

Charity Registration No. 1009195

THE PEARS FAMILY CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

THE PEARS FAMILY CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

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

THE PEARS FAMILY CHARITABLE FOUNDATION

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THE PEARS FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The Trustees present their report and accounts for the year ended 31 March 2018.

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 Director 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 possessions of the new trustee.

Management

The Foundation delivers a varied programme of philanthropic investment including high impact philanthropic partnerships, capital and revenue grants and one 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 are responsible for implementing the Foundation's strategic priorities, operations and procedures and for the management and monitoring of relationships, grants and payments. 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 Foundation's operating programme, JHub, also has a small professional staff team led by the JHub Director who reports regularly to both the Executive Chair and Director.

The pay and remuneration of Foundation staff are set by the Trustees following annual appraisals and are benchmarked against comparable roles in other trusts and foundations.

THE PEARS FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 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.

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 external applications (except in limited circumstances for restricted initiatives) and draws on its experience, networks and external and internal research to identify suitable partners. The Foundation proactively undertakes research to establish the wider context and strategy for its funding and assesses the impact of grants and projects against this research. Foundation staff keep up to date with relevant social policy including joining wider networks, receiving advice and presentations from external experts and attending conferences where appropriate.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

The Foundation has established its grant-making policy to achieve its objects for the public benefit by making grants to charities and not-for-profit organisations whose objectives are clear, those who can demonstrate best practice and sustainability, whose operations are transparent, and whose commitment to the public benefit is demonstrable.

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

- Internal and external research and reports and surveys produced by trusted and influential partners across the sector to build and enhance our understanding of specific issues and challenges and enable us to direct funding most effectively.
- A network of over a hundred trusted organisations with whom we meet regularly, including existing grantees, other funders and community stakeholders. All of these organisations have a good understanding of the way we work and are able to make introductions and suggestions that fit our priorities and methods.

Once we have an understanding of the context and/or have identified a potential opportunity, we move towards developing a funding approach. Our strong preference is to meet partners face-to-face when developing and assessing a partnership. Following a meeting (at which it may be decided, of course, that there is no relationship to pursue), if we are considering an organisation for an unrestricted grant or renewing an existing unrestricted grant we will seek a clear overview of the organisation's business plan, strategy, budget and finances. For projects, we will ask for a short, written proposal which sets out the nature of the project, timelines, budget and target outcomes. It is likely that this document will go through several iterations as both sides ask further questions, suggest amendments and gauge appetite regarding resource commitment.

During the development of the proposal, we will, where appropriate, undertake informal or formal referencing for the project with other organisations and partners in the field.

Alongside the above we conduct detailed due diligence to satisfy ourselves that the organisation is an appropriate partner for us and has the capacity to deliver the work we are funding.

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 as well as the wider context and issues that are impacting on their delivery and that may require amendments or flexibility in the proposal. Where projects involve direct delivery, the Foundation will always make at least one site visit during the course of the project. Written reporting is kept proportionate and may, if appropriate, take the form of meeting minutes or reports requested by other funders in order not to duplicate effort. For major investments, grantees may be asked to establish an advisory board or steering committee on which the Foundation may be represented.

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 grantees through its operating programme JHub.

The Foundation is a member of a number of wider networks, formal and informal, enabling staff members to build relationships across the sector and share learning and best practice regarding policy, grant-making and specific programme areas. In the UK these include the Association of Charitable Foundations, the Foundations Forum, the Intelligent Funders Forum, London Funders and the Reubens Group (which the Foundation convenes) as well as the Foundations Forum in Israel and the international Jewish Funders Network. The Foundation also encourage its grantees to explore opportunities to collaborate and share learning and best practice.

Funding varies across the Foundation's programme areas depending on the annual priorities set by the Trustees. Youth social action continued to be a priority in 2017-18 along with Holocaust education, international development

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

and a major capital grant to the University of Glasgow for a new building for its Institute for Health and Wellbeing, in line with our strategic themes.

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 grantees, the Trustees would like to emphasise that they value the work of all their grantees.

CAPITAL GRANTS

Special educational needs, disability and social welfare

The Trustees approved a capital grant of £5,000,000 to the University of Glasgow for a new building to house the Institute of Health and Wellbeing, part of a major campus redevelopment plan for the University. The Institute, which does not currently have its own building, brings together a range of academic disciplines to tackle health inequalities and chronic disease through public health interventions and the new building will open in 2020. The grant recognises the Pears family's roots in the city of Glasgow, the Foundation's focus on understanding, engagement and wellbeing and our existing partnership with the University as the UK home of the Olive Tree Initiative.

