

**THE CECIL AND ALAN PILKINGTON TRUST FUND**  
(Registered Charity No: 237623)

**Trustees' Report and Accounts**  
**for the year ended 31st March, 2019**

CHARITY COMMISSION  
FIRST CONTACT

04 SEP 2019

ACCOUNTS  
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## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

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## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Trustees' Report for the year ended 31<sup>st</sup> March 2019**

The Trustees present their report along with the financial statements of the charity for the year ended 31<sup>st</sup> March 2019. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 - 14 and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published July 2014.

### **Reference and Administrative Information**

#### **Directors of Trustee Companies**

Lady Pilkington (Kirsty)  
Mr P H Grunwell  
Mr D J Bricknell  
Mr J A S Pilkington  
Mr D.C. Pilkington  
Mr J McKenna  
Mr J Money  
Ms J Halligan

#### **Executive Officer Senior Management**

Mr P Morgan  
Mrs J Mafi  
Ms B J Northover  
Mrs D Swift  
Mrs J Knowles

#### **Principal Office**

Enterprise Offices  
Salisbury Street  
St Helens  
Merseyside WA10 1FY

#### **Charity Number**

237623

#### **Auditors**

Livesey Spottiswood Limited  
Chartered Accountants and Registered Auditors  
17 George Street  
St Helens  
Merseyside WA10 1DB

#### **Bankers**

National Westminster Bank Plc  
Ormskirk Street  
St Helens  
Merseyside WA10 1DR

#### **Investment Managers**

Tilney Investment Management  
Royal Liver Buildings  
Pier Head  
Liverpool L2 1NY

Rathbone Investment Management  
Port of Liverpool Building  
Pier Head  
Liverpool L3 1NW

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Trustees' Report for the year ended 31<sup>st</sup> March 2019 (continued)**

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

The Cecil and Alan Pilkington Trust Fund (Registered Charity No: 237623) is an expendable endowment fund. The Trust Fund also works under the umbrella name of The Pilkington Family Trust.

The Trust Fund is an amalgamation (7th July, 1977) of the following Deeds:

**Alan Douglas Pilkington Trust Fund** (Founding Deed 11th June, 1948)

**Alfred Cecil Pilkington Trust Fund** (Founding Deed 1st May, 1937)

The trust fund provides assistance, to those in necessitous circumstances, for the benefit of the employees and ex-employees of Pilkington Brothers Ltd or its successors in business and their dependents. The trust does not actively fundraise but seeks to continue the work through the planning and management of its resources. Under the Trust Deed the Trustees have absolute discretion and unrestricted powers of investment.

The following limited companies acted as Trustees throughout the year to 31st March, 2019:-

**Pilkington Employees' Trustee (No.1) Limited**

(Company Registration No: 01161784)

**Pilkington Employees' Trustee (No.2) Limited**

(Company Registration No: 01161785)

The Directors of the Trustee companies are appointed by the Board of the Trustee companies.

The Directors of the Trustee companies meet three times a year to agree the broad strategy and areas of activity for the Trust.

The Finance Committee assists the Trustees in the consideration of the investment, reserves and risk management policies and performance. The following Directors of the Trustee companies were members of the Finance Committee during the year:-

Mr D. J. Bricknell

Mr P. H. Grunwell

Mr J. McKenna

Mr J. Money

The management of the Trust is carried out by Pilkington Retirement Services Limited, set up as a Management Company to administer the Community Care Programme.

The following Directors of the Trustee companies were also members of the P.R.S.L Board.

Mr D. J. Bricknell

Mr J. McKenna

The day to day administration of the Community Care Programme and the resources is delegated to the Executive Officer being the Managing Director of P.R.S.L. and its employees.

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Trustees' Report for the year ended 31<sup>st</sup> March 2019 (continued)**

The induction process for any newly appointed Director of the trustee companies comprises an in depth briefing and training programme to familiarise themselves with all aspects of the work of the organisation; this also includes practical experience of the delivery of services. The officers of the organisation provide information concerning all aspects of managing the Trust including:

- Trust deeds and associated documentation
- Trustees' powers and responsibilities
- Investment and financial structure
- Management structure and staffing
- The scope and breadth of the Community Care Programme and the end users

All Directors of the Trustees and Board give their time voluntarily and receive no benefits in that capacity; allowable travel expenses can be claimed and are declared in the accounts.

