

**Charity Registration No. 1009195**

**THE PEARS FAMILY CHARITABLE FOUNDATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

# THE PEARS FAMILY CHARITABLE FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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

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THE PEARS FAMILY CHARITABLE FOUNDATION

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# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2021*

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The Trustees presented their report for the year ended 31st March 2021.

#### 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 there.

#### INTRODUCTION

Our annual report for 2020-21 covers the extraordinary period of the first year of the Covid-19 global pandemic. The first UK 'lockdown' began in the final weeks of the previous year and this report covers various periods of restrictions, all of which had a profound effect on charities and society at large. The situation was particularly severe in many of the sectors in which the Foundation operates due to the disproportionate effect of the pandemic on groups who already faced disadvantage and exclusion such as carers, people with mental health challenges and people experiencing food poverty.

Our immediate priority was to understand the impact of Covid-19 on our grantees and their beneficiaries so that we could support them through a period of unprecedented challenge, uncertainty and loss.

The Trustees made two commitments: to increase the Foundation's giving by up to 50%, and to provide reliable and flexible support to our existing partners. As a result, charitable donations for the year ended 31 March 2021 totalled £32,896,881.

The Foundation's response was guided by our values and principles and our grant-making approach, which prioritises building and nurturing trusting, long-term relationships.

As signatories to the London Funders statement of principles we committed to four ways of working, which were already core to our approach:

1. Adapting activities - acknowledging that agreed outcomes may not be achieved in the timeframes or methods originally set.
2. Discussing dates - not adding pressure on organisations to meet tight reporting deadlines.
3. Financial flexibility - allowing organisations to use money differently.
4. Listening - encouraging frank conversations between funders and grantees, with funders being supportive of their needs.

We were also guided by the principles of adaptive leadership, developed by Ron Heifetz, to anticipate likely needs, trends and options, articulate and share these discussions with our grantees, adapt our response as the situation changed and have open and honest conversations.

In accordance with the above principles, we confirmed core funding renewals with as light a touch as we could. We contributed to Covid-19 appeals to support vulnerable communities that had been disproportionately affected, for example children with autism and Arab communities in Israel, and in other cases provided additional unrestricted funding to give our partners the capacity and flexibility to respond to a constantly changing situation.

We successfully applied to be a match funder for the DCMS Community Match Challenge. We worked through nine central partner organisations to get much-needed funding out to small groups and local communities in England and supplemented this with additional Pears Foundation funding for Scotland, Wales, Northern Ireland and Ireland.

The staff team quickly adapted the Foundation's procedures to remote working to ensure that the Foundation could operate effectively and make and pay grants in a timely manner.

Our Covid-19 response has enabled us to learn a great deal about how we, and our grantees, work in uncertainty. It has strengthened existing partnerships and enabled us to trial and develop new ways of funding local communities, all of which we will learn from and build on in the coming years.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 MARCH 2021*

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

##### **Structure**

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.

##### **Governance**

The Foundation is led by the Pears family with the support of a small 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.

As part of the induction process, anyone proposed as a trustee would meet with the existing trustees and key staff and receive a written induction pack. The grant making processes, powers and responsibilities of trustees as well as the Foundation's finances would be explained and discussed.

During the year, the Trustees reviewed the Foundation's existing policies and procedures to ensure they were fit for purpose during the pandemic and agreed a new Anti-Fraud policy.

##### **Decision making**

The Trustees meet quarterly to consider general strategy and priorities across the areas of grant-making activities and receive reports on expenditure and the performance and impact of major grants. 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.

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.

##### **Day-to-day operation of the Foundation**

The Trustees delegate the day-to-day management and operation of the Foundation to the Director and Deputy Director who give direction and support to the staff, working closely with the Executive Chair. The grant management team implements policies and strategy on the Trustees' behalf, supported by the Operations Manager and Administrator. The Foundation has a consultant based in Israel who acts as its representative there, liaising closely with the Executive Chair and line managed by the 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 of similar size and activity.

##### **Risk management**

The Trustees regularly review the major risks to which the Foundation is exposed and have established systems and procedures in place to manage them.

With a small staff team and a focus on relational grant-making, the Trustees continue to consider the principal risk to the Foundation to be the loss of key staff and every effort is taken to ensure strong record-keeping and good communication between staff members.

A major risk is that of funds not being spent for the public benefit. The Foundation has established a robust due diligence and grant monitoring processes and regularly reviews its grant agreements to ensure they are up to date with changes in legislation.

In recent years cyber-fraud has become a major operational risk. Staff and Trustees now receive regular training on cyber security including online training modules and simulated phishing attacks.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### OBJECTIVES AND ACTIVITIES

Pears Foundation operates for the public benefit. Our ultimate beneficiaries are the thousands of people that the organisations and institutions we fund work with and support. The Trustees have taken into account the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities, setting grant-making policy and making grants.

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.

#### Grant-making policy

We build long-term relationships based on a clear understanding of our grantees' needs, with a preference for providing unrestricted funding when appropriate.

We do not accept unsolicited applications which allows us to focus our time and resources on building strong partnerships with our grantees.

We use research, reports, surveys and expert opinions to build and enhance our understanding of specific issues and challenges and enable us to direct funding most effectively. We have built a sizeable and diverse network of individuals and organisations who provide knowledge and expertise including existing grantees, other funders and community stakeholders.