The Trustees also approved capital grants to two longstanding partners in this area: £1,000,000 to Nightingale Hammerson towards the redevelopment of its North London residential care home Hammerson House, and £250,000 to special educational needs charity Kisharon towards the relocation and expansion of the Kisharon School.

In addition to an ongoing revenue grant, a capital grant of £100,000 was awarded to children's mental health charity Place2Be towards the refurbishment of new London premises.

Holocaust Education

The Trustees approved a grant of £1,500,000 to the Imperial War Museum.

International Development

The Trustees awarded a capital grant of £117,000 to AfriKids for the redevelopment and expansion of what will be known as the Pears Mothers and Babies Centre in Northern Ghana.

Other

In recognition of the Pears family's longstanding connections with Berlin, the Trustees awarded a grant of £1,755,270 (€2million) to CL Berlin for a new community centre and campus.

A grant of £37,764 (\$50,000) was awarded to the Jerusalem International YMCA towards its Carillon Bells Restoration Project.

REVENUE GRANTS

Special educational needs, disability and social welfare

In line with our belief in long-term core partnerships, 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 £69,903 for the Pay for a Day campaign which funds the revenue costs of the charity's Hampstead Hospice. A grant of £150,000 was made to Coram for creative therapies and other activities based primarily in the Pears Pavilion.

A grant of £150,000 was approved to ThinkForward for a coaching project aimed at pupils at risk of becoming NEET ('not in employment, education or training') in Nottingham. A core unrestricted grant of £100,000 was approved to Carers UK. £100,000 was approved to Mencap for two second-cohort Gateway Beacon clubs as part of a

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

countrywide project to build capacity in local leisure clubs for people with learning disabilities. Deafblind charity Sense's new Touchbase Pears Centre in Birmingham opened July 2018 and the trustees agreed a revenue grant of £100,000 to increase community liaison and marketing capacity at the new Centre. The Trustees also approved a grant of £90,000 to the Orpheus Centre, a specialist music and drama college for young people with disabilities, to help develop a social communications and interaction specialism at the college.

Core funding renewal grants were also made to Jewish Care (£150,000), Norwood (£150,000), Haven House Children's Hospice (£100,000), School-Home Support (£100,000) and Nightingale Hammerson (£50,000).

Mental health and wellbeing

The Foundation continued to manage existing grants in this area and the Executive Chair and Director participated in a Jewish community task force on mental health which will begin its delivery phase in the next financial year.

Youth Social Action

Youth Social Action continued to be a strategic priority for the Foundation. The Foundation renewed its support of Step Up to Serve, the organising body for the #iWill campaign, with a grant of £100,000 core funding.

We also made the first set of grants from the Pears #iWill Fund, a £4 million commitment to match-fund the #iwill Fund (a £40 million seed funding commitment established by the Department for Culture, Media and Sport and the Big Lottery Fund). The aim of the fund is 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. A full list of Pears #iWill Fund grants is included below. Grants in this financial year focused on youth volunteering in NHS Trusts and a major grant of £2,464,216 shared between The Scouts Association and Girlguiding UK to fund a collaborative approach to sustainably grow their memberships in diverse communities across the UK.

For over eight years 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 £350,000 and JLGB £100,000. The Foundation continued to support First Give with a core funding grant of £200,000 and residency in JHub.

We continued to administer the National Youth Social Action Fund (NYSAF) in partnership with the Department for Culture, Media and Sport, monitoring the grants previously awarded to projects working to grow opportunities for youth social action in rural and lower socio-economic areas across England and working with learning partner IVAR.

Shared society

The Trustees agreed a major grant of £248,282 to the Linking Network, in partnership with the Ministry of Housing, Communities and Local Government and the Department for Education to expand schools linking to 20 local authorities throughout England. The Executive Chair and Deputy Director made a number of visits to Bradford and the surrounding area to engage with The Linking Network and our youth social action contacts.

Grant renewals in the UK included core funding grants of £150,000 to the Antisemitism Policy Trust, £100,000 to Maslaha and £50,000 to Forward Thinking as well as grants of £75,000 to the Faith and Belief Forum (formerly 3FF) for its Undergraduate Parliamentors Programme.

