

Charity Registration No. 1009195

**THE PEARS FAMILY CHARITABLE FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

# THE PEARS FAMILY CHARITABLE FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Sir Trevor Pears CMG (Executive Chair) Mark Pears CBE David Pears
<b>Charity number</b>	1009195
<b>Principal address</b>	Clive House Old Brewery Mews Hampstead London NW3 1PZ
<b>Auditor</b>	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB
<b>Senior Staff</b>	Amy Braier (Foundation Director) Bridget McGing (Deputy Director) Shoshana Boyd Gelfand (JHub Director) Ian Shaw FCA (Finance Director)

---

# THE PEARS FAMILY CHARITABLE FOUNDATION

## CONTENTS

---

	Page
Trustees' report	1 - 11
Independent auditor's report	12 - 14
Statement of financial activities	15
Statement of financial position	16
Statement of cash flows	17
Notes to the accounts	18 - 31

---

# **THE PEARS FAMILY CHARITABLE FOUNDATION**

## **TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 MARCH 2019**

---

The Trustees present their report and accounts for the year ended 31 March 2019.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

The administrative details page attached to these Accounts forms part of the Trustees' report and the required information can be found therein.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The charity was created by a deed dated 31 October 1991 as a Trust exclusively for charitable purposes and was registered with the charity commission on 4 March 1992, Charity Registration Number 1009195. The charity uses the working name Pears Foundation.

#### **Trustees**

The Foundation is led by the Pears family with the support of a professional team. The trust deed provides for a minimum of three trustees and during the year there were three trustees. New trustees may be appointed by those trustees in office at the time of appointment.

Trustees are required to disclose all relevant interests and register them with the Finance Director and, in accordance with the Foundation's policy, withdraw from decisions where a conflict of interest arises.

The Trustees meet to consider both general strategy and priorities across the areas of grant making activities and receive reports on expenditure and the performance and impact of major grants prepared by the professional staff. They discuss progress against strategy as well as reputational matters and approve and review major new grants and partnerships. Authority to approve smaller grants is delegated to the Executive Chair who also sets the Foundation's annual priorities.

As part of the induction process, anyone proposed as a trustee would meet the existing trustees and the CEO and a written induction pack prepared. The grant making processes, powers and responsibilities of trustees and the Trust's finances would be explained and discussed. The induction pack, together with relevant publications from the Charity Commission, copies of three years' annual reports and accounts, and the trust deed and variations thereto, would become the permanent possession of the new trustee.

#### **Management**

The Foundation delivers a varied programme of grants and partnerships including core and unrestricted funding, projects, capital grants and an operating programme, JHub. Day-to-day management of the Foundation is delegated to the professional staff team, led by the Director and Deputy Director, working closely with the Executive Chair. The staff team is relatively small, ensuring close relationships between staff and trustees, as is appropriate for a family foundation. The Foundation has a consultant based in Israel who acts as its representative there and liaises closely with the Executive Chair and Director. The pay and remuneration of Foundation and JHub staff are set by the Trustees following annual appraisals and are benchmarked against comparable roles in other trusts and foundations.

#### **Risk Management**

The Trustees confirm that internal control processes and procedures are in place and continue to be reviewed to ensure that risks are mitigated as far as possible. This includes regular reporting to trustees and robust internal control systems which are reviewed on an ongoing basis as part of the day-to-day risk management process within the Foundation. The Foundation has drawn up a comprehensive risk register which covers a range of issues including loss of key staff, governance, fraud, and operational risks.

Specific examples of risk management include ensuring robust written records are kept, conducting thorough due diligence before grants are awarded, maintaining up to date knowledge of policy or statutory changes/requirements in the sector and setting financial and reporting obligations for grant recipients to monitor multi-year grants before any subsequent payment is released.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

---

With a small staff team and a strong focus on relationships, the trustees consider the principal risk to the Foundation to be that of loss of key staff and have taken steps to ensure good practice in record-keeping and communication between staff members. Another key area of risk in an increasingly stretched voluntary sector is that of the Foundation not achieving its objectives through its grant-making. The Foundation places a high degree of trust in its partners and expects them to spend their grants in line with the agreed purpose. Grant agreements set out clear obligations which are monitored regularly. As well as face to face meetings and site visits, reports are requested before instalments are paid or grants renewed and final reports are requested at the end of funding.

#### OBJECTIVES AND ACTIVITIES

The objects of the Foundation are to create social benefit across a broad range of activities, based on the open nature of the founding trust deed. The Foundation promotes understanding of key issues through research and education programmes; drives engagement in social progress across the UK and globally, particularly in young people, and supports organisations focused on wellbeing for everyone.

The Foundation's aims are to:

- Commit the resources of its founders and the energy of its professional team to making people's lives better.
- Facilitate thought leadership, research and collaboration to promote genuine advances in the understanding of complex issues.
- Drive engagement to bring more people to active citizenship, whatever their background and whatever the role they are able to play.

The Foundation carries out these objects through philanthropic grant-making, investing in charities, public institutions and not-for-profit organisations, and by carefully researching existing and new programme areas and building relationships across the voluntary and public sector.

Key grants made during the period are listed under the 'Achievements and Performance' section of this report in practical application of agreed policies by the trustees. When setting the objectives and deciding on the grant making activities of the charity, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Foundation draws on its experience, networks and research to identify suitable partners. This results in long-term partnerships with organisations whose efforts are aligned with the Foundation's priorities, which are reviewed on an annual basis.

#### Grant-making policy

Pears Foundation does not accept unsolicited applications.