### **Key management personnel remuneration**

The trustees consider the executive officer and the senior management as comprising the key management personnel in charge of running and operating the charity on a day to day basis. The pay of key personnel is encompassed within the pay review system for all staff of the charity. The Trustees review appropriate pay research and the union pay claim, consider recommendations and propose an increase which is negotiated with the union representatives. The agreed award is then implemented for all staff including key personnel.

### **Objectives and Activities**

The objectives of the Charity are to provide financial assistance for those in necessitous circumstances being employees, ex-employees and dependants of employees and ex-employees of Pilkington Brothers Ltd or its successors in business and its subsidiaries. Those people currently retired and eligible to receive services number 7893 as at March 2019 of which 48% are spouses of employees and these spouses have not worked for the company.

The Trust Fund's mission statement is 'There to care when care is needed'. To achieve this, a Community Care Programme has been developed to support those individuals who are in greatest need, its main purpose to enable people to live as fulfilled a life as they can by allowing them to keep mentally and physically active. The programme also aims to keep people out of long term care, whilst at the same time supporting those in such care and to maintain contact with all the beneficiaries.

The objectives for the year support these strategic aims ensuring that the wishes of the Trustees are carried out in an efficient and effective manner. When agreeing the objectives the Trustees have given due regard to the guidance, as issued by the Charity Commission, relating to public benefit.

The Trust looks to achieve its aims through maintaining a strong organisational structure, promoting good industrial relations with its staff through periods of change and ensuring effective delivery of services. The Trust Fund provides a wide variety of benefits to the most vulnerable older people, these range from financial grants to emotional and practical support with everyday living tasks. A dedicated respite service is available in St Helens to all retirees living in the UK.

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Trustees' Report for the year ended 31<sup>st</sup> March 2019 (continued)**

#### **Achievements and performance**

The organisation has sent and followed up on the GDPR requirements which came into force in May 2018.

Reports were commissioned from all the regional staff across the UK in order to map those individuals suffering with dementia. This exercise also enabled us to assess the quality and quantity of support available in each area. As an outcome we have worked with Dementia UK to offer Admiral Nurse support to more individuals. However, due to staffing structures this has had limited success.

The proposed acquisition of land in St Helens to build new offices was abandoned as it was perceived that the asking price did not represent good value to the charity. In order to progress a move of the offices, new leased premises within the local Chamber of Commerce at a preferred rent have been procured. This move led to the upgrading of ICT systems and less reliance on just one IT support service.

The Trustee body met with the newly appointed Chief Officer for Health and Social Care in St Helens. This was to investigate if there were any mutual interests that a partnership could achieve. Tentative discussions revealed some possible partnership work.

The social group model was reviewed and the service delivery changed in certain locations. The Dementia Support service in St Helens has gone from strength to strength and the group receiving our guidance have become a cohesive support network for each other. The project has had a profound effect upon the quality of life of those supported.

Beneficiary numbers dropped below 8,000 this year. The demographic profile shows that the number of beneficiaries over the age of 90 is increasing with males now living almost as long as females. We provide some form of tangible support/service into the homes of 33% of beneficiaries over the age of 90. Expenditure on services into the beneficiaries' homes has increased in this last financial year. In response to the declining numbers in some regional areas the visiting scheme was reviewed resulting in adjustment of some staffing hours and visiting targets were adjusted to reflect the changing landscape in social care in general. Changes in local and central government funding strategies have left some individuals vulnerable and we have allocated more time to those people. We continue to signpost people to appropriate services and act as an advocate if they are unable to represent their own views/wishes effectively.

Ruskin Lodge continues to provide much needed respite services to beneficiaries and private guests. The most recent CQC inspection found the Lodge to be 'Good' in all key areas of delivery of care and it is a goal to achieve an improved rating at the next inspection. We as ever spent considerable monies in upgrading the facilities to meet the changing needs of our ageing guests. As a result of Health and Safety Committee meetings motion sensors have now been fitted in all bedrooms to mitigate possible falls and extra emergency pull chords are being fitted in the dining room. The Lodge continues to work in partnership with the local Rapid Response Team to ensure safe discharge from hospital. Environmental Health awarded Ruskin Lodge the highest rating available from their inspection.