Once we have developed an understanding of the context and identified a potential opportunity, we then develop a funding approach. Alongside the development of a funding proposal, we go through a due diligence process to get to know the organisation and ensure it has the capacity to deliver the work proposed.

We build long-term relationships based on trust, mutual respect and our values of passion, professionalism and integrity. Often this is expressed through core funding and unrestricted grants. The Executive Chair and staff team are closely involved with grantees and support and guide them in the pursuit of their goals.

We understand that charities go through difficult times and encourage our grantees to be honest about the challenges they face, both external and internal. When we understand the challenges, we can work with our grantees to address them through our grants and also through our non-grant support, which includes our in-house professional development programme for grantees and convening partners within or between sectors. We also create opportunities and provide additional funding when appropriate for our grantees to collaborate and share learning and best practice.

Our staff participate in wider network enabling them to build relationships across the sector and share learning and best practice and we are signatories to the Institute of Voluntary Action Research's Open and Trusting Grantmaking campaign.

Pears Foundation prefers to make grants to charities, as recognised under the laws of England and Wales or conforming to a similar standard subject to the rules of a different jurisdiction but are not limited to doing so.

We are committed to transparency and publish details of our grant-making through 360Giving.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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In addition to our grants, we offer professional development to our grantees with a particular focus on leadership and supporting the individuals who make up their teams. We also offer physical space and organisational development support.

#### Funding

Our funding was split between continuing existing partnerships, dedicated Covid-19 support for civil society organisations and other new grants.

#### 1. CAPITAL FUNDING

In order to direct as much resource as possible to core funding to support our partners during the pandemic, the Trustees decided to limit new capital grants. Therefore only two capital funding grants were made during the year.

*Imperial War Museums, £1million*

Towards the Holocaust and Second World War Galleries at the Imperial War Museum London, which opened in October 2021. This takes the total of our funding for this project to £5million.

*Maggie's Centres, £50,000*

Towards the creation of a Maggie's Centre to provide cancer support and information at the Royal Free Hospital, London. The Foundation has a longstanding relationship with the Royal Free as its local hospital and has previously invested in young volunteering and the Pears Building, which opened in 2021 and houses the UCL Institute of Immunity and Transplantation.

#### 2. REVENUE FUNDING

##### Covid-19 response

All of our work was, by definition, a response to Covid-19, but we also used targeted strategies to support our partner organisations. Our aim was to give them additional resources where required; flexibility to respond to a changing situation; the ability to adapt existing programmes and services; and the capacity to find ways to meet new and increased needs. We did this by:

- Partnering with Government and the Paul Hamlyn Foundation to distribute £11million of funding as part of the DCMS Community Match Challenge (DCMS CMC). See note below table.
- The DCMS CMC was restricted to England only. The Foundation made additional top-up grants of £100,000 each to Girlguiding UK, Home-Start UK, the Samaritans, the Scout Association and UK Youth to pass through to their member organisations in Scotland, Wales, Northern Ireland and Ireland.
- Giving additional unrestricted funding, on top of existing commitments, for organisations that faced increased demand or a potential funding crisis. We also developed new partnerships with organisations whose work was critical to the sectors in which we work.
- Making proactive Covid-19 capacity grants. These were additional core funding grants given proactively (not in response to a request) to organisations providing frontline services, made with minimal reporting requirements and in addition to existing commitments. A particular focus for these grants was on organisations providing helplines for vulnerable communities, who were simultaneously facing a steep increase in demand along with unprecedented logistical challenges.
- Responding to emergency appeals by existing grantees on behalf of groups and communities with a specific resource need or experiencing particularly challenging circumstances.
- Supporting research and development of new projects and ways of working to help organisations innovate, collect and share research or adapt their existing activities.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

- Delivering an online professional development programme for Pears grantees in the UK specifically focused on navigating the challenges Covid-19 presented to the sector; supporting IVAR's peer support sessions for charity leaders and offering our grantee CEOs half price membership of ACEVO for one year.
- Renewing our core funding support to voluntary sector infrastructure organisations (including a new grant to NCVO) and signposting their support to our grantees.

Covid-19 response grants		
UK Youth	£2,000,000	DCMS CMC
Contact a Family	£1,187,360	DCMS CMC
Samaritans	£1,175,000	DCMS CMC
Scout Association	£1,050,628	DCMS CMC
Home-Start UK	£1,016,245	DCMS CMC
Mind	£1,001,215	DCMS CMC
Carers Trust	£1,000,000	DCMS CMC
Mencap	£1,000,000	DCMS CMC
Girlguiding UK	£999,902	DCMS CMC
Girlguiding UK	£100,000	Nations-top up grants (alongside DCMS CMC)
Home-Start UK	£100,000	Nations-top up grants (alongside DCMS CMC)
Samaritans	£100,000	Nations-top up grants (alongside DCMS CMC)
Scout Association	£100,000	Nations-top up grants (alongside DCMS CMC)
UK Youth	£100,000	Nations-top up grants (alongside DCMS CMC)
Ambitious about Autism	£50,000	Additional core funding
Age UK Camden	£30,000	Additional core funding
NALA Foundation	£20,000	Additional core funding
Solutions Not Sides	£20,000	Additional core funding
Challenging Behaviour Foundation	£25,000	Core funding - new partner
Education Support	£20,000	Core funding - new partner
NCVO	£20,000	Core funding - new partner
CATCH	£10,000	Core funding - new partner



# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

British Red Cross	£500,000	Covid-19 Capacity Grant
Carers UK	£50,000	Covid-19 Capacity Grant
Contact a Family	£50,000	Covid-19 Capacity Grant
National Autistic Society	£50,000	Covid-19 Capacity Grant
Quaker Social Action	£50,000	Covid-19 Capacity Grant
Samaritans	£50,000	Covid-19 Capacity Grant
The Mix	£50,000	Covid-19 Capacity Grant
Young Minds	£50,000	Covid-19 Capacity Grant
New Israel Fund UK	£25,000	Covid-19 Capacity Grant
StreetGames UK	£15,000	Covid-19 Capacity Grant
Jewish Homes Emergency Appeal	£300,000	Emergency Response: Pooled fund for elderly care homes
Aegis Trust	£81,500	Emergency Response: Appeal for Kigali Memorial Centre
Ambitious about Autism	£50,000	Emergency response: Covid-19 Appeal
Student Hubs	£30,000	Emergency Response: Support for Bristol and Cambridge Hubs
AJEEC-NISPED	£18,161	Emergency Response: Bedouin community
IVAR	£10,000	Emergency Response Initiative
School-Home Support	£10,000	Emergency Response: Welfare Fund
The South Hampstead And Kilburn Community Partnership	£5,000	Emergency response: Covid-19 Appeal
Anna Freud Centre	£1,030,000	Research, development, adaptation: Child Mental Health Training Academy
Marie Curie	£500,000	Research, development, adaptation: Pay for a Day Match Challenge
Disabled Children's Partnership	£260,234	Research, development, adaptation: Learning Hub
Young Citizens	£60,000	Research, development, adaptation: Go Givers subscriptions 2020/21
NHS England & NHS Improvement	£57,198	Research, development, adaptation: Research project – volunteering in the NHS
Sense	£55,000	Research, development, adaptation: Digital arts and wellbeing programme

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

Chartered College of Teaching	£20,000	Research, development, adaptation: Teach Together – Supporting Teacher Wellbeing
London School of Jewish Studies	£20,000	Research, development, adaptation: Jewish Lives Interrupted research study
Samaritans	£20,000	Research, development, adaptation: Support after Suicide Partnership
Future First	£15,000	Research, development, adaptation: Covid-10 'Future Me' Online Mentoring Pilot

#### Note on the DCMS Community Match Challenge

The Trustees were pleased to be selected as one of nineteen funders to partner with Government on the DCMS CMC. A total of £11million was committed to invest in Covid-19 responses across social care, mental health and young people. £5.5 million of this came from the Government, £5 million from the Foundation, and £500,000 from the Paul Hamlyn Foundation, which was designated for support to UK Youth.

The funding was granted to nine existing Partners of the Foundation (as listed above) with member or federated structures, to enable them to support their frontline groups who were disproportionately affected by the pandemic. Working through member and federated structures enabled the funding to be directed to small, often volunteer-led organisations where the need was greatest, as well as providing additional support with issues such as governance, fundraising and safeguarding in order to ensure longer term sustainability. By 31st March 2021, 2,927 grants had been made to frontline organisations.

#### Significant new partnerships and grants

The above grants were designated as 'Covid-19 support' but all our grantees, and their beneficiaries, were profoundly affected by Covid-19 and our priority was to provide responsive and flexible revenue support.

Over £10million of funding went towards the grant renewals with significant grants listed in the table below.

The following are the significant new partnerships and grants made during the year.

#### Health

*Royal Free Hospital: two grants totalling £850,000*

Towards an Academic Chair post and an Advancement Fellowship at the UCL Institute of Immunity and Transplantation at the Pears Building.

#### Mental health

*Anna Freud Centre: £1,030,000*

To create a new online Mental Health Training Academy and blended learning platform to expand the charity's training offer and reach.

*National Autistic Society: £175,000*

A collaboration between NAS and MIND to improve autistic people's access to the right mental health support.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### Care and support

*Family Fund: £500,000*

Direct grants for disabled or seriously ill young people aged 18-24 in low-income families.

*Marie Curie: £500,000*

Alongside the existing core grant for its community nursing service, this grant was for a match funding pot to boost local fundraising across all Marie Curie's nine hospices.

*Sense: two grants totalling £465,000*

Addressing digital exclusion and loneliness for deafblind people during lockdown and scaling up their arts and wellbeing Covid-19 response.

*Disabled Children's Partnership (funding via Sense): £260,234*

Grant to establish a learning hub at the DCP, a campaigning collaboration of c.80 disability charities. The aim is to evaluate adaptations and innovations developed during lockdown so that learning can be shared across member organisations and wider networks, as well as inform policy and campaigning.

*Independent Provider of Special Education Advice: £75,000*

Core funding to IPSEA, which offers legal SEND advice and support by a national network of trained volunteers supervised and supported by IPSEA's in-house legal team.

#### Philanthropy

*University of Kent: £210,000*

Five-year core funding grant. Pears Foundation has a longstanding relationship with the Centre for Philanthropy which aims to improve the understanding and practice of philanthropy in contemporary society. Previous grants have funded research, fellowships, the creation of a Masters degree programme in Philanthropic Studies and a free online open access course.