The Foundation has established its grant-making policy to achieve its objects for the public benefit by making grants to charities and other not-for-profit organisations whose objectives are clear and who can demonstrate best practice and sustainability. The Foundation prefers to make grants to charities, as recognised under the laws of England & Wales or conforming to a similar standard subject to the rules of a different jurisdiction but is not limited to doing so.

The Foundation uses two key routes to identify potential partners and/or projects:

- **Understanding:** Foundation staff and trustees use internal and external research and reports and surveys produced by trusted and influential partners across the sector to build and enhance their understanding of specific issues and challenges and enable them to direct funding most effectively.
- **Engagement:** The Foundation works with a network of over a hundred trusted organisations with whom staff and trustees meet regularly, including existing grantees, other funders and community stakeholders. These organisations have a good understanding of the way Pears Foundation works and can make introductions and suggestions that fit the Foundation's priorities and methods.

Once the Foundation has an understanding of the context and/or has identified a potential opportunity, staff move towards developing a funding approach. Thorough due diligence is conducted to ensure that organisations are appropriate partners for the Foundation and have the capacity to deliver the work or project proposed.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

---

The development and approval of the proposal is only the beginning of the grant relationship. Meetings are held regularly with the funded partner or partners, with careful discussion of the key deliverables, but also of the wider context and issues that are impacting on their delivery and that may require amendments or flexibility in the proposal. Grants are often paid in instalments to ensure effective monitoring and reporting systems. Payment schedules are agreed in conversation with the grantee and designed to fit key milestones where possible. The Foundation will begin discussions prior to the end of any funding regarding plans for sustainability or future direction, depending on the nature of the work.

The Foundation places a high value on long-term, face-to-face relationships based on trust and mutual respect and conducted in accordance with the Foundation's values of passion, professionalism and integrity. The Executive Chair and staff team are closely involved with grantees and work proactively to support and guide them in the pursuit of their goals. The Foundation accepts that charities go through difficult times and encourages its grantees to be honest about the challenges they face, within their own organisation and the wider sectors to which they belong and works with them to identify opportunities to provide support beyond funding. The Foundation directly provides professional development support for its grantees through its operating programme JHub.

Foundation staff belong to a number of wider networks enabling staff members to build relationships across the sector and share learning and best practice regarding policy, grant-making and specific programme areas. The Foundation also encourage its grantees to explore opportunities to collaborate and share learning and best practice.

Pears Foundation is committed to transparency and has undertaken to work with 360Giving to publish information about its grants.

## ACHIEVEMENTS AND PERFORMANCE

In giving the following examples of the charity's major grants and partnerships, the trustees would like to emphasise that they value the work of all the Foundation's grantees.

### CAPITAL GRANTS

#### Youth Social Action

The Foundation's flagship capital grant this year was an award of £1.5million through the Pears #iWill fund and £500,000 from Pears Foundation to the Woodland Trust to create a Young People's Forest in Derbyshire. The Woodland Trust will work with young people from the local area to plant 250,000 trees, creating a new forest for the community as well as offering career training opportunities, workshops and events.

#### Social Welfare

The Trustees committed an additional £300,000 capital funding for the new Defence and National Rehabilitation Centre, which opened in late 2018.

The Trustees also made a grant of £140,000 for the refurbishment of the Marie Curie Hospice in Hampstead, where the Foundation is based. The Foundation has close links with the hospice having funded the original refurbishment in 2006.

The Trustees made a grant of £75,000 to Horatio's Garden towards the creation of a garden at the Royal National Orthopaedic Hospital, Stanmore, home of the London Spinal Cord Injury Centre. The garden will be fully accessible for patients to use in all weathers and is being designed in close collaboration with the spinal unit team as well as current and former patients.

#### Shared Society

The Trustees awarded £280,000 to Kaye Academic College of Education for the expansion of the Pears Art Centre.

#### Holocaust Education

The Trustees approved a grant of £1,500,000 to the Imperial War Museum (in addition to grants made in previous years) for the new Holocaust gallery and an additional £128,273 to the new Holocaust Heritage and Learning Centre at Huddersfield University which opened in September 2018.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

---

### REVENUE GRANTS

The Foundation continues to work through long term partnerships. An increasing proportion of our revenue expenditure is invested in the renewal and development of long-term partnerships. Many of these are renewed on an annual basis. This enables us to maintain close relationships and be responsive to the changing needs of our partners as well as developments in the external landscape.

#### Special educational needs, disability and social welfare

The Trustees awarded £1,000,000 to our longstanding partner the Carers Trust in two separate grants: £400,000 split across core funding, policy work and the organisation's direct grants programme, and in addition, a further £600,000 to the Carers Trust's direct grants for carers.

The Foundation renewed its funding to the Centre for Research in Autism and Education at UCL with a grant of £125,000 for its policy and public engagement work and committed £100,000 to the National Autistic Society for research, policy and campaigning work to mark the tenth anniversary of the Autism Act which created a legal duty to provide adult autism services.

The Trustees made a grant of £60,000 to deafblind charity Sense to expand College provision at TouchBase Pears, Sense's new centre in Selly Oak, Birmingham

In line with our belief in long-term core partnerships as outlined above, the Trustees made a number of renewal grants to longstanding partners in this area. Two grants were made to Marie Curie: £200,000 for the community nursing service and the capital grant referred to above. Core funding renewal grants were also made to Contact (formerly Contact a Family) (£200,000), Jewish Care (£150,000), Norwood (£150,000), Shared Lives Plus (£80,000), Hope into Action (£60,000), the Coram Migrant Children's Project (£60,000), Quaker Social Action (£50,000) and Nightingale Hammerson (£50,000).