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Trustees' Report for the year ended 31<sup>st</sup> March 2019 (continued)**

#### **Financial Review**

The Trust is reliant on the income from its investments, the income from which was £3,336,944. Investment income is supplemented by contributions towards the services the Trust provides, through support from donations and a general grant from the Pilkington Charities Fund. Other restricted donations were also received to support additional work in South Africa.

The investment income and support from other sources funded all the key programmes of the Trust in the year. The reserve position of the Trust therefore remains strong.

#### **Investment Policy and Performance**

There are no restrictions on the charity's power to invest and the Trustees have adopted a policy to achieve the optimum return from a broad spread of investments and have not imposed restrictions on the type of investments in the portfolio. The policy is to adopt a medium/high risk investment strategy based on income generation with potential for capital growth.

The Trustees use the services of Tilney Investment Management and Rathbone Investment Management as investment managers and review the performance through the information given to the Finance Committee and an annual report from an external monitoring company. The investment managers are set the objective of achieving a return of not less than CPI + 3.5% over a five year period.

The rolling five year annualised performance, to December 2018, for each investment manager compared to the objective return of 5.01% p.a. was:

Rathbone Investment Management a return of 3.36% p.a.

Tilney Investment Management a return of 2.29% p.a.

#### **Risk Management**

The Trustees review the financial and operational risks to which the charity may be exposed and the systems that are in place to mitigate those risks. A list of the risks, their potential impact and the steps taken to mitigate those risks is regularly reviewed. The principal risk faced by the Trust is the performance of the investments to provide the funding for the services. This is mitigated by retaining expert investment managers, having a diversified portfolio and monitoring the performance through the Finance Committee.

#### **Reserves Policy**

As an endowed charity it is acknowledged by the Trustees that the Trust Deed allows the expenditure of both capital and income to meet the charitable objectives.

The Trustees consider it important that the capital value of the funds is maintained to generate revenue returns that will largely fund the Community Care Programme, increases in capital returns being used to supplement any shortfall in revenue.

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Trustees' Report for the year ended 31<sup>st</sup> March 2019 (continued)**

#### **Reserves Policy (cont)**

Annual returns are used to fund the on-going programmes and are supplemented by the cumulative income reserve, which at 31<sup>st</sup> March 2019 totalled £7,495,646. The cumulative income reserve excludes the restricted funds totalling £1,694.

The capital endowed reserves, which at 31<sup>st</sup> March 2019 totalled £81,093,712 are used to generate the annual income but are available to be used on projects as agreed by the Trustees.

#### **Plans for the Future**

We will embark on a number of partnerships.

Partnering with Public Health to identify and share resources that may support the new NHS agenda relating to Social Prescribing.

Partnering with Dementia UK to establish if possible some service in the Midlands dependent upon agreements with them and the Local Authority.

Partnering the local hospice to provide enhanced services to people who suffer with dementia. It is hoped that holistic therapies and other complimentary services will be made available at one of their satellite units.

The review of the visiting programme highlighted an unmet need in the provision of personal care as a consequence of Local Authority pressure on finances. Funds have been earmarked for providing these services and the expectation is that they will continue to grow.

The report on the visit to South Africa by the Executive Officer will result in additional funding for the programme there.

Transport needs of individuals will be reassessed and the current service redefined.



## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Trustees' Report for the year ended 31st March 2019 (continued)**

#### **Trustees' responsibilities in relation to the financial statements**

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that 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 material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware at the time of approving the Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, and
- the Trustees having made enquiries of fellow Trustees that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Trustees on 02 July 2019.

