

**THE PRET FOUNDATION**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**Charity registration numbers: 1050195 and**  
**SC050501**

**THE PRET FOUNDATION**  
**LEGAL AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

Trustees	C Schlee A Wareham P Christou V Cuminet D McDermott D Winterkorn
Chief Executive Officer	C Schlee
Principal Office	Pret A Manger 10 Bressenden Place London SW1E 5DH
Auditor	RSM UK Audit LLP Chartered Accountants Rivermead House 7 Lewis Court Grove Park Leicester Leicestershire LE19 1SD
Bankers	HSBC Bank plc 4 Robertson Street Hastings East Sussex TN34 1HW
Registered Charity Numbers	
England and Wales	1050195
Scotland (from 29 September 2020)	SC050501

---

**THE PRET FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

The Trustees present their report together with the audited financial statements for the year ended 31 December 2020.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**(a) Constitution**

The legal form of the Charity is that of a Trust. The Charity's governing document is a Trust Deed dated 19 July 1995 together with Deed of Amendment dated 11 June 2019 and Deed of Amendment dated 17 September 2020. Since the year end, a new Trust Deed dated October 2021 was approved, which replaced the previous Trust Deed.

**(b) Change of name**

On 11 June 2019 the Charity changed its name from Pret Foundation Trust to The Pret Foundation.

**(c) Selection and training of Trustees**

Trustees represent both senior management of Pret A Manger (Europe) Limited and independent individuals with relevant skills and experience. Trustees who served during the year and up to the date of this report were as follows:

C Schlee  
A Wareham  
P Christou  
L Gutowski (resigned 25/2/2020)  
V Cuminet  
D McDermott (appointed 26/5/2020)  
D Winterkorn (appointed 26/5/2020)

Trustees are appointed in accordance with clause 9 of the Trust Deed. New Trustees are provided with a copy of the Trust Deed, latest accounts, recent minutes, and suitable Charity Commission guidance.

**(d) Principal risks**

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

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

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

Key controls used by the Foundation include:

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

**THE PRET FOUNDATION**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**COVID**

The financial and operational impact of the pandemic has been significant, due to imposed trading restrictions on Pret a Manger (Europe) Limited shops, which represents the Foundation's principal source of funding. The Foundation has available cash reserves and is committed to continuing to work toward its core objectives and continuing to safeguard the financial position of the Foundation as government restrictions are eased.

**PUBLIC BENEFIT**

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

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

**OBJECTIVES AND ACTIVITIES**

The objective (or purpose) of the charity is the alleviation of poverty, in particular hunger and homelessness.

This is achieved by the following activities:

**1) Food Distribution**

The Foundation arranges for unsold food to be collected at the end of each day from Pret A Manger shops either by a Pret A Manger food van dedicated to this activity or by the arranging of food collections by local charities. The food is then delivered to shelters for the hungry and homeless (shelters, hostels and outreach programmes) at no cost to the beneficiary.

**2) The Rising Stars and Shooting Stars Employment Programme**

The Rising Stars Programme offers homeless people the opportunity of a 14-week work experience programme, with the aim of helping them build a new future. The programme offers 14-week paid placements within Pret A Manger, giving individuals from homeless backgrounds and/or with criminal records the same benefits as Pret A Manger employees, together with a mentor, career advice and a reference for future employers. It can lead to a permanent position within Pret or help to provide the confidence and experience to follow a career elsewhere.

The Shooting Stars Programme offers a cohort of 8 graduated Rising Stars the opportunity to participate in a 7-month career development programme each year. It consists of learning modules over a period of 5 days, culminating in a National Apprenticeship - Level 2 in work skills and the opportunity to take GCSE English and Maths. The Shooting Stars finish the programme with a clear Personal Development Plan (PDP) should they wish to remain in Pret or follow a career elsewhere.