To promote shared society in Israel the Foundation renewed its core funding for the New Israel Fund UK (£200,000), Collective Impact Initiative for Arab Employment (£80,000) and The Abraham Fund Initiatives (£70,000) and made project funding grants of £60,000 to Merkaz Ma'ase for the Durub project, which provides a year of volunteering and education for young Arab women and £50,000 to Givat Haviva for its Hi-Tech programme for Arab students.

This year also marked the closure of the UK Task Force on issues relating to Arab Citizens of Israel, which was established by the Foundation in 2008, together with partners from across the Jewish community, to educate, engage and empower the UK Jewish community on these issues. Having successfully achieved its mission, the decision was taken to wind down the operations of the Task Force and transfer its educational work to UJIA.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Encouraging philanthropy

Following our support in previous years to establish the first UK Masters in Philanthropy Studies, a grant of £176,140 was approved to the Centre for Philanthropy at the University of Kent for a three-year fellowship to help meet the growing demand for research, expertise and teaching on fundraising.

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 £75,000 to the Institute for Voluntary Action Research (IVAR) and £15,000 to the Association of Chief Executives of Voluntary Organisations (ACEVO) and, in addition to our ongoing core funding grant, provided temporary office space in JHub for the Association of Chairs.

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 2017-18. The scholarships now constitute a major initiative operating across three degree programmes – the International Masters in Public Health, the Masters programmes at the Faculty of Agriculture, Food and Environment and the Glocal Community Development MA programme. In May 2017 we were pleased to welcome an IMPH alumnus to London, who undertook a range of speaking engagements to publicise the programme, and in September 2017 the Executive Chair attended the 2016/17 graduation ceremony.

The Foundation continued in its goal of building the capacity of Israel's international development field with renewal grants to partners who play a key role in the NGO sector. A grant of £184,813 (NIS 864,300) was made towards the revenue costs of the Pears Program for Global Innovation, which is now housed at the Jerusalem Institute for Policy Research, an independent policy think tank. A grant of £267,407 (NIS 1,243,000) was made towards the core costs of the Israeli branch of the Society for International Development (SID) which provides training, convening, advocacy and policy support for the sector.

Renewal grants were made to JDC Entwine (£290,000), OLAM (£150,000), Tevel b'Tzedek (£152,487 split over 2 grants) and the Chief Rabbi's Ben Azzai programme (£43,000), all of which support and promote international development and volunteering within a Jewish context.

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.

A major grant of £269,851 (\$375,000) was made to the USC Shoah Foundation for the online phase of its Dimensions in Testimony programme.

Higher education

In addition to the academic partnerships referred to above, the Trustees approved a grant of £1,000,000 to the British Council to launch BIRAX Ageing, a new round of the Britain Israel Research and Academic Exchange Partnership. BIRAX Ageing is a £5m fund to advance scientific collaboration between Israel and the UK and cutting edge research into the ageing process and its effect on human health. Pears Foundation was a founding partner of the BIRAX initiative which, to date, has brought together more than 1000 scientists, including PhD and Postdoctoral students, from 120 institutions, and resulted in breakthrough research published in 30 leading scientific publications.

A further grant of £134,130 was made to the British Council for the Higher Education Scholarship Palestine scheme (HESPAL) which provides masters and PhD scholarships at participating British universities for candidates from participating universities in the West Bank and Gaza.

The Foundation also renewed its funding for the International Centre for the Study of Radicalisation based at King's College London with a grant of £80,000.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

JHub

During 2017/18 the Foundation's operating programme, JHub, hosted 77 programmes, events and meetings serving 50 organisations with nearly 500 participants. It supported eight resident organisations and three alumni organisations and provided temporary office space for two Pears grantees. The UK Task Force on Issues Relating to Arab Citizens of Israel were the only resident to exit JHub this year after the decision was taken to wind down its operations. In line with its new three year strategy, JHub has broadened the reach of its professional development to include Pears Foundation grantees from beyond the Jewish Community and has begun to offer more high level leadership training sessions to residents and grantees. In total JHub ran 18 events for 257 attendees in 2017/18 which is nearly seven times the number of people that attended its training events in 2014/15.

In March 2018 JHub celebrated its 10th anniversary with a JDOV live event and a publication to mark its impact over the past decade.