Signed on behalf of the Trustees



.....  
D J Bricknell

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Independent Auditors' Report**

#### **to the Trustees of The Cecil and Alan Pilkington Trust Fund**

#### **Opinion**

We have audited the financial statements of The Cecil and Alan Pilkington Trust Fund (the 'charity') for the year ended 31 March 2019 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

#### **Other information**

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

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

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

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

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

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

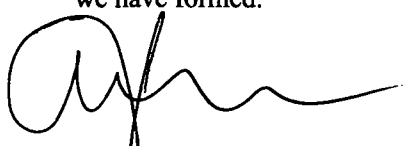
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

### **Use of our report**

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



Andrew McMinnis ACA, FCCA (Senior Statutory Auditor)  
Livesey Spottiswood Limited, Chartered Accountants and Registered Auditors,  
17, George Street, St. Helens, Merseyside WA10 1DB

Date:

4/7/19

# **THE CECIL AND ALAN PILKINGTON TRUST FUND**

## **Statement of Financial Activities For the Year ended 31st March 2019**

	<u>Note</u>	<u>Restricted</u> <u>Funds</u> <u>2019</u> £	<u>Endowment</u> <u>Funds</u> <u>2019</u> £	<u>Total</u> <u>Funds</u> <u>2019</u> £	<u>Total</u> <u>Funds</u> <u>2018</u> £
<b>Income and endowments from:</b>					
Investments	2	-	3,336,944	3,336,944	3,346,321
Donations and Legacies	3	5,000	71,719	76,719	87,036
Charitable Activities					
UK Benefits and Services		-	109,052	109,052	107,663
Ruskin Lodge Respite Care		-	278,649	278,649	286,609
Other		-	323	323	-
<b>Total Income</b>		<b>5,000</b>	<b>3,796,687</b>	<b>3,801,687</b>	<b>3,827,629</b>
<b>Expenditure on:</b>					
<b>Raising Funds –</b>					
Investment Management Costs		-	262,206	262,206	266,117
<b>Charitable Activities</b>					
UK Benefits and Services	6	579	1,338,396	1,338,975	1,259,938
Ruskin Lodge Respite Care		110	1,175,025	1,175,135	1,123,060
Visiting Beneficiaries			701,115	701,115	652,170
Overseas Benefits and Services		5,000	168,066	173,066	161,847
Donation to Willowbrook Hospice			75,000	75,000	75,000
Charitable Expenditure		5,689	3,457,602	3,463,291	3,272,015
<b>Total Expenditure</b>	4	<b>5,689</b>	<b>3,719,808</b>	<b>3,725,497</b>	<b>3,538,132</b>
<b>Net income/(expenditure) and net movement in funds before gains and losses on investments</b>					
		(689)	76,879	76,190	289,497
Net gains/(losses) on investments		-	1,805,499	1,805,499	(3,675,745)
<b>Net income and movement in Funds</b>		<b>(689)</b>	<b>1,882,378</b>	<b>1,881,689</b>	<b>(3,386,248)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		2,383	86,706,980	86,709,363	90,095,611
<b>Total funds carried forward</b>		<b>1,694</b>	<b>88,589,358</b>	<b>88,591,052</b>	<b>86,709,363</b>


The notes on pages 13 to 21 form part of these accounts

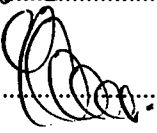
# THE CECIL AND ALAN PILKINGTON TRUST FUND

## Balance Sheet as at 31st March 2019

	<u>Notes</u>	<u>2019</u> <u>£</u>	<u>2018</u> <u>£</u>
<u>Fixed Assets</u>			
Tangible Fixed Assets	8	831,351	879,896
Investments	9	<u>87,573,638</u>	<u>85,605,075</u>
		88,404,989	86,484,971
<u>Current Assets</u>			
Debtors	10	73,028	76,981
Cash and Bank Deposits		<u>370,637</u>	<u>354,953</u>
		443,665	431,934
Creditors amounts falling due within one year	11	<u>(114,636)</u>	<u>(173,073)</u>
Net Current Assets		329,029	258,861
Provision for liabilities	12	(142,966)	(34,469)
Total Assets less current liabilities		<u>88,591,052</u>	<u>86,709,363</u>
<u>Fund Balance</u>			
Expendable Endowment Fund		81,093,712	79,289,907
Spendable Reserves		7,495,646	7,417,073
Restricted Funds	13	<u>1,694</u>	<u>2,383</u>
Total Charity Funds	14	<u>88,591,052</u>	<u>86,709,363</u>