#### Mental health and wellbeing

The Foundation continued to manage existing grants in this area and made core funding renewals of £300,000 each to The Place2Be and to The Royal Foundation of the Duke and Duchess of Cambridge, which has a major focus on mental health initiatives.

#### Youth Social Action

Youth Social Action remained a strategic priority and the Foundation continued to allocate grants from the Pears #iWill Fund match fund, established in partnership with DCMS and the National Lottery Community Fund. The Pears #iWill Fund aims to create new youth social action opportunities in the areas of health and social care and education, as well as continuing to identify and fund sustainable initiatives that can support the sector in the long-term. An extension to the fund this year focused on investments within environmental youth social action. A full list of Pears #iWill Fund grants is included below.

Grants from the Pears #iWill Fund in this financial year included funding towards the purchase and development of the UK's first 'Young People's Forest' in Mead, Derbyshire, with The Woodland Trust, the support of the 'Share Somewhere' venue sharing platform with The Mix and the funding of five Further Education Colleges across England to develop their social action provision.

For almost a decade the Foundation has supported the Duke of Edinburgh's Award with an annual core funding grant, and also supported JLGB to deliver the DofE in the UK Jewish community. Both grants were renewed with the DofE receiving £250,000 and JLGB £75,000. The Foundation continued to support youth social action and philanthropy education in schools through our partnerships with First Give, which received another core funding grant of £200,000 and continued residency in JHub and Young Citizens' Go Givers Programme, which received an additional £100,000. The Foundation also renewed its support of Step Up to Serve, the organising body for the #iWill campaign, with a grant of £100,000 core funding.

The Foundation renewed the Pears Youth Fund through the Leeds Community Foundation, providing grants to small organisations working with young people across the Leeds and Bradford districts.

# **THE PEARS FAMILY CHARITABLE FOUNDATION**

## **TRUSTEES REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2019**

---

#### **Shared society**

The Trustees agreed a grant of £160,000 to The Community Foundation for Northern Ireland to create the Pears Community Spaces Fund. The aim of the Fund is to encourage joint working and cohesion through more targeted approaches by staff at the Foundation, encouraging and supporting joint bidding for funding and through organised cluster events.

Grant renewals in the UK included core funding grants of £100,000 to the Antisemitism Policy Trust, £58,700 to the Linking Network to provide match-funding opportunities for regional facilitators of schools linking, and £50,000 to Solutions not Sides.

To promote shared society in Israel the Foundation renewed its core funding for the Israel Youth Award (£150,000), Hand in Hand (£106,921 – ILS 500,000.), AJEEC-NISPED (£94,000) and the Yedid Citizens' Rights Centre in Rahat (£75,000)

#### **Encouraging philanthropy**

The Foundation made a renewal grant of £300,000 core funding to longstanding partner The Pennies Foundation and a core grant of £80,000 to the Beacon Fellowship Trust.

#### **Supporting the voluntary sector**

In addition to the funder plus programme at JHub, Pears Foundation provides grants to key organisations that support the voluntary sector. This year the Foundation agreed core funding grants of £90,000 to the Cranfield Trust, which offers pro bono business support to charities and £20,000 to ACEVO.

#### **International Development**

The Trustees approved a grant of £1million to the Hebrew University of Jerusalem for the Pears scholarships and their associated alumni networks in 2018-19. The programme enables students from the developing world to study at post-graduate level and develop the skills and experience to combat their countries' most pressing challenges. The scholarships constitute a major initiative for the University operating across three degree programmes the International Masters in Public Health, the Masters programmes at the Faculty of Agriculture, Food and Environment and the Global Community Development MA programme.

The Foundation continued in its goal of building the capacity of Israel's international development field, enabling Israel-based international NGOs to operate more effectively in the developing world. A grant of £245,749/ILS 1,158,145 was made towards the revenue costs of the Pears Program for Global Innovation. A grant of £242,838/NIS 1,152,000 was made towards the core costs of the Society for International Development (SID) which provides training, convening, advocacy and policy support for the whole field in Israel.

Renewal grants were made to OLAM (£154,000), Tevel B'Tzedek (two grants totalling £154,649/\$200,000) AfriKids (two grants totalling £150,000), AJWS (£100,000) the NALA Foundation (£90,000), the Office of the Chief Rabbi for the Ben Azzai study trip programme (£85,000), Tzedek (two grants totalling £100,000) and the Aegis Trust (£77,525/\$100,000).

#### **Holocaust education**

The Trustees approved a further one-year core funding grant of £500,000, matched by the Department for Education, to the UCL Centre for Holocaust Education at the Institute of Education, which runs the national teacher training programmes for English schools. The Trustees also renewed their core funding grant for longstanding partner the National Holocaust Centre and Museum with a grant of £200,000.

#### **Higher education**

In addition to the academic partnerships referred to above, the Trustees approved a grant of £225,000 to Birkbeck University of London for the Pears Institute for the study of Antisemitism and £112,019 to SOAS University of London for a second post-doctoral fellowship in Israel studies and continued to fund the European Association of Israel Studies, based at SOAS.



# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

#### JHub

During 2018/19 the Foundation's operating programme, JHub, hosted 72 programmes, events and meetings serving 33 organisations with nearly 1,500 participants. It supported seven resident organisations and three alumni organisations and provided temporary office space for two Pears Foundation grantees. Following the success of the previous year, JHub has continued to offer professional development, including high level leadership training sessions, to Pears Foundation grantees and in 2018/19 JHub ran 21 professional development events for 226 attendees.