The Foundation also awarded core funding grants of £100,000 to **UJIA**, £75,000 to the **Institute for Jewish Policy Research** (JPR) and £50,000 to **PJ Library in the UK**.

Christmas Gifts programme

The annual Christmas Gifts programme, which awards grants of between £5,000 and £10,000 to small charities based around an annual theme, awarded 17 gifts totalling £120,000. This year the Trustees chose to focus the grants around support and activities for young carers. As well as a number of young carers' groups, recipients included the charity Sibs which supports people growing up with a disabled brother or sister.

Other activities

The Foundation continued to expand its 'Funder Plus' offer, providing non-financial support to our grantees and partners. Following a successful evaluation of the pilot Action Learning Set for Pears grantees, we launched a second set in 2018 and the pilot set is continuing to meet regularly. We held a number of Lunch and Learns and professional development workshops, all of which were fully booked and received positive feedback, and will be working with partners such as ACEVO and the Association of Chairs to pilot new courses next year. We have established a newsletter in order to raise awareness of the opportunities we are providing.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

FINANCIAL REVIEW

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

Unrestricted Grants over £100,000

Amount	Organisation	Purpose
£5,000,000	University of Glasgow	Capital funding: New building for the Institute of Health and Wellbeing
£1,500,000	Imperial War Museum	Capital funding: Creation of a new gallery
£1,755,270	CL Berlin	Capital funding
£1,000,000	British Council	BIRAX Ageing Initiative
£1,000,000	The Hebrew University of Jerusalem	Pears Scholars: Scholarships and Alumni Activity
£1,000,000	Nightingale Hammerson	Capital funding: Redevelopment of Hammerson House
£500,000	University College London	Core funding for the Centre for Holocaust Education
£350,000	The Duke of Edinburgh's Award	Core Funding and restricted contribution for Wales
£290,000	AJDC	Entwine programme
£269,851	USC Shoah Foundation	New Dimensions in Testimony project: online phase
£267,407	Society for International Development	Core funding
£250,000	Kisharon	Capital funding: Relocation and redevelopment of Kisharon School
£248,282	The Linking Network	Schools Linking in Partnership with DCLG and DfE
£200,000	First Give	Core funding
£200,000	Marie Curie	Marie Curie Community Nursing Service
£200,000	The National Holocaust Centre and Museum	Core funding
£200,000	New Israel Fund UK	Core funding
£184,813	Jerusalem Institute for Policy Research	Pears Program for Global Innovation
£176,140	The Centre for Philanthropy	Fundraising Fellow: 2018-2021
£150,000	Antisemitism Policy Trust	Core funding
£150,000	Coram	Funding for creative therapies and other activities primarily based in the Pears Pavilion
£150,000	Jewish Care	Core funding
£150,000	Norwood	Core funding
£150,000	OLAM	Core funding
£150,000	ThinkForward	Coaching for pupils at risk of becoming NEET in Nottingham
£134,130	British Council	HESPAL scheme: 3 masters scholarships over 3 years plus 1 PhD scholarship
£120,000	Crisis Action	Core funding

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Unrestricted Grants over £100,000 continued...

£117,000	AfriKids	Capital funding: Pears Mother and Babies Centre
£113,293	Tevel b'Tzedek	Core funding
£100,000	Olive Tree Initiative	Core funding
£100,000	Carers UK	Core funding
£100,000	Young Citizens	Go Givers Programme
£100,000	Haven House Children's Hospice	Core funding
£100,000	The Jewish Lads' and Girls' Brigade	DofE Award Provision
£100,000	Maslaha	Core funding
£100,000	Mencap	Two second cohort Beacon clubs
£100,000	The Place2Be	Capital funding: Refurbishment of new premises
£100,000	Sense	Community liaison and marketing capacity at TouchBase Pears
£100,000	School-Home Support	Core funding
£100,000	Step Up to Serve	Core funding
£100,000	United Jewish Israel Appeal	Core funding

The above grants total £17,176,186 representing 81% of the total unrestricted charitable expenditure in the year which amounted to £21,124,833.