The above accounts were approved by the Trustees on 02 July, 2019 and were signed on their behalf by:

  
 .....(Director of Trustee Companies)  
 D J Bricknell

  
 .....(Director of Trustee Companies)  
 J McKenna

The notes on pages 13 to 21 form part of these accounts

## THE CECIL AND ALAN PILKINGTON TRUST FUND

### Cash Flow Statement for the Year Ended 31st March, 2019

	<u>2019</u> £	<u>2018</u> £
<b>Cash flows from operating activities</b>		
<i>Net cash (used in) operating activities</i>	(3,176,083)	(3,002,385)
<b>Cash flows from investing activities</b>		
Purchase of investments	(11,512,094)	(9,429,899)
Purchase of equipment, furniture and vehicles	(59,705)	(72,993)
Proceeds from sale of investments	12,723,850	9,483,473
Dividends and interest from investments	3,336,944	3,346,321
Receipt for sale of fixed assets	873	-
<i>Net cash provided by investing activities</i>	1,313,785	324,517
<b>Cash flows from financing activities</b>		
Receipt of Donations	76,719	87,036
<i>Net cash provided by financing activities</i>	1,390,504	411,533
(Decrease)/ Increase in cash in the period	1,420,029	1,008,476
Net funds at 1st April 2018	2,810,533	1,420,029
Net funds at 31st March 2019		

### Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income and movement in funds	1,881,689	(3,386,248)
Adjustments for		
Depreciation charges	100,904	81,911
(Gains)/losses on investments	(1,805,499)	3,675,745
Dividends and interest from investments	(3,336,944)	(3,346,321)
Receipts from Donations	(76,719)	(87,036)
Loss on sale of fixed assets	6,473	-
(Increase)/decrease in debtors	3,953	(9,731)
Increase/(decrease) in creditors	50,060	69,295
Cash flow from operating activities	(3,176,083)	(3,002,385)

### **Analysis of cash**

	<u>2019</u> £	<u>2018</u> £
Cash at bank	370,637	354,953
Deposits held by investment managers	2,439,896	1,065,076
Total cash	2,810,533	1,420,029

# **THE CECIL AND ALAN PILKINGTON TRUST FUND**

## **Notes to the Financial Statements 31 March 2019**

### **1. Accounting Policies**

#### **a) Basis of preparation**

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared under the historical cost convention, with the exception of the investments which are stated at their mid market value. The financial statements have been prepared in accordance with the 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 (FRS102) and the Charities Act 2011.

#### **b) Incoming Resources**

All incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received and the monetary value can be measured with sufficient reliability. Restricted income is used in accordance with any specific restrictions imposed by the donors.

#### **c) Resources Expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis, inclusive of irrecoverable VAT. Where costs cannot be directly attributable to particular categories they have been allocated to activities on the most appropriate basis of apportionment.

#### **d) Investments**

All Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

All realised and unrealised gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and the original cost of the investment. Unrealised gains and losses are calculated as the difference between market value at the end of year and opening market values. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

#### **e) Tangible assets and depreciation**

Tangible fixed assets costing more than £1,500 are capitalised. Tangible assets are stated at cost. Depreciation is calculated so as to write off the cost of tangible assets in equal annual instalments over their expected useful lives from the date of completion of commissioning or purchase at the following rates:

(i)	Freehold buildings	between 10 and 50 years
(ii)	Services and office furniture	between 10 and 25 years
(iii)	Furniture and fittings	- 7 years
(iv)	Computer equipment	between 3 and 5 years
(v)	Other equipment	between 7 and 25 years
(vi)	Vehicles	between 5 and 8 years

#### **f) Debtors/Creditors**

Both Debtors and Creditors are included in the financial statements at transactional value.

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Notes to the Financial Statements 31 March 2019 continued**

#### **g) Funds**

Unrestricted funds may be spent in accordance with the Trust's charitable objectives at the discretion of the Trustees.

Restricted Funds arise from specific grants for individual projects or assets and must be used for the restricted charitable purpose.