The Foundation also awarded core funding grants of £150,000 to UK Jewish Film for the Pears Short Film Fund and FilmLab, £150,000 to JPR, £100,000 each to JW3 and UJIA.

#### Christmas Gifts programme

The annual Christmas Gifts programme, which awards grants of between £2,500 and £10,000 to small charities based around an annual theme, awarded 18 gifts totalling £125,000. This year the Trustees chose to focus the grants around accessing nature. Recipients included community farms, activity centres and a beach wheelchairs scheme.

#### Other activities

The Foundation conducted a full review of its policies and Foundation staff received training on safeguarding by the NSPCC.

The Foundation continued to develop its offer of non-financial support to our grantees and partners. The professional development programme now includes regular professional development sessions such as 'Introduction to MBTI', project management and finance for non-Finance Professionals. A highlight of the 2018-19 programme was a collaboration with ACEVO and the Association of Chairs to deliver their successful 'Dynamic Duo' Chair-CEO workshop to Pears partner organisations. We also started to offer bespoke training sessions for individual grantees in areas such as Belbin, Polarity Management and MBTI. These reflective workshops focus on teamwork, problem-solving and leadership and give organisations time away from their office to reflect on issues such as team dynamics and strategy. Teams leave with a framework and shared language which they can use to grow and improve.

## FINANCIAL REVIEW

The below list constitutes all grants of £75,000 and over made by Pears Foundation in the year.

Organisation	Amount	Purpose
The Woodland Trust	£1,500,000	Pears #iWill Fund: Young People's Forest
Imperial War Museum	£1,500,000	Holocaust Galleries
The Hebrew University of Jerusalem	£1,000,000	Pears Scholarships and Alumni Activity
Carers Trust	£600,000	Direct grants for carers
The Woodland Trust	£500,000	Young People's Forest
University College London	£500,000	Funding for the Centre for Holocaust Education
The Mix	£420,363	Pears #iWill Fund: Share Somewhere
Carers Trust	£400,000	Small grants programme, policy and core funding
The Black Stork Charity	£300,000	Defence and National Rehabilitation Centre (DNRC)
The Royal Foundation of The Duke and Duchess of Cambridge	£300,000	Core funding
The Pennies Foundation	£300,000	Core funding
The Place2Be	£300,000	Core funding
Kaye Academic College of Education	£280,000	Pears Art Centre
The Duke of Edinburgh's Award	£250,000	Core Funding

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

Jerusalem Institute for Policy Research	£245,749	Pears Programme for Global Innovation
Society for International Development - Israel	£242,838	Core funding
Young Citizens	£235,119	Pears #iWill Fund: Social Action in Primary Schools
Birkbeck, University of London	£225,000	Pears Institute for the Study of Antisemitism
The National Holocaust Centre and Museum	£200,000	Core funding
First Give	£200,000	Core funding
Marie Curie	£200,000	Community Nursing Service
Contact	£200,000	Core funding
The Community Foundation for Northern Ireland	£160,000	The Pears Community Spaces Fund
OLAM	£154,000	Core funding
UK Jewish Film Ltd	£150,000	Pears Short Film Fund/FilmLab - 3 years
Israel Youth Award	£150,000	Core funding
Jewish Care	£150,000	Core funding
Norwood	£150,000	Core funding
JPR	£150,000	Core funding
Marie Curie	£140,000	Refurbishment of Hampstead Hospice
Leeds Community Foundation	£130,000	Pears Youth Fund 2018-19
Holocaust Survivors Friendship Association	£128,273	Holocaust Heritage and Learning Centre
Centre for Research in Autism and Education	£125,000	Public engagement and outreach
Tevel b'Tzedek	£116,288	Core funding
The Royal Society of the Arts	£114,272	Pears #iWill Fund: Social Action in Primary Schools
SOAS University of London	£112,019	Post-doctoral Fellowship
Hand in Hand	£106,921	Core funding
The Bureau of Investigative Journalism	£105,000	Core funding
Antisemitism Policy Trust	£100,000	Core funding
Young Citizens	£100,000	Go Givers Programme
National Autistic Society	£100,000	The Autism Act 10 years on: Research, policy and campaigning
AfriKids	£100,000	Core funding
UJIA	£100,000	Core funding
JW3	£100,000	Core funding
Step Up to Serve	£100,000	Core funding
AJWS	£100,000	Core funding
North Hertfordshire College	£95,492	Pears #iWill Fund: Youth Social Action
The National Society (Church of England and Church in Wales) for the Promotion of Education	£95,000	Pears #iWill Fund: Rural Schools Regional Conferences and Peer Network
AJEEC-NISPED	£94,000	Core funding
Chartered College of Teaching	£90,000	Pears #iWill Fund: Social Action Edition of Impact journal
East Sussex Healthcare NHS Trust Charitable Fund	£90,000	Pears #iWill Fund: Youth Volunteering Project
The Cranfield Trust	£90,000	Core funding
NALA Foundation	£90,000	Core funding
Edinburgh and Lothians Health Foundation	£88,000	Young Volunteers Programme
Office of the Chief Rabbi	£85,000	Support for social action