#### Youth social action

*Girlguiding UK and the Scout Association: £2,121,837*

A joint project, divided into a feasibility/discovery phase and a delivery phase, to evolve volunteer recruitment and onboarding processes. This will enable both organisations to achieve their shared goal of growing and sustaining their memberships to bring Scouting and Guiding to more young people and adult volunteers.

*Association of Colleges: £516,000 from the Pears #iWill Fund*

A project to embed and support the development of social action in 24 Further Education (FE) colleges in England. The grant will fund the creation of Youth Support Worker apprenticeships in six FE colleges, who will work with clusters of local colleges. This builds on the learning of a two-year pilot project to test different approaches to growing social action in colleges.

*NHS England and NHS Improvement: £106,600 from the Pears #iWill Fund*

To enable the appointment of a Strategic Relationships Development and Engagement Manager post to support the development of youth volunteering across the NHS and disseminate and embed learning from the Pears #iWill funded NHS trusts.

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### Pears #iWill Fund Youth Social Action Grants 2020-2021

Initiated in 2017, the Pears #iWill Fund is a £10million fund (£5 million from Pears Foundation matched by DCMS and the National Lottery Community Fund) to support the creation of new youth social action opportunities in the areas of health and social care, education and the environment, as well as continuing to identify and fund initiatives that can sustain and support the sector in the long-term.

Organisation	Amount	Purpose	Category
Association of Colleges	£516,000	Youth Social Action: Apprenticeship Programme	Education
British Red Cross	£261,609	Youth Engagement Strategy	Sustainability
NHS England & NHS Improvement	£106,600	Strategic Relationships Development and Engagement Manager Post	Health & social care
Fair Education Alliance	£99,755	Youth Strategy Development 2020-22	Education
CW+	£91,550	Best For You Young Volunteers Programme	Health & social care
The Linking Network	£50,000	Social Action in Primary Schools - Phase Three	Education
The Royal Wolverhampton NHS Trust Charity	£34,888	Youth Volunteering Programme	Health & social care
Association of Colleges	£15,000	Sponsorship of Social Action Beacon Award 2020-21	Education
The Royal Society of the Arts	£6,802	RSA4 Covid-19 Extension Funding	Education

#### All grants above £50,000

Pears Foundation is committed to transparency, and we work with 360Giving to publish information about our grants.

For more information visit [www.threesixtygiving.org](http://www.threesixtygiving.org) or [www.pearsfoundation.org.uk/annual-accounts](http://www.pearsfoundation.org.uk/annual-accounts).

Organisation	Amount	Purpose
Girlguiding UK	£2,391,248	Volunteer Recruitment and On-Boarding: Delivery Phase £1,218,781 [Note: Girlguiding holding joint project costs]
		DCMS CMC grant £999,902
		Nations funding, for distribution alongside the England only Pears DCMS CMC grant £100,000
		Volunteer Recruitment and On-Boarding: Discovery Phase £72,565
UK Youth	£2,100,000	DCMS CMC grant £2m,
		Nations funding, for distribution alongside the England only Pears DCMS CMC grant £100,000
Scout Association	£1,981,119	DCMS CMC grant £1,050,628
		Volunteer Recruitment and On-Boarding: Delivery Phase £665,954 [Note: Joint project costs held by Girlguiding]
		Volunteer Recruitment and On-Boarding: Discovery Phase £164,537
		Nations funding, for distribution alongside the England only Pears DCMS CMC grant £100,000

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

Carers Trust	£1,550,000	DCMS CMC grant £1m
		Direct grants for Carers £350,000
		Core Funding £200,000
Contact a Family	£1,437,360	DCMS CMC grant £1,087,360
		Core Funding £200,000
		DCMS CMC grant £100,000
		Covid-19 Capacity Grant £50,000
Samaritans	£1,345,000	DCMS CMC grant £1m
		DCMS CMC grant £175,000
		Nations funding, for distribution alongside the England only Pears DCMS CMC grant £100,000
		Covid-19 Capacity Grant £50,
		Support after Suicide Partnership £20,000
Anna Freud Centre	£1,105,000	Child Mental Health Training Academy £1,030,000
		Core Funding £75,000
Home-Start UK	£1,100,000	DCMS CMC grant £1,016,245
		Nations funding, for distribution alongside the England only Pears DCMS CMC grant £100,000
Mencap	£1,100,000	DCMS CMC grant £1m
		Community led capacity building in two local Mencap clubs £100,000
Hebrew University of Jerusalem	£1,060,000	Pears Scholars: Scholarships and Alumni Activity for 2021/22 £1m <i>renewal</i>
		Design and publication of a book about the Pears Scholarships Initiative £60,000
Mind	£1,001,215	DCMS CMC grant
Imperial War Museums	£1,000,000	The Holocaust Galleries at Imperial War Museum London
University College London	£1,000,000	Funding for Centre for Holocaust Education <i>renewal</i>
Royal Free Charity	£850,000	Clinical Academic Chair at the UCL Institute of Immunity and Transplantation £700,000
		Advancement Fellowship at the UCL Institute of Immunity and Transplantation £150,000
British Red Cross	£761,609	Covid-19 Capacity Grant £500,000
		Pears '#iWill' Fund: Youth Engagement Strategy £261,609
Association of Colleges	£516,000	Youth Social Action: Apprenticeship Programme
Family Fund	£500,000	Direct grants for disabled and severely ill people aged 18-24
Marie Curie	£500,000	Pay for a Day Match Challenge fund
The Linking Network	£500,000	Schools Linking in partnership with DfE and MHCLG: 2021-22 £250,000
		2020-21 £200,000
		Pears '#iwill' Fund: Social Action in Primary Schools - Phase Three £50,000
		<i>renewals</i>
Sense	£465,000	Addressing digital exclusion and loneliness £410,000
		Digital Arts and Wellbeing programme £55,000
Leeds Community Foundation	£330,000	Pears Youth Fund 2021-22 £300,000 <i>renewal</i>
		Bradford Giving Collaboration £30,000
Jerusalem Institute for Policy Research	£300,726	Pears Programme for Global Innovation <i>renewal</i>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