#### **h) Pensions**

The Trust has a special arrangement with Pilkington Group Limited and pays contributions at a prescribed percentage rate determined by actuaries, who every three years, determine the solvency of the Pilkington Superannuation Scheme, having regard to existing and prospective liabilities and assets. This scheme is now closed to new entrants. A defined contribution scheme with Aviva and an Autoenrolment scheme with Now Pensions are now available to employees. Contributions paid in the year are charged to the Statement of Financial Activities.

#### **h) Leasing Commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

#### **i) Grants**

Grants are awarded on a discretionary basis and the costs included once the commitment has been approved.

### **2. Investment Income**

	<u>2019</u>	<u>2018</u>
	£	£
Investments listed on a recognised Stock Exchange	3,329,611	3,344,968
Bank Interest	2,963	1,206
Interest on cash held by Investment Manager	4,370	147
	<u>3,336,944</u>	<u>3,346,321</u>

### **3. Donations and Legacies**

	<u>2019</u>	<u>2018</u>
	£	£
<i>General grants</i>		
Pilkington Charities Fund	70,000	70,000
<i>Restricted grants</i>		
Rainford Trust	5,000	5,000
NSG Pilkington	-	10,000
Creative Living Group	-	716
<i>Donations</i>		
Other	1,719	1,320
	<u>76,719</u>	<u>87,036</u>



## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Notes to the Financial Statements 31 March 2019 continued**

#### **4. Resources Expended**

	Direct Costs	Apportioned Support Costs	<u>Total</u> <u>2019</u> £	<u>Total</u> <u>2018</u> £
<i>Cost of Generating Funds</i>				
Investment Management Costs	262,206	-	262,206	266,117
<i>Charitable Activities</i>				
UK Benefits and Services (note 6)	1,075,487	263,488	1,338,975	1,259,938
Ruskin Lodge Respite Care	996,498	178,637	1,175,135	1,123,060
Visiting Beneficiaries	437,580	263,535	701,115	652,170
Overseas Benefits and Services	144,297	28,769	173,066	161,847
Donation to Willowbrook Hospice	75,000	-	75,000	75,000
	<u>2,991,068</u>	<u>734,429</u>	<u>3,725,497</u>	<u>3,538,132</u>

Included in the direct costs is £5,689 (2018 £5,606) of restricted expenditure.

The external audit fee was £ 6,650 (2018 £6,475).

Operating lease cost in respect of land and buildings included in the above costs was £ 79,996 (2018 £42,544)

#### **5. Support Costs broken down by activity**

	UK Benefits & Services	Ruskin Lodge Respite Care	Visiting Beneficiaries	Overseas Benefits & Services	<u>Total</u> <u>2019</u> £	<u>Total</u> <u>2018</u> £
Governance	34,272	34,272	34,272	11,424	114,240	107,040
Management	17,617	35,234	17,617	12,435	82,903	75,379
Finance	31,022	31,022	31,022	4,910	97,976	86,545
Human Resources	22,253	65,640	22,299	-	110,192	96,269
Community Care						
Administration	158,324	12,469	158,325	-	329,118	261,325
	<u>263,488</u>	<u>178,637</u>	<u>263,535</u>	<u>28,769</u>	<u>734,429</u>	<u>626,558</u>

Support costs have been allocated to activities on the most appropriate basis.

Premises costs allocated to type of activity by area, pensions and salary administration by headcount, other costs by proportion of time spent on the activity

# **THE CECIL AND ALAN PILKINGTON TRUST FUND**

## **Notes to the Financial Statements 31 March 2019 continued**

### **6. UK Benefits and Services - Expenditure**

	Unrestricted	Restricted		
Direct costs	<u>2019</u>	<u>2019</u>	<u>2019</u>	<u>2018</u>
	£	£	£	£
Carewatch/Careline	112,573	-	112,573	102,735
Dementia Support	37,525		37,525	34,666
Domestic Assistance	478,137		478,137	455,623
Home Meals	123,853		123,853	120,868
Gardening and Security	10,245		10,245	9,476
Hairdressing	42,526		42,526	40,883
Day Centre Services	122,201		122,201	123,111
Active Leisure/Contact Groups	79,130	579	79,709	86,023
Prism/Calendar	47,309		47,309	46,646
<i>Total services provided</i>	1,053,499	579	1,054,078	1,020,031
<i>Grants: (to individuals)</i>	<i>No of Grants in 2018/19</i>			
Hairdressing	136		1,797	2,121
Domestic Assistance	29		1,160	1,440
Gardening	152		11,400	12,900
Discretionary including Funeral Grants	3		5,014	1,695
			19,371	18,156
<i>Gifts:</i>				
Christmas Provisions			2,038	2,648
			1,075,487	1,040,835
Community Care Administration Support Costs			263,488	219,103
Total UK Benefits and Services			1,338,975	1,259,938