Restricted Pears #iWill Fund Grants

£1,323,353	The Scout Association	Growth, Collaboration and Innovation Grant
£1,140,863	Girlguiding UK	Growth, Collaboration and Innovation Grant
£89,926	Imperial Health Charity	Youth Volunteering Project: Imperial College Healthcare NHS Trust
£85,760	Royal Free Charity	Youth Volunteering Project: Supporting General Practice
£80,000	Maudsley Charity	Youth Volunteering Project: South London and Maudsley NHS Foundation Trust
£79,400	Bright Northumbria	Youth Volunteering Project: Northumbria Healthcare NHS Foundation Trust
£79,273	Sheffield Hospitals Charity	Youth Volunteering Project: Sheffield Teaching Hospitals NHS Foundation Trust
£78,613	Yeovil Hospital Charity	Youth Volunteering Project: Yeovil District Hospital NHS Trust
£77,781	Above & Beyond	Youth Volunteering Project: University Hospitals Bristol NHS Foundation Trust
£77,440	CW+	Youth Volunteering Project: Chelsea and Westminster Hospital NHS Foundation Trust
£75,726	Chesterfield Royal Hospital Charity	Youth Volunteering Project: Chesterfield Royal Hospital NHS Foundation Trust
£75,050	Dorset County Hospital Charity	Youth Volunteering Project: Dorset Country Hospital NHS Foundation Trust

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Restricted Pears #iWill Fund Grants continued...

£72,090	Addenbrooke's Charitable Trust	Youth Volunteering Project: Cambridge University Hospitals NHS FT
£58,125	Institute for Voluntary Action	Health and Social Care Learning Partner
£38,500	First Give	Programme Development and Expansion Grant
£15,000	Eden Project	The Big Lunch and NHS 70
£9,500	Young Citizens	The Big Vote

Financial Review

During the year the charity received total income of £18,683,018 (2017: £18,263,232). At the year end total funds held by the charity were £22,624,997 (2017: £23,024,833).

The reserves of the Charity at the year end were £22,624,997. 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

2018-19 will see the continuation and renewal of a number of the Foundation's major strategic partnerships and further work to build capacity in the sectors that the Foundation supports.

International development and youth social action will continue to be priority areas with a further set of disbursements from the Pears #iwill Fund, in partnership with Big Lottery Fund and DCMS including an expanded focus on primary and further education.

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 accounts 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.

In preparing these accounts, 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 accounts; and

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

- 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 25 Oct 2018



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 2018 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 2018 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 accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 auditors 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.

THE PEARS FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PEARS FAMILY CHARITABLE FOUNDATION

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)" 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.

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

31 October 2018

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 2018

		Unrestricted funds	Designated funds	Restricted funds	Total 2018	Total 2017
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	18,548,380	-	-	18,548,380	14,050,082
Charitable activities	4	-	-	-	-	4,000,000
Investments	5	134,638	-	-	134,638	213,150
Total income		18,683,018	-	-	18,683,018	18,263,232
Expenditure on:						
<u>Charitable activities</u>						
Revenue Funding	6	10,300,129	-	3,466,859	13,766,988	10,041,189
Capital Funding	6	9,874,280	-	-	9,874,280	4,341,659
Discretionary Funding	6	560,630	-	-	560,630	511,661
Operating Programme Funding	6	389,794	-	-	389,794	442,438
Total charitable expenditure		21,124,833	-	3,466,859	24,591,692	15,336,947
Net gains on investments	9	5,508,838	-	-	5,508,838	2,779,764
Net incoming/(outgoing) resources before transfers		3,067,023	-	(3,466,859)	(399,836)	5,706,049
Gross transfers between funds		-	(976,250)	976,250	-	-
Net movement in funds		3,067,023	(976,250)	(2,490,609)	(399,836)	5,706,049
Fund balances at 1 April 2017		14,982,183	2,976,250	5,066,400	23,024,833	17,318,784
Fund balances at 31 March 2018		18,049,206	2,000,000	2,575,791	22,624,997	23,024,833

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 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Investment properties	10	468,432		468,432	
Investments	11	41,766,715		35,818,997	
		<u>42,235,147</u>		<u>36,287,429</u>	
Current assets					
Debtors falling due after one year	14	1,000,000		2,000,000	
Debtors falling due within one year	14	1,166,095		1,019,446	
Cash at bank and in hand	13	4,146,977		2,417,152	
		<u>6,313,072</u>		<u>5,436,598</u>	
Creditors: amounts falling due within one year	16	(14,798,236)		(9,681,312)	
Net current liabilities		<u>(8,485,164)</u>		<u>(4,244,714)</u>	
Total assets less current liabilities		<u>33,749,983</u>		<u>32,042,715</u>	
Provisions for liabilities	17	(11,124,986)		(9,017,882)	
Net assets		<u>22,624,997</u>		<u>23,024,833</u>	
Income funds					
Restricted funds	18	2,575,791		5,066,400	
<u>Unrestricted funds</u>					
Designated funds	19	2,000,000		2,976,250	
General unrestricted funds		<u>18,049,206</u>		<u>14,982,183</u>	
		<u>20,049,206</u>		<u>17,958,433</u>	
		<u>22,624,997</u>		<u>23,024,833</u>	