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

Nottingham Hospitals Charity	£82,981	Pears #iWill Fund: Young Volunteer Scheme
Manchester Foundation Trust Charity	£82,771	Pears #iWill Fund: Youth Volunteering and Employability Development
Newcastle College	£82,035	Pears #iWill Fund: Youth Social Action Project
RNN Group - Rotherham College	£81,000	Pears #iWill Fund: Youth Social Action Project
Tzedek	£80,000	Core funding
King's College Hospital Charity	£80,000	Pears #iWill Fund: Youth Social Action Programme
Birmingham Women's and Children's Charity	£80,000	Pears #iWill Fund: Volunteering and Youth Engagement
Maccabi (GB)	£80,000	Core funding and Maccabiah Games
The Beacon Fellowship Charitable Trust	£80,000	Core funding
Torbay and South Devon NHS Charitable Fund	£80,000	Pears #iWill Fund: Young Volunteers Project
Shared Lives Plus	£80,000	Core funding
UCLH Charity	£80,000	Pears #iWill Fund: Young People's Volunteering Project
West Hertfordshire Hospitals Charity	£79,956	Pears #iWill Fund: Volunteering and Youth Engagement
Hull and East Yorkshire NHS General Charitable Fund	£79,520	Pears #iWill Fund: Young Volunteers
Cardiff and Vale Health Charity	£79,133	Youth Volunteer Development
Leeds Cares	£79,050	Pears #iWill Fund: Youth Volunteering Project
Leicester Hospitals Charity	£78,252	Pears #iWill Fund: Young Volunteers Programme
Aegis Trust	£77,525	Core funding
Bournemouth Hospital Charity	£75,741	Pears #iWill Fund: Developing the Youth Volunteer Service
University College London	£75,000	"Compromised Identities?" Research Project
JLGB	£75,000	DofE Provision - One Year
Horatio's Garden	£75,000	Garden at Royal National Orthopaedic Hospital, Stanmore
Yedid	£75,000	Rahat Citizens' Rights Centre

#### Note 1

Where the grants are made in currencies other than sterling, the sterling equivalent is shown in this report.

The above grants total £15,476,298 representing 80% of the total charitable expenditure in the year which amounted to £19,449,971.

#### Pears #iWill Fund Grants 2018-19 (grants over £75,000 are also included in the above list)

Category	Organisation	Purpose	Amount
Education	Young Citizens	Developing and Embedding Social Action in Primary Schools	£235,119
Education	The Royal Society of the Arts	Primary Social Action and Leadership Programme	£114,272
Education	North Hertfordshire College	Youth Social Action Project	£95,492

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

Education	The National Society (Church of England and Church in Wales) for the Promotion of Education	Rural Schools Regional Conferences and Peer Network	£95,000
Education	Chartered College of Teaching	Social Action Edition of Impact, the Journal of the CCT	£90,000
Education	Newcastle College	Youth Social Action Project with The Key	£82,035
Education	RNN Group - Rotherham College	Youth Social Action Project	£81,000
Education	City of Bristol College	Youth Social Action Project	£74,700
Education	Shipley College	Youth Social Action Project	£59,600
Education	Association of Colleges	Learning Partner: Embedding Youth Social Action in Colleges	£52,800
Education	The Linking Network	Social Action in Primary Schools Development	£15,000
Education	Association of Colleges	Sponsorship of Social Action Beacon Award	£15,000
Environment	The Woodland Trust	Creation of a Young People's Forest, Derbyshire	£1,500,000
Health and Social Care	East Sussex Healthcare NHS Trust Charitable Fund	Youth Volunteering Project	£90,000
Health and Social Care	Nottingham Hospitals Charity	Young Volunteer Scheme	£82,981
Health and Social Care	Manchester Foundation Trust Charity	Youth Volunteering and Employability Development Project	£82,771
Health and Social Care	Birmingham Women's and Children's Charity	Volunteering and Youth Engagement at Birmingham Women's and Children's Hospital	£80,000
Health and Social Care	King's College Hospital Charity	Youth Social Action Programme	£80,000
Health and Social Care	Torbay and South Devon NHS Charitable Fund	Young Volunteers Project at Torbay and South Devon NHS Trust	£80,000
Health and Social Care	UCLH Charity	Pears #iWill Fund: Young People's Volunteering Project	£80,000
Health and Social Care	West Hertfordshire Hospitals Charity	Volunteering and Youth Engagement at West Hertfordshire Hospitals	£79,956
Health and Social Care	Hull and East Yorkshire NHS General Charitable Fund	Volunteers at Hull and East Yorkshire Hospitals Trust	£79,520
Health and Social Care	Leeds Cares	Youth Volunteering Project	£79,050
Health and Social Care	Leicester Hospitals Charity	Young Volunteers Programme at University Hospitals of Leicester NHS Trust	£78,252

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

Health and Social Care	Bournemouth Hospital Charity	Developing the Youth Volunteer Service	£75,741
Health and Social Care	Southampton Hospital Charity	Youth Volunteering Programme	£73,192
Health and Social Care	Derby Hospitals Charity	Young Volunteers Project	£71,000
Health and Social Care	North West Anglia NHS Foundation Trust Charitable Fund	Young Persons Volunteering Project	£67,750
Health and Social Care	Airedale NHS Trust Charitable Funds	Young Volunteers Initiative	£65,454
Health and Social Care	Chilypep	NHS70 Sheffield Beacon Area Grant	£5,000
Health and Social Care	Birmingham Women's and Children's Charity	NHS70 Birmingham Beacon Area Grant	£5,000
Sustainability	The Mix Chris Martin	Share Somewhere	£420,363
Sustainability	NCVO	Research Project - Volunteering: a Family Affair?	£15,000

During the year the charity received total income of £21,191,275 (2018: £18,683,018). At the year end total funds held by the charity were £24,835,848 (2018: £22,624,997).

The general unrestricted reserves of the Charity at the year end were £22,468,390. The trustees review the level of reserves held on a regular basis to ensure there are sufficient funds available for the charity to meet its commitments as and when they fall due and make further commitments according to its strategic aims.