Restricted Expenditure in 2018 was £11,258

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Notes to the Financial Statements 31 March 2019 continued**

#### **7. Trustee and Staff Costs**

##### *Trustees*

Members of the Board of the Trustee companies do not receive any remuneration for their services. Travel expenses reimbursed to the number of Members of the Board of the Trustee companies was 2 (2018 1) and amounted to £747 (2018 £243).

##### *Staff*

The average number of employees during the year was 74 (2018 76 )

The average numbers of employees on a full time equivalent basis by activity was:

	<u>2019</u>	<u>2018</u>
Charitable	50	51
Management and Administration	6	6

##### *Staff*

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Wages and Salaries	1,397,227	1,378,046
Social Security costs	107,402	107,912
Pension contributions	176,179	155,280
	<u>1,680,808</u>	<u>1,641,238</u>

The total employment benefits including employer pension contributions of the key management personnel was £280,077 (2018 £271,484)

The number of employees whose emoluments (salaries and benefits in kind) fell within the following bands and excludes pension scheme contributions of £14,129 (2018 £13,801)

	<u>2019</u>	<u>2018</u>
£60,000 - £69,999	1	1

#### **Pension Schemes**

The Trust has a special arrangement with Pilkington Group Limited providing benefits through the Pilkington Superannuation Scheme based on pensionable pay (pensionable pay was frozen as of 30<sup>th</sup> April 2013). The scheme is a multi employer scheme as described by FRS 102 and it has not been possible to identify the charity's share of the underlying assets and liabilities.

Under the trust deed governing the scheme, the employer's contributions are fixed at 16% of pensionable salary for active members who contribute 8% and 12.5% for members contributing 5.5%. Under the deed the employer has no right of access to any investment surpluses but equally cannot be required to increase contributions to finance any deficits other than as may be required by legislation. The scheme is considered to be in the nature of a defined contribution scheme and all pension costs of the charity are reported on a defined contribution basis.

The Pilkington Superannuation Scheme is a closed scheme. A defined contribution scheme with Aviva is now offered to employees and an auto enrolment scheme has been in place since July 2014.

The pension charge for the year was £176,179 (2018 - £155,280).

# **THE CECIL AND ALAN PILKINGTON TRUST FUND**

## **Notes to the Financial Statements 31 March 2019 continued**

### 8. Tangible Fixed Assets

	Freehold Land/ Buildings	Services	Computer Equipment	Vehicles	Furniture/ Fittings & Other equip.	TOTAL
	£	£	£	£	£	£
<u>Assets at Cost</u>						
Balance at 1st April, 2018	1,513,705	289,785	90,331	239,900	278,636	2,412,357
Additions	-	19,245	-	19,900	20,560	59,705
Disposals	-	-	(8,505)	(13,978)	(41,387)	(63,870)
Balance at 31st March, 2019	1,513,705	309,030	81,826	245,822	257,809	2,408,192
<u>Depreciation</u>						
Balance at 1st April, 2018	821,093	260,309	69,749	175,410	205,900	1,532,461
Charge for year	42,941	25,849	6,184	15,340	10,590	100,904
Disposals	-	-	(8,505)	(13,428)	(34,591)	(56,524)
Balance at 31st March, 2019	864,034	286,158	67,428	177,322	181,899	1,576,841
Net Book Value 31st March, 2019	649,671	22,872	14,398	68,500	75,910	831,351
Net Book Value 31st March, 2018	692,612	29,476	20,582	64,490	72,736	879,896

Note: All fixed assets are for use in direct furtherance of the charity's objectives.