The accounts were approved by the Trustees on 25 Oct 2018



 Sir Trevor Pears CMG (Executive Chair)
 Trustee

THE PEARS FAMILY CHARITABLE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	23		1,595,187		1,262,648
Investing activities					
Purchase of investment property		-		(186,169)	
Repayment of investment loans and receivables		-		50,000	
Interest received		134,638		213,150	
Net cash generated from investing activities			134,638		76,981
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			1,729,825		1,339,629
Cash and cash equivalents at beginning of year			2,417,152		1,077,523
Cash and cash equivalents at end of year			4,146,977		2,417,152

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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 2018

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 number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing grants are broadly equivalent.

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 profit or loss.

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 income/(expenditure) 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, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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 2018

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 and bank loans 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 2018

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 2018

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 reasonably 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 fair value of unquoted investments involve 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

	2018	2017
	£	£
Donations and gifts	18,548,380	14,050,082

4 Charitable activities

	2018	2017
	£	£
Government grants	-	4,000,000

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Investments

	2018	2017
	£	£
Income from listed investments	5,335	9,404
Income from unlisted investments	128,919	203,581
Interest receivable	384	165
	<u>134,638</u>	<u>213,150</u>

6 Charitable activities

	Revenue Funding	Capital Funding	Discretionary Funding	Operating Programme Funding	Total 2018	Total 2017
	£	£	£	£	£	£
Staff costs	265,255	88,047	6,638	168,499	528,439	531,649
Grants	13,487,092	9,781,219	553,591	210,980	24,032,882	14,640,361
Office administration	50,658	17,349	1,388	10,315	79,710	62,974
Exchange (gains)/losses	(36,017)	(12,335)	(987)	-	(49,339)	101,963
	<u>13,766,988</u>	<u>9,874,280</u>	<u>560,630</u>	<u>389,794</u>	<u>24,591,692</u>	<u>15,336,947</u>

7 Trustees

No remuneration was paid to the trustees of the Charity.

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

8 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Foundation Employees	7	7
Operating Programme Employees	3	4
	<u>10</u>	<u>11</u>

Employment costs

	2018 £	2017 £
Wages and salaries	461,266	475,682
Social security costs	50,973	50,767
Other pension costs	16,200	5,200
	<u>528,439</u>	<u>531,649</u>

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

	2018 Number	2017 Number
£60,000-£70,000	-	1
£70,000-£80,000	1	-
£80,000-£90,000	1	1
£100,000-£110,000	1	1

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2018 £	2017 £
Aggregate compensation	<u>300,342</u>	<u>285,521</u>

9 Net gains on investments

	2018 £	2017 £
Revaluation of investments	<u>5,508,838</u>	<u>2,779,764</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

10 Investment property

2018
£

Fair value

At 1 April 2017 and 31 March 2018

468,432

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.

11 Fixed asset investments

	Listed investments £	Other investments	Total £
Cost or valuation			
At 31 March 2018	159,797	35,659,200	35,818,997
Additions	-	438,880	438,880
Valuation changes	(20,480)	5,529,318	5,508,838
At 31 March 2018	139,317	41,627,398	41,766,715
Carrying amount			
At 31 March 2018	139,317	41,627,398	41,766,715
At 31 March 2017	159,797	35,659,200	35,818,997

	Notes	2018 £	2017 £
Other investments comprise:			
Investments in associates	21	16,953,099	14,455,549
Other investments		24,674,299	21,203,651
		41,627,398	35,659,200

12 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 PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

12 Subsidiaries

(Continued)

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

13 Cash and cash equivalents

Cash and cash equivalents consists of:

	2018 £	2017 £
Cash at bank	4,146,977	2,417,152
	<u>4,146,977</u>	<u>2,417,152</u>