Pears Foundation is funded by donations and by returns on investment.

The investment policy of the Charity is for free cash to be held on deposit and for investments in both quoted and unquoted companies to provide income and growth in the future.

#### Plans for Future Period

2019-20 will see the further development of the Foundation's major strategic partnerships and continuing work to build capacity in the sectors that the Foundation supports.

Youth social action will continue to be a priority area with a further set of grants allocated from the Pears #iWill Fund and the closure of the time-limited Step up to Serve campaign.

Through its operating programme, JHub, the Foundation will continue to provide non-financial support to its grantees and partners through high-quality professional development workshops, consultancy and networking events. The Foundation and JHub professional teams will be working together to develop new themes and sessions for the professional development programme combining technical skills training and more reflective workshops with the aim of strengthening grantee organisations and the people who lead them.

#### Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts 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 year.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

---

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 2015 (FRS102);
- 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts 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.

Signed on behalf of the charity trustees on 27/11/.....2019



**Sir Trevor Pears CMG**  
**TRUSTEE**

# THE PEARS FAMILY CHARITABLE FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE PEARS FAMILY CHARITABLE FOUNDATION

---

#### Opinion

We have audited the financial statements of The Pears Family Charitable Foundation (the 'Charity') for the year ended 31 March 2019 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the 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 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 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 PEARS FAMILY CHARITABLE FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE PEARS FAMILY CHARITABLE FOUNDATION

---

#### **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 statement of trustees' responsibilities, 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 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 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 the Act and relevant regulations made or having effect thereunder.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matter**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.



# THE PEARS FAMILY CHARITABLE FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE PEARS FAMILY CHARITABLE FOUNDATION

---

#### 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 auditors' 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.

*Arram Berlyn Gardner LLP*

Arram Berlyn Gardner LLP

*...29.10.15...*

Chartered Accountants  
Statutory Auditor

30 City Road  
London  
EC1Y 2AB

Arram Berlyn Gardner LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

# THE PEARS FAMILY CHARITABLE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds	Designated funds	Restricted funds	Total 2019	Total 2018
	Notes	£	£	£	£	£
<b>Income from:</b>						
Donations and legacies	3	20,182,785	-	-	20,182,785	18,548,380
Charitable activities	4	-	-	1,000,000	1,000,000	-
Investments	5	8,490	-	-	8,490	134,638
<b>Total income</b>		20,191,275	-	1,000,000	21,191,275	18,683,018
<b>Expenditure on:</b>						
Charitable activities						
Revenue Funding	6	11,919,516	-	4,208,333	16,127,849	13,766,988
Capital Funding	6	3,100,774	-	-	3,100,774	9,874,280
Discretionary Funding	6	560,817	-	-	560,817	560,630
Operating Programme Funding	6	397,912	-	-	397,912	389,794
<b>Total charitable expenditure</b>		15,979,019	-	4,208,333	20,187,352	24,591,692
Net gains on investments	10	1,206,928	-	-	1,206,928	5,508,838
<b>Net incoming/(outgoing) resources before transfers</b>		5,419,184	-	(3,208,333)	2,210,851	(399,836)
Gross transfers between funds		(1,000,000)	(1,000,000)	2,000,000	-	-
<b>Net movement in funds</b>		4,419,184	(1,000,000)	(1,208,333)	2,210,851	(399,836)
Fund balances at 1 April 2018		18,049,206	2,000,000	2,575,791	22,624,997	23,024,833
<b>Fund balances at 31 March 2019</b>		22,468,390	1,000,000	1,367,458	24,835,848	22,624,997

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

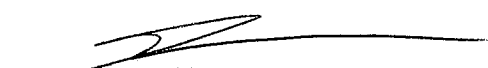
# THE PEARS FAMILY CHARITABLE FOUNDATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Investment properties	11	610,710		468,432	
Investments	12	43,024,883		41,766,715	
		43,635,593		42,235,147	
<b>Current assets</b>					
Debtors falling due after one year	15	-	1,000,000		
Debtors falling due within one year	15	1,038,632	1,166,095		
Cash at bank and in hand	14	5,393,060	4,146,977		
		6,431,692	6,313,072		
<b>Creditors: amounts falling due within one year</b>	17	(19,105,035)	(14,798,236)		
Net current liabilities		(12,673,343)		(8,485,164)	
<b>Total assets less current liabilities</b>		30,962,250		33,749,983	
<b>Provisions for liabilities</b>	18	(6,126,402)		(11,124,986)	
<b>Net assets</b>		24,835,848		22,624,997	
<b>Income funds</b>					
Restricted funds	19	1,367,458		2,575,791	
<u>Unrestricted funds</u>					
Designated funds	20	1,000,000	2,000,000		
General unrestricted funds		22,468,390	18,049,206		
		23,468,390		20,049,206	
		24,835,848		22,624,997	

The accounts were approved by the Trustees on 27/11/19

  
 Sir Trevor Pears CMG (Executive Chair)  
 Trustee

# THE PEARS FAMILY CHARITABLE FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		1,431,111		1,595,187
<b>Investing activities</b>					
Purchase of investment property		(193,518)		-	
Interest received		8,490		134,638	
<b>Net cash (used in)/generated from investing activities</b>			(185,028)		134,638
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			1,246,083		1,729,825
Cash and cash equivalents at beginning of year			4,146,977		2,417,152
<b>Cash and cash equivalents at end of year</b>			5,393,060		4,146,977

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2019**

---

### **1 Accounting policies**

#### **Company information**

The Pears Family Charitable Foundation is an unincorporated Charity, Charity Registration Number 1009195.