Jewish Homes Emergency Appeal	£300,000	Covid-19: Jewish Homes Emergency Appeal
The Duke of Edinburgh's Award	£300,000	Core Funding 2020/21 <i>renewal</i>
The Pennies Foundation	£300,000	Core Funding - three years <i>renewal</i>
The Place2Be	£300,000	Core Funding <i>renewal</i>
Society for International Development - Israel	£260,764	Core Funding <i>renewal</i>
Disabled Children's Partnership	£260,234	Learning Hub at Disabled Children's Partnership
National Autistic Society	£225,000	Autism and Mental Health £175,000
		Covid-19 Capacity Grant £50,000
University of Kent	£210,000	Core Funding for the Centre for Philanthropy 2021-2025
First Give	£200,000	Core Funding <i>renewal</i>
NALA Foundation	£200,000	Core Funding £180,000 <i>renewal</i>
		Covid-19 Response £20,000
The National Holocaust Centre and Museum	£200,000	Core Funding <i>renewal</i>
NHS England & NHS Improvement	£163,798	Strategic Relationships Development and Engagement Manager Post £106,600
		Research Project: Volunteering in the NHS £57,198
Young Citizens	£160,000	Go Givers Programme £100,000 <i>renewal</i>
		Go Givers subscriptions 2020/21 £60,000
OLAM	£155,000	Core Funding <i>renewal</i>
Hand in Hand	£152,596	Core Funding £120,000 <i>renewal</i>
		Core Funding £32,596
British Council - Occupied Palestinian Territories Office	£150,000	HESPAL scholarships scheme <i>renewal</i>
Norwood	£150,000	Core Funding <i>renewal</i>
Child Poverty Action Group	£140,000	Core Funding £100,000
		Cost of the School Day Project £40,000
American Jewish World Service	£125,000	Core Funding £100,000 <i>renewal</i>
		Covid-19 Emergency Support £25,000
StreetGames UK	£120,420	Fit and Fed summer 2021 <i>renewal</i>
AJEEC-NISPED	£117,957	Core Funding £100,000 <i>renewal</i>
		Covid-19 Emergency Grant for Bedouin Community £17,957.19
Aegis Trust	£101,500	Emergency Appeal for Kigali Memorial Centre - matched funding
		Core Funding £20,000
Access Social Care	£100,000	Core Funding
Ambitious about Autism	£100,000	Core Funding - additional Covid19 grant £50,000
		Covid-19 Appeal £50,000
Antisemitism Policy Trust	£100,000	Core Funding <i>renewal</i>
JW3	£100,000	Core Funding <i>renewal</i>
The Duke of Edinburgh's International Award Foundation	£100,000	The Founder's 100 Campaign

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

ThinkForward	£100,000	Coaching for pupils at risk of becoming NEET in Nottingham <i>renewal</i>
United Jewish Israel Appeal	£100,000	Core Funding <i>renewal</i>
Fair Education Alliance	£99,755	Youth Strategy 2020-22
CW+	£91,550	Pears '#iWill' Fund: Best For You Young Volunteers Programme
The Cranfield Trust	£90,000	Core Funding <i>renewal</i>
Tevel b'Tzedek	£89,786	Core Funding £53,872 <i>renewal</i> Core Funding Bridging grant £35,914
Crisis Action	£80,000	Core Funding <i>renewal</i>
Shared Lives Plus	£80,000	Core Funding <i>renewal</i>
Solutions Not Sides	£80,000	Core Funding £60,000 <i>renewal</i> Covid-19 Support Grant £20,000
London School of Jewish Studies	£79,712	Funding for Jewish Lives research £59,712 <i>renewal</i> Jewish Lives Interrupted research study £20,000
Faith in Leadership	£75,000	Core Funding <i>renewal</i>
Institute for Jewish Policy Research	£75,000	Core Funding <i>renewal</i>
International Award for Young People - Israel	£75,000	Core Funding <i>renewal</i>
Association of Charitable Foundations	£71,800	Foundation Giving Trends 2020-21 <i>renewal</i>
Chartered College of Teaching	£70,000	Core Funding £50,000 Teach Together: Supporting Teacher Wellbeing £20,000
Independent Provider of Special Education Advice	£70,000	Core Funding
The Wiener Holocaust Library	£69,643	Core Funding £50,000 <i>renewal</i> Purchase of the USC Shoah Foundation Visual History Archive £19,642.80
Institute for Voluntary Action Research	£65,000	Core Funding and Covid-19 Emergency Response Initiative £60,000 <i>renewal</i> Evaluation Round Table 2020 £5,000
Atlantic College	£64,000	Scholarship 2021-23 <i>renewal</i>
Student Hubs	£55,000	Covid-19 Emergency Support for Bristol and Cambridge Hubs £30,000 Core Funding £25,000 <i>renewal</i>
360Giving	£50,000	Core Funding <i>renewal</i>
Carers UK	£50,000	Covid-19 Capacity Grant
Eden Project Campaigns Ltd	£50,000	Core Funding <i>renewal</i>
Holocaust Survivors Friendship Association	£50,000	Core Funding for the Holocaust Exhibition and Learning Centre <i>renewal</i>
Jewish Interactive	£50,000	Core Funding <i>renewal</i>
Kisharon	£50,000	Core Funding <i>renewal</i>
Maggie's Centres	£50,000	Maggie's Centre at the Royal Free
Quaker Social Action	£50,000	Covid -19 capacity grant
Scottish Jewish Heritage Centre	£50,000	Core Funding

# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

The Jewish Lads' and Girls' Brigade	£50,000	DofE Provision 2020-21 <i>renewal</i>
The Mix	£50,000	Covid-19 Capacity Grant
Tzedek	£50,000	Core Funding <i>renewal</i>
Young Minds	£50,000	Covid -19 capacity grant
<b>TOTAL GRANTS ABOVE £50,000</b>	<b>£29,917,792</b>	

### 3. NON-GRANT SUPPORT

Although financial grants are central to our relationships, they are not the only way in which we support our grantees.

#### Relational funding

We are a relational funder. We build long-term relationships with our grantees. Grant managers provide a high level of support and engagement outside of the formal grant monitoring and reporting structures.

#### Office space

The Foundation offers office and meeting space to some of its key partners. The Covid-19 restrictions meant that we could not make use of it this year, but we plan to expand the offer to more grantees in 2021-22 and use the space flexibly to help our grantees adjust to new ways of working.

#### Professional development

Although we were unable to offer face to face training, we provided a full online programme of professional development workshops for our UK grantees delivered by our Director of Learning and Leadership and a small number of external partners.

Topics covered in open workshops included:

- Adaptive leadership
- Building resilience in uncertain times
- MBTI
- Moral foundations
- Navigating organisational loss
- Polarity management
- Storytelling and resilience
- Zoom fatigue – online meeting tips

We collect feedback after each session to help inform the programme and ensure it meets our grantees' needs.

The Director of Leadership and Learning also provided bespoke online workshops and organisational development support (on Belbin, MBTI and Polarity management) for 9 grantee organisations.

The open sessions provide an opportunity for grantees working in different sectors to meet and learn from each other.

#### Consultancy

We work with a freelance consultant to provide organisational development support and coaching for grantees from small to medium organisations.



# THE PEARS FAMILY CHARITABLE FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 MARCH 2021*

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#### **Convening**

We bring grantees together when there is added value in doing so.

#### **Voluntary sector infrastructure**

We partnered with ACEVO to offer our grantees half price membership for the year. We also helped fund IVAR's online peer support sessions as part of their Covid-19 response. In addition to the above, we give core funding grants to ACEVO, the Association of Chairs, IVAR and NCVO and signpost their resources to our grantees.

#### **Plans for next year**

We will continue to be guided by our principles and provide flexible and responsive support to our partners to enable them to respond to continuing uncertainty and rapid changes in circumstances. The areas in which we are working will not change substantively and, as always, we will adapt our strategy to meet our partners' changing needs and circumstances.

We plan to build on our learning and continue to look for ways to work through our partners to reach local organisations. We will continue looking for opportunities to provide direct funding for individuals through partner organisations that operate grant schemes.

We will continue, and increase, our focus on enhancing engagement with philanthropy in the UK.

The staff team will be moving into new offices and we hope to see the resumption of face-to-face workshops for our professional development programme.

#### **Statement of trustees' responsibilities**

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
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

# THE PEARS FAMILY CHARITABLE FOUNDATION


## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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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.

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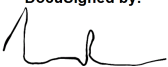
  
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Sir Trevor Pears CMG (Executive Chair)

**Trustee**

Dated: 10 December 2021

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Mark Pears CBE

**Trustee**

Dated: 10 December 2021

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David Pears

**Trustee**

Dated: 10 December 2021

# THE PEARS FAMILY CHARITABLE FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

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

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#### Opinion

We have audited the financial statements of The Pears Family Charitable Foundation (the 'Charity') for the year ended 31 March 2021 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 2021 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

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

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#### **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.

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

#### ***The extent to which the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the Charity sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, the Companies Act 2006, Charities Act 2011 and taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

# THE PEARS FAMILY CHARITABLE FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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- understanding the charitable objectives as part of the control and operating environment;
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence and enquiring with the company of actual and potential non-compliance with laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

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


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#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Arram Berlyn Gardner LLP**