# **THE CECIL AND ALAN PILKINGTON TRUST FUND**

## **Notes to the Financial Statements 31 March 2019 continued**

### **9. Fixed Asset Investments**

	Listed UK Fixed Interest Stock	Listed UK Equities	Overseas and other investments	Cash held on deposit	TOTAL
	£	£	£	£	£
Market value on 1st April, 2018	12,109,768	57,258,513	15,171,718	1,065,076	85,605,075
Additions at Cost	428,805	8,939,020	2,144,269	-	11,512,094
Net cash move- ment during year	-	-	-	1,374,820	1,374,820
Disposal Proceeds	(1,024,734)	(10,800,631)	(898,485)	-	(12,723,850)
Realised Profit on disposals	95,220	959,432	145,976	-	1,200,628
	11,609,059	56,356,334	16,563,478	2,439,896	86,968,767
Net unrealised investment gains/(losses)	(158,617)	(376,726)	1,140,214	-	604,871
Market value at 31st March, 2019	11,450,442	55,979,608	17,703,692	2,439,896	87,573,638
Historical cost at 31st March, 2019	10,780,672	45,619,501	13,632,173	2,439,896	72,472,242
Historical cost at 31st March, 2018	11,281,381	46,521,680	12,240,413	1,065,076	71,108,550

Note: No individual holding exceeds 5% of the portfolio

The market value of investments was £15,101,396 above cost (2018: £14,496,525 above cost) at the balance sheet date.

## **THE CECIL AND ALAN PILKINGTON TRUST FUND**

### **Notes to the Financial Statements 31 March 2019 continued**

#### **10. Debtors**

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Pilkington Charities Fund	17,500	17,500
St. Helens MBC	21,851	19,530
Other Debtors	33,677	39,951
	<u>73,028</u>	<u>76,981</u>

Included in other debtors are amounts falling due after more than one year of £nil (2018 £3,560)

#### **11. Creditors amounts falling due within one year**

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Other Creditors	114,636	173,073
	<u>114,636</u>	<u>173,073</u>

#### **12. Provisions**

	Cumulative Leave <u>£</u>	Refurbishment Costs <u>£</u>	Chalon Way <u>£</u>	Total <u>£</u>
As at 1 April 2018	22,011	12,458	-	34,469
Additions	739	15,000	102,857	118,596
Utilised	(2,643)	(7,456)	-	(10,099)
As at 31 March 2019	<u>20,107</u>	<u>20,002</u>	<u>102,857</u>	<u>142,966</u>

#### **13. Restricted Funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants to be applied for specific purposes.

	Balance 31 March 2018 <u>£</u>	Movement in Funds Income <u>£</u>	Expenditure <u>£</u>	Balance 31 March 2019 <u>£</u>
Pensioners Club	2,273	-	579	1,694
South Africa	-	5,000	5000	-
Creative Living Group	110	-	110	-
	<u>2,383</u>	<u>5,000</u>	<u>5,689</u>	<u>1,694</u>

## THE CECIL AND ALAN PILKINGTON TRUST FUND

### Notes to the Financial Statements 31 March 2019 continued

#### 14. Analysis of Net Assets between Funds

	Restricted Funds	Endowment Funds	Total Funds
	£	£	£
Fund Balances at 31 March 2019 are represented by			
Tangible fixed assets	1,694	829,657	831,351
Investments	-	87,573,638	87,573,638
Net Current assets	-	329,029	329,029
Provision for Liabilities	-	(142,966)	(142,966)
Total Net Assets	1,694	88,589,358	88,591,052

#### 15. Related Parties

The Cecil & Alan Pilkington Trust Fund uses Pilkington Retirement Services Limited as an employment vehicle for 75 (2018 75) Contracts of Employment. All associated salary costs are borne exclusively by the Cecil & Alan Pilkington Trust Fund.

#### 16. Operating Lease Commitments

At 31 March 2019 the charity had total minimum operating lease payments as set out below:-

Land and Buildings

	<u>2019</u> £	<u>2018</u> £
Operating leases which expire between one and five years	<u>156,730</u> <u>156,730</u>	<u>81,756</u> <u>81,756</u>