#### **1.1 Accounting convention**

The accounts have been prepared in accordance with the Charity's governing document, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention, modified to include investments and investment properties at fair value. The principal accounting policies adopted are set out below.

The charity has not consolidated subsidiary undertakings on the basis that they are dormant.

Subsidiaries and associates have been included in investments at their fair value.

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Incoming resources**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts in kind are recognised at the cost the Charity would have had to pay for these gifts.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

---

### 1 Accounting policies

(Continued)

Income from investments is recognised on a receivable basis.

#### 1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Grants payable are charged in the year when the offer is conveyed to recipient except in those cases where the offer is conditional, such grants being included as expenditure when the conditions attaching are fulfilled.

Governance and support costs relating to charitable activities have been apportioned based on the amount of time spent on awarding, monitoring and assessing each category of grant.

#### 1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income and expenditure account.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net gains/(losses) on investment for the year. Transaction costs are expensed as incurred.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Charity holds a long-term interest and where the Charity has significant influence. The Charity considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

#### 1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 1 Accounting policies

(Continued)

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

---

### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Provisions

Provisions are recognised when the Charity has a legal or constructive present obligation as a result of a past event, it is probable that the Charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

### 2 Critical accounting estimates and judgements

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



# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 2 Critical accounting estimates and judgements

(Continued)

#### Key sources of estimation uncertainty

##### Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. This obligation may be legal or constructive deriving from regulations, contracts, normal practices or public commitments that lead third parties to reasonable expect that the Charity will assume certain responsibilities. The amount of the provision is determined based on the best estimate of the outflow of resources required to settle the obligation, taking into account all available information.

No provision is recognised if the amount of liability cannot be estimated reliably. In this case, the relevant information is disclosed in the notes to the financial statements.

Given the uncertainties inherent in the estimates used to determine the amount of provision, actual outflows of resources may differ from the amounts recognised originally on the basis of the estimates.

##### Valuation and impairment of investments

The calculation of the fair value of unquoted investments involves the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The value of net assets are also considered. The Charity makes an estimate of the recoverable amount of other investments. When assessing impairment of investments, the Trustees consider factors including the current economic climate and historical experience. Minority shareholdings have been discounted.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2019	2018
	£	£
Donations and gifts	20,182,785	18,548,380

### 4 Income from charitable activities

	2019	2018
	£	£
Restricted grants	1,000,000	-

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2019	2018
	£	£
Income from listed investments	5,548	5,335
Income from unlisted investments	-	128,919
Interest receivable	2,942	384
	<u>8,490</u>	<u>134,638</u>

### 6 Charitable activities

	Revenue Funding	Capital Funding	Discretionary Funding	Operating Programme Funding	Total 2019
	£	£	£	£	£
Staff costs	261,867	87,029	6,530	174,584	530,010
Grants	15,830,106	3,001,459	553,304	212,566	19,597,435
Office administration	54,085	18,522	1,482	10,762	84,851
Exchange (gains)/losses	(18,209)	(6,236)	(499)	-	(24,944)
	<u>16,127,849</u>	<u>3,100,774</u>	<u>560,817</u>	<u>397,912</u>	<u>20,187,352</u>

#### Charitable activities - comparative

	Revenue Funding	Capital Funding	Discretionary Funding	Operating Programme Funding	Total 2018
	£	£	£	£	£
Staff costs	265,255	88,047	6,638	168,499	528,439
Grants	13,487,092	9,781,219	553,591	210,980	24,032,882
Office administration	50,658	17,349	1,388	10,315	79,710
Exchange (gains)/losses	(36,017)	(12,335)	(987)	-	(49,339)
	<u>13,766,988</u>	<u>9,874,280</u>	<u>560,630</u>	<u>389,794</u>	<u>24,591,692</u>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2019 £	2018 £
Audit of the charity's annual accounts	6,500	6,500
	<u>6,500</u>	<u>6,500</u>

### 8 Trustees

No remuneration was paid to the trustees of the Charity.

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Foundation Employees	7	7
Operating Programme Employees	3	3
	<u>10</u>	<u>10</u>

#### Employment costs

	2019 £	2018 £
Wages and salaries	458,546	461,266
Social security costs	52,794	50,973
Other pension costs	18,670	16,200
	<u>530,010</u>	<u>528,439</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2019 Number	2018 Number
£60,000-£70,000	1	-
£70,000-£80,000	1	1
£80,000-£90,000	-	1
£100,000-£110,000	1	1
	<u>3</u>	<u>2</u>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 9 Employees

(Continued)

#### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2019 £	2018 £
Aggregate compensation	293,838	300,342

### 10 Net gains on investments

	2019 £	2018 £
Revaluation of investments	1,258,168	5,508,838
Revaluation of investment properties	(51,240)	-
	1,206,928	5,508,838

### 11 Investment property

	2019 £
<b>Fair value</b>	
At 1 April 2018	468,432
Additions	193,518
Net gains or losses through fair value adjustments	(51,240)
At 31 March 2019	610,710

The fair value of the investment property has been arrived at on the basis of a valuation carried out by the Trustees at the balance sheet date.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 12 Fixed asset investments

	Listed investments £	Other investments	Total £
<b>Cost or valuation</b>			
At 31 March 2019	139,317	41,627,398	41,766,715
Valuation changes	23,184	1,234,984	1,258,168
At 31 March 2019	162,501	42,862,382	43,024,883
<b>Carrying amount</b>			
At 31 March 2019	162,501	42,862,382	43,024,883
At 31 March 2018	139,317	41,627,398	41,766,715