**3) Grants of Cash, Equipment and Food Donations**

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

**4) Shelter**

The Pret Foundation, in partnership with West London Mission, established "The Pret House at St. Luke's", a 26 room shelter in Kennington, London of which The Pret Foundation consistently has access to 6-bedrooms, or more if required. The Pret House provides shelter for current or graduated Rising and Shooting Stars who work in Pret shops nearby. Day-to-day operations are managed by West London Mission.

**THE PRET FOUNDATION**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**ACHIEVEMENTS AND PERFORMANCE**

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

**1) Food Distribution**

In 2020 over 6 million main meal items were collected and distributed on behalf of charities (2019: 6 million), with food from approximately 96% of Pret shops collected by or distributed to charities at the end of each business day (2019: 96%). We also donated over £1m of surplus ingredients from our depot during the first lockdown in March.

Over 120 homeless charities and shelters in London benefitted from food donations in 2020 (2019: 120). Food distribution in London is via Pret's Charity Run with food being distributed 7 days a week, with 8 delivery routes (2019: 8 routes). The vans collect and distribute leftover food from the shops to homeless charities. Clean Society manages this operation on behalf of The Pret Foundation. Where the Foundation cannot collect unsold food from a shop, it arranges for a registered charity to do so, thus avoiding unnecessary waste going to landfill. In regional shops food distribution is serviced by volunteers from local charities co-ordinated by a member of The Pret Foundation team.

**2) The Rising Stars and Shooting Stars Programmes**

The Rising Stars programme was established in 2008 and over 525 Rising Stars have successfully graduated since it began. Each Rising Star obtains a 14-week placement, with the goal being that this leads to a career either within Pret or in another organisation. Throughout the programme history graduation rates have been very high (2019: 79%).

During 2020 however the programme was put on hold. Whilst 7 Rising Stars were recruited on to the programme, only 2 successfully graduated due to the pandemic. The Pret Foundation utilised the furlough scheme during this period for those already recruited on to the programme and Pret-A-Manager also supported during this time with the decision that Rising Stars would be protected from redundancy. Weekly support groups continued throughout the year over Zoom, ensuring that peer support, and that of a resilience coach was still available should it be required. We expect that those who were recruited on to the programme during the course of 2020 will resume their training once restrictions have lifted and graduate in 2021.

The Shooting Stars programme was set up in 2015 and to date over 45 people have been recruited on to the programme. Shooting Stars attend numerous one day workshops attaining a National Apprenticeship - Level 2 in work skills. During 2020 no new Shooting Stars were recruited. One Shooting Star has successfully graduated as a General Manager since the programme began.

**3) Cash, Equipment and Food Donations**

The Foundation supports smaller, grass-root charities with donations: cash, equipment or food donations. In 2020, 44 donations were made (2019: 211). Donations cover various projects and pay for support workers, rent, course supplies, counselling, and drop-in centres. Total donations (including equipment and food) were £0.2m (2019: £0.8m).

Nina Allard joined to head up The Pret Foundation in 2020, managing the activities of the Foundation with a team of five full-time people as directed by the Trustees.

Funds for the Foundation significantly decreased in 2020, but came from three sources:

- **Product donations:** £431k, of which, £253k was raised from the 10p donations on Soup sales alongside £178k generated from the Christmas Campaign (with 50p donated from 6 Christmas products sold). The campaign was prominent in every Pret shop window alongside strong in-shop and product packaging communications.
  - **Customer Donations:** £108k of in-shop donations from customers, predominately in cash, however The Pret Foundation is also starting to roll out contactless points to collect digital donations.
  - **Other Donations:** £2,262k, comprising a small number of significant donations as well as from Pret employees through small-scale fundraising activities.
-

**THE PRET FOUNDATION**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**ACHIEVEMENTS AND PERFORMANCE (continued)**

**4) Shelter**

In 2018 The Pret Foundation identified a partner to work with for this activity stream, West London Mission, and a site to convert, St. Luke's. The facility was opened in Q1 2019, containing 26 bedrooms, a communal kitchen, living and garden areas, ready for current or graduated Rising and Shooting Stars in need of accommodation in exchange for a subsidised rent. This partnership ended on 1 February 2022, and the Pret Foundation will explore other appropriate opportunities in the future.

