 £
Audit remuneration	8,420	9,150
Other services:		
All other non-audit services	2,325	2,250
	<u>10,745</u>	<u>11,400</u>

PRET FOUNDATION TRUST
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

9 Debtors

	2017 £	2016 £
Other debtors (note 12)	96,248	239,136

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals	58,543	19,960

11 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	96,248	239,136
Carrying amount of financial liabilities		
Measured at amortised cost	58,543	19,960

12 Related party transactions

The main related party to the Trust is Pret A Manger (Europe) Limited, a company which operates a chain of food retail outlets across the United Kingdom. Donations during the year were from Pret A Manger (Europe) Limited and collecting boxes within the Pret A Manger shops. The value of donations received via Pret A Manger (Europe) Limited are £1,744,696 (2016: £1,702,752). The Trustees are selected from the senior management of Pret A Manger (Europe) Limited.

During the year, the Trust was charged £217,518 (2016: £165,417) in salary costs, for time incurred by Pret A Manger (Europe) Limited employees on the Trust's activities. During the year Pret A Manger (Europe) Limited also made payments on behalf of Pret Foundation Trust of costs which were then recharged to the Trust of £943,482 (2016: £792,494) and at 31 December 2017 Pret A Manager (Europe) Limited owed the trust £96,248 (2016: £239,136).

13 Ultimate controlling party

The trustees do not consider that there is any one controlling party.

PRET FOUNDATION TRUST
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

14. Reconciliation of net (expenditure)/income to net cashflow from operating activities

	2017	2016
	£	£
Net (expenditure)/income for the reporting period	(191,277)	30,545
Adjustments for:		
Investment income	(81)	(72)
Decrease in debtors	142,888	28,557
Increase/(decrease) in creditors	38,583	(8,227)
Net cash (used in)/provided by operating activities	<u>(9,887)</u>	<u>50,803</u>