	Notes	2019 £	2018 £
Other investments comprise:			
Investments in associates	22	17,231,632	16,953,099
Other investments		25,630,750	24,674,299
		42,862,382	41,627,398

### 13 Subsidiaries

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Copthall Investment Co. Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Copthall Investment Co. Limited	-	1,863

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 14 Cash and cash equivalents

Cash and cash equivalents consists of:

	2019 £	2018 £
Cash at bank	5,393,060	4,146,977
	<u>5,393,060</u>	<u>4,146,977</u>

### 15 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Other debtors	38,632	166,095
Prepayments and accrued income	1,000,000	1,000,000
	<u>1,038,632</u>	<u>1,166,095</u>

	2019 £	2018 £
<b>Amounts falling due after more than one year:</b>		
Prepayments and accrued income	-	1,000,000
	<u>-</u>	<u>1,000,000</u>
<b>Total debtors</b>	<u>1,038,632</u>	<u>2,166,095</u>

Other debtors disclosed above are classified as receivables and are therefore measured at amortised cost.

### 16 Financial instruments

	2019 £	2018 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	5,431,689	4,313,072
Instruments measured at fair value through profit or loss	43,024,883	41,766,715
	<u>48,456,572</u>	<u>46,079,787</u>

### 17 Creditors

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Other creditors	23,360	20,822
Provisions for liabilities and charges	19,081,675	14,777,414
	<u>19,105,035</u>	<u>14,798,236</u>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Provisions for liabilities	2019 £	2018 £
Provisions for liabilities and charges	6,126,402	11,124,986
Movements on provisions:		£
At 1 April 2018		25,902,400
Additional provisions in the year		19,449,971
Utilisation of provision		(20,026,657)
Exchange difference		(117,637)
At 31 March 2019		25,208,077
Amount outstanding at 31 March 2019 payable in less than one year		19,081,675
Amount outstanding at 31 March 2019 payable in more than one year		6,126,402
		25,208,077

## 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2018 £	Incoming resources £	Movement in funds Resources expended £	Transfers £	Balance at 31 March 2019 £
NYSAF	32,192	-	(6,700)	-	25,492
The Pears #iWill Fund	2,543,599	1,000,000	(4,201,633)	2,000,000	1,341,966
	2,575,791	1,000,000	(4,208,333)	2,000,000	1,367,458

The NYSAF fund was established in 2015/2016, committed to helping young people in deprived or rural areas to get involved in social action.

The Pears #iWill Fund was established in 2016/2017, committed to helping young people in social action.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 19 Restricted funds

(Continued)

#### Comparative

	Movement in funds			
	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers
	£	£	£	£
NYSAF	42,650	-	(10,458)	-
The Pears #iWill Fund	5,023,750	-	(3,456,401)	976,250
	<u>5,066,400</u>	<u>-</u>	<u>(3,466,859)</u>	<u>976,250</u>
				<u>2,575,791</u>

### 20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

The Pears #iWill fund- the trustees have created a designated fund for the purpose of matching the funding received from the UK Government #iWill grant on a cash receipt basis.

	Movement in funds			
	Balance at 1 April 2018	Incoming resources	Resources expended	Transfers
	£	£	£	£
The Pears #iWill Fund- matched funding	2,000,000	1,000,000	-	(2,000,000)
	<u>2,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>(2,000,000)</u>
				<u>1,000,000</u>

#### Comparative

	Movement in funds			
	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers
	£	£	£	£
The Pears #iWill Fund- matched funding	2,976,250	-	-	(976,250)
	<u>2,976,250</u>	<u>-</u>	<u>-</u>	<u>(976,250)</u>
				<u>2,000,000</u>



# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 21 Analysis of net assets between funds

	Unrestricted £	Designated £	Restricted £	Total £
Fund balances at 31 March 2019 are represented by:				
Investment properties	610,710	-	-	610,710
Investments	43,024,883	-	-	43,024,883
Current assets/(liabilities)	(15,955,553)	1,000,000	2,282,210	(12,673,343)
Provisions	(5,211,650)	-	(914,752)	(6,126,402)
	<u>22,468,390</u>	<u>1,000,000</u>	<u>1,367,458</u>	<u>24,835,848</u>

### 22 Associates

Details of the Charity's associates at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Trendgrove Properties Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	50
Bickenhall Investments Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	49
CHP Management Limited	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	25
Registered Holdings Ltd	Ground Floor, 30 City Road, London, EC1Y 2AB	Property investment	Ordinary	20

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 23 Related party transactions

Several of the trustees are also directors of the unquoted companies whose shares are owned by the charity and during the year, £20,028,911 (2018: £18,315,473) was received in donations from The William Pears Group of Companies Limited, £nil (2018 - £128,919) was also received in dividends from William Pears Group Limited, Bickenhall Investments Limited and CHP Management Limited. In addition £147,326 (2018: £125,464) of gifts in kind were received from related parties and £150,000 (2018: £150,000) of donations were made to related charities.

24 Cash generated from operations	2019 £	2018 £
Surplus/(deficit) for the year	2,210,851	(399,836)
Adjustments for:		
Investment income recognised in statement of financial activities	(8,490)	(134,638)
Fair value gains and losses on investment properties	51,240	-
Fair value gains and losses on investments	(1,258,168)	(5,508,838)
Shares gifted	-	(438,880)
Movements in working capital:		
Decrease in debtors	1,127,463	853,351
Increase in creditors	4,306,799	5,116,924
Increase/(decrease) in provisions	(4,998,584)	2,107,104
<b>Cash generated from operations</b>	<b>1,431,111</b>	<b>1,595,187</b>