**Chartered Accountants  
Statutory Auditor**

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14 December 2021

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 2021**

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b><u>Income from:</u></b>					
Donations and legacies	3	21,800,492	10,960,569	32,761,061	22,471,574
Investments	4	135,820	-	135,820	135,628
<b>Total income</b>		<b>21,936,312</b>	<b>10,960,569</b>	<b>32,896,881</b>	<b>22,607,202</b>
<b><u>Expenditure on:</u></b>					
<b><u>Charitable activities</u></b>					
Revenue Funding	5	19,060,785	11,638,046	30,698,831	14,435,986
Capital Funding	5	1,067,292	-	1,067,292	6,206,784
Discretionary Funding	5	462,952	-	462,952	511,462
Other funding/support	5	281,691	-	281,691	371,191
<b>Total charitable expenditure</b>		<b>20,872,720</b>	<b>11,638,046</b>	<b>32,510,766</b>	<b>21,525,423</b>
Net (losses)/gains on investments	9	(394,614)	-	(394,614)	1,844,889
<b>Net movement in funds</b>		<b>668,978</b>	<b>(677,477)</b>	<b>(8,499)</b>	<b>2,926,668</b>
Fund balances at 1 April 2020		25,806,213	1,956,303	27,762,516	24,835,848
<b>Fund balances at 31 March 2021</b>		<b>26,475,191</b>	<b>1,278,826</b>	<b>27,754,017</b>	<b>27,762,516</b>

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

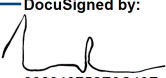
## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investment properties	10	775,625		718,250	
Investments	11	44,310,244		44,762,232	
		<u>45,085,869</u>		<u>45,480,482</u>	
<b>Current assets</b>					
Debtors	14	13,816		12,740	
Cash at bank and in hand	12	8,870,428		4,300,679	
		<u>8,884,244</u>		<u>4,313,419</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(18,448,469)</u>		<u>(16,177,126)</u>	
Net current liabilities		(9,564,225)		(11,863,707)	
<b>Total assets less current liabilities</b>		35,521,644		33,616,775	
<b>Provisions for liabilities</b>	16	<u>(7,767,627)</u>		<u>(5,854,259)</u>	
<b>Net assets</b>		<u>27,754,017</u>		<u>27,762,516</u>	
<b>Income funds</b>					
Restricted funds	17	1,278,826		1,956,303	
Unrestricted funds		26,475,191		25,806,213	
		<u>27,754,017</u>		<u>27,762,516</u>	

The accounts were approved by the Trustees on 10 December 2021

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 Sir Trevor Pears CMG (Executive Chair)  
 Trustee

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 Mark Pears CBE  
 Trustee

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 David Pears  
 Trustee



# THE PEARS FAMILY CHARITABLE FOUNDATION

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	21		4,433,929		(1,228,009)
<b>Investing activities</b>					
Interest received		135,820		135,628	
<b>Net cash generated from investing activities</b>			135,820		135,628
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			4,569,749		(1,092,381)
Cash and cash equivalents at beginning of year			4,300,679		5,393,060
<b>Cash and cash equivalents at end of year</b>			8,870,428		4,300,679

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

##### Company information

The Pears Family Charitable Foundation (the "Charity") 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.

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 2021

### 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 2021

### 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 2021

### 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 2021

### 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	Restricted funds	Total	Unrestricted funds
	2021 £	2021 £	2021 £	2020 £
Donations and gifts	21,800,492	5,500,000	27,300,492	22,471,574
Grants	-	5,460,569	5,460,569	-
	<u>21,800,492</u>	<u>10,960,569</u>	<u>32,761,061</u>	<u>22,471,574</u>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Income from listed investments	6,698	3,312
Income from unlisted investments	128,919	128,919
Interest receivable	203	3,397
	<u>135,820</u>	<u>135,628</u>

### 5 Charitable activities

	Revenue Funding	Capital Funding	Discretionary Funding	Other funding/ support	Total 2021	Total 2020
	2021	2021	2021	2021		
	£	£	£	£	£	£
Staff costs	389,463	22,129	8,851	83,317	503,760	525,716
Grants	30,181,980	1,036,997	450,835	173,876	31,843,688	20,897,063
Office admin	145,121	9,303	3,721	27,908	186,053	99,727
Exchange (gains)/ losses	(17,733)	(1,137)	(455)	(3,410)	(22,735)	2,917
	<u>30,698,831</u>	<u>1,067,292</u>	<u>462,952</u>	<u>281,691</u>	<u>32,510,766</u>	<u>21,525,423</u>
<b>Analysis by fund</b>						
Unrestricted funds	19,060,785	1,067,292	462,952	281,691	20,872,720	21,114,268
Restricted funds	11,638,046	-	-	-	11,638,046	411,155
	<u>30,698,831</u>	<u>1,067,292</u>	<u>462,952</u>	<u>281,691</u>	<u>32,510,766</u>	<u>21,525,423</u>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 5 Charitable activities

(Continued)

For the year ended 31 March 2020

	Revenue Funding	Capital Funding	Discretionary Funding	Other funding/ support	Total 2020
	£	£	£	£	£
Staff costs	312,500	32,223	6,445	174,548	525,716
Grants	14,042,836	6,165,396	503,184	185,647	20,897,063
Office admin	78,083	8,873	1,775	10,996	99,727
Exchange (gains)/losses	2,567	292	58	-	2,917
	<u>14,435,986</u>	<u>6,206,784</u>	<u>511,462</u>	<u>371,191</u>	<u>21,525,423</u>
<b>Analysis by fund</b>					
Unrestricted funds	14,024,831	6,206,784	511,462	371,191	21,114,268
Restricted funds	411,155	-	-	-	411,155
	<u>14,435,986</u>	<u>6,206,784</u>	<u>511,462</u>	<u>371,191</u>	<u>21,525,423</u>