14 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	166,095	43,196
Prepayments and accrued income	1,000,000	976,250
	<u>1,166,095</u>	<u>1,019,446</u>
Amounts falling due after more than one year:		
Prepayments and accrued income	<u>1,000,000</u>	<u>2,000,000</u>
Total debtors	<u>2,166,095</u>	<u>3,019,446</u>

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

15 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	4,313,072	2,460,348
Instruments measured at fair value through profit or loss	<u>41,766,715</u>	<u>35,818,997</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

16 Creditors

Amounts falling due within one year

	2018 £	2017 £
Other creditors	20,822	24,835
Provisions for liabilities and charges	14,777,414	9,656,477
	<u>14,798,236</u>	<u>9,681,312</u>

17 Provisions for liabilities

	2017 £	2016 £
Provisions for liabilities and charges	<u>11,124,986</u>	<u>9,017,882</u>

Movements on provisions:

	£
At 1 April 2017	18,674,359
Additional provisions in the year	24,011,020
Reversal of provision	(150,000)
Utilisation of provision	(16,679,354)
Exchange difference	46,375
At 31 March 2018	<u>25,902,400</u>
Amount outstanding at 31 March 2018 payable in less than one year	14,777,414
Amount outstanding at 31 March 2018 payable in more than one year	<u>11,124,986</u>
	<u>25,902,400</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

18 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:

	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>5,066,400</u>	<u>-</u>	<u>(3,466,859)</u>	<u>976,250</u>
	<u>5,066,400</u>	<u>-</u>	<u>(3,466,859)</u>	<u>976,250</u>
	<u>5,066,400</u>	<u>-</u>	<u>(3,466,859)</u>	<u>976,250</u>
	<u>5,066,400</u>	<u>-</u>	<u>(3,466,859)</u>	<u>976,250</u>

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.

19 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:

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

	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>2,976,250</u>	<u>-</u>	<u>-</u>	<u>(976,250)</u>
	<u>2,976,250</u>	<u>-</u>	<u>-</u>	<u>(976,250)</u>
	<u>2,976,250</u>	<u>-</u>	<u>-</u>	<u>(976,250)</u>
	<u>2,976,250</u>	<u>-</u>	<u>-</u>	<u>(976,250)</u>
	<u>2,976,250</u>	<u>-</u>	<u>-</u>	<u>(976,250)</u>

20 Analysis of net assets between funds

	Unrestricted	Designated	Restricted	Total
	£	£	£	£
Fund balances at 31 March 2018 are represented by:				
Investment properties	468,432	-	-	468,432
Investments	41,766,715	-	-	41,766,715
Current assets/(liabilities)	(13,907,303)	2,000,000	3,422,139	(8,485,164)
Provisions	(10,278,638)	-	(846,348)	(11,124,986)
	<u>18,049,206</u>	<u>2,000,000</u>	<u>2,575,791</u>	<u>22,624,997</u>
	<u>18,049,206</u>	<u>2,000,000</u>	<u>2,575,791</u>	<u>22,624,997</u>
	<u>18,049,206</u>	<u>2,000,000</u>	<u>2,575,791</u>	<u>22,624,997</u>
	<u>18,049,206</u>	<u>2,000,000</u>	<u>2,575,791</u>	<u>22,624,997</u>
	<u>18,049,206</u>	<u>2,000,000</u>	<u>2,575,791</u>	<u>22,624,997</u>

THE PEARS FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

21 Associates

Details of the Charity's associates at 31 March 2018 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 2018

22 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, £18,315,473 (2017 - £13,739,222) was received in donations from The William Pears Group of Companies Limited, £128,919 (2017 - £203,581) was also received in dividends from William Pears Group Limited, Bickenhall Investments Limited and CHP Management Limited. In addition £125,464 (2017 - £141,973) of gifts in kind were received from related parties.

23 Cash generated from operations

	2018 £	2017 £
(Deficit)/surplus for the year	(399,836)	5,706,049
Adjustments for:		
Investment income recognised in statement of financial activities	(134,638)	(213,150)
Fair value gains and losses on investments	(5,508,838)	(2,779,764)
Shares gifted	(438,880)	
Movements in working capital:		
Decrease/(increase) in debtors	853,351	(2,527,305)
Increase/(decrease) in creditors	5,116,924	(2,679,446)
(Decrease) in provisions	2,107,104	3,756,264
Cash generated from operations	1,595,187	1,262,648