### 6 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021 £	2020 £
Audit of the charity's annual accounts	<u>6,500</u>	<u>6,500</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 2021

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Foundation Employees	7	7
Operating Programme Employees	3	3
	<u>10</u>	<u>10</u>

#### Employment costs

	2021 £	2020 £
Wages and salaries	429,023	449,369
Social security costs	49,381	51,853
Other pension costs	25,356	24,494
	<u>503,760</u>	<u>525,716</u>

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

	2021 Number	2020 Number
£60,000-£70,000	1	1
£80,000-£90,000	1	-
£100,000-£110,000	1	1
£120,000-£130,000	1	-
	<u>1</u>	<u>1</u>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 8 Employees

(Continued)

#### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2021 £	2020 £
Aggregate compensation	322,907	273,536

### 9 Net gains on investments

	2021 £	2020 £
Revaluation of investments	(451,989)	1,737,349
Revaluation of investment properties	57,375	107,540
	(394,614)	1,844,889

### 10 Investment property

	2021 £
<b>Fair value</b>	
At 1 April 2020	718,250
Net gains or losses through fair value adjustments	57,375
At 31 March 2021	775,625

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 2021

### 11 Fixed asset investments

	Listed investments £	Other investments	Total £
<b>Cost or valuation</b>			
At 31 March 2020	150,048	44,612,184	44,762,232
Valuation changes	(6,508)	(445,484)	(451,992)
At 31 March 2021	143,540	44,166,700	44,310,240
<b>Carrying amount</b>			
At 31 March 2021	143,540	44,166,700	44,310,240
At 31 March 2020	150,048	44,612,184	44,762,232

Other investments comprise:	Notes	2021 £	2020 £
Investments in associates	19	18,083,267	17,920,761
Other investments		26,083,433	26,691,423
		44,166,700	44,612,184

### 12 Cash and cash equivalents

Cash and cash equivalents consists of:

	2021 £	2020 £
Cash at bank	8,870,428	4,300,679
	8,870,428	4,300,679

### 13 Subsidiaries

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

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 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

### 14 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	13,816	12,740

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

### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	24,648	23,101
Accruals and deferred income	18,423,821	16,154,025
	<u>18,448,469</u>	<u>16,177,126</u>

### 16 Provisions for liabilities

	2021 £	2020 £
<b>Provisions for liabilities and charges</b>	<u>7,767,627</u>	<u>5,854,259</u>

# THE PEARS FAMILY CHARITABLE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

(Continued)

### 16 Provisions for liabilities

Movements on provisions:

	£
At 1 April 2020	22,008,284
Additional provisions in the year	31,928,918
Utilisation of provision	(27,740,999)
Exchange difference	(4,756)
At 31 March 2021	26,191,447
Amount outstanding at 31 March 2021 payable in less than one year	18,423,820
Amount outstanding at 31 March 2021 payable in more than one year	7,767,627
	26,191,447

### 17 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 2020	Movement in funds		Balance at 31 March 2021
	£	Incoming resources	Resources expended	£
DCMS Community Match Challenge	-	10,960,569	(10,430,350)	530,219
NYSAF	25,492	-	(25,492)	-
The Pears #iWill Fund	1,930,811	-	(1,182,204)	748,607
	1,956,303	10,960,569	(11,638,046)	1,278,826

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 2021

### 17 Restricted funds

(Continued)

#### Comparative

	Balance at 1 April 2019	Movement in funds		Balance at 31 March 2020
	£	Incoming resources £	Resources expended £	£
NYSAF	25,492	-	-	25,492
The Pears #iWill Fund	1,341,966	-	411,155	1,930,811
	1,367,458	-	(411,155)	1,956,303

### 18 Analysis of net assets between funds

	Unrestricted £	Designated £	Restricted £	Total £
Fund balances at 31 March 2021 are represented by:				
Investment properties	775,625	-	-	775,625
Investments	44,310,244	-	-	44,310,244
Current assets/(liabilities)	(11,231,856)	-	1,667,631	(9,564,225)
Provisions	(7,378,822)	-	(388,805)	(7,767,627)
	26,475,191	-	1,278,826	27,754,017

### 19 Associates

Details of the Charity's associates at 31 March 2021 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 Limited	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 2021

### 20 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, £26,627,446 (2020: £22,452,574) was received in donations and gifts in kind from The William Pears Group of Companies Limited. £12,500 of donations were received from other related parties. Dividends received from related parties were £128,919 (2020: £128,919) and £100,000 (2020: £100,000) of donations were made to related charities.

21 Cash generated from operations	2021 £	2020 £
(Deficit)/surplus for the year	(8,499)	2,926,668
Adjustments for:		
Investment income recognised in statement of financial activities	(135,820)	(135,628)
Fair value (gains) and losses on investment properties	(57,375)	(107,540)
Fair value (gains) and losses on investments	451,989	(1,737,349)
Movements in working capital:		
(Increase)/decrease in debtors	(1,077)	1,025,892
Increase/(decrease) in creditors	2,271,343	(2,927,909)
(Decrease)/increase in provisions	1,913,368	(272,143)
<b>Cash generated from/(absorbed by) operations</b>	<b>4,433,929</b>	<b>(1,228,009)</b>
<b>22 Analysis of changes in net funds</b>		
The Charity had no debt during the year.		