In 2020 9 Rising or Shooting Stars resided at the Pret House (2019: 15). 4 successfully moved on to privately rented accommodation, 1 left The Pret House and 4 remained at the end of the year.

**FINANCIAL REVIEW**

**(a) General**

Gifts and donation paid have decreased since the previous year, from £730,166 last year to £190,717 this year.

At 31 December 2020, the total funds held by the Foundation was £2,016,120 (2019: £517,366).

The Foundation has continued by good housekeeping and budgeting to maintain a healthy balance sheet. Expenditure was cut significantly in the year to match the much reduced donation income. Several significant individual donations were received in the second half of 2020 and will help the Foundation to continue its charitable activities for a significant period.

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

**(b) Principal funding sources**

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

The Foundation acknowledges the importance of good practice in fund raising as being essential in maintaining public confidence in the charity and are committed to ensuring all our activities are compliant with legislative, regulatory and best practice standards. The Foundation does not use professional fundraisers.

**(c) Reserves policy**

Unrestricted funds are needed:

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

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

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

As at 31 December 2020, unrestricted reserves not invested in functional fixed assets were £1,824k, £1,477k above the minimum level.

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

**THE PRET FOUNDATION**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

## **PLANS FOR THE FUTURE**

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

### **1) Food Distribution**

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

### **2) The Rising Stars and Shooting Stars Programmes**

For the Rising Stars programme the aim in 2020 is consistent with the last few years with an objective of employing Rising Stars across the country, aiming for a 70% graduation success rate.

For the Shooting Stars Programme the objective is to select 7 Shooting Stars with a 100% graduation success rate.

### **3) Cash, Equipment and Food Donations**

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

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

### **4) Shelter**

Over the course of the year, the objectives are to continue to embed effective ways of working for the Pret House with partner West London Mission and to find the right tenants from within the Rising and Shooting Stars populations, and to evaluate the success of this activity. This partnership ended on 1 February 2022, and the Pret Foundation will explore other appropriate opportunities in the future.

## **New Initiatives**

In 2020 and continuing into 2021, the Foundation focused on weathering the COVID-19 storm and protecting its key objectives. As such, activities were reduced during the crisis to match a reduction in income during this period. In 2021, the Foundation will be focussing on new fundraising activities so as to ensure a sustainable future.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for the period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

**THE PRET FOUNDATION**  
**REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)**

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008; and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

**AUDITOR**

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

This report was approved on behalf of the Board of the Trustees on      25th October 2022      and signed  
on their behalf.



A Wareham  
Trustee

Date: 25/10/2022



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

---

### Opinion

We have audited the financial statements of The Pret Foundation (the 'Foundation') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 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 and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

### Basis for opinion

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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 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 Report of the Trustees. 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.

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

---

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

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 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' annual report; or
- proper and sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities set out on pages 5 and 6 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charity operates in and how the charity are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

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

---

As a result of these procedures we consider the most significant laws and regulations that have a direct and indirect impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business challenging judgments and estimates.

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.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

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

Date: 28/10/2022

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

**THE PRET FOUNDATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds 2020 £	2019 £
<b>Income from:</b>			
Donations	4 (a)	2,801,935	2,208,795
Investment income	4 (b)	599	703
		<u>                    </u>	<u>                    </u>
<b>Total</b>		<b>2,802,534</b>	<b>2,209,498</b>
		<u>                    </u>	<u>                    </u>
<b>Expenditure on:</b>			
Charitable activities	5 (a)	1,303,780	2,183,823
		<u>                    </u>	<u>                    </u>
<b>Total</b>		<b>1,303,780</b>	<b>2,183,823</b>
		<u>                    </u>	<u>                    </u>
<b>Net movement in funds</b>		<b>1,498,754</b>	<b>25,675</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		517,366	491,691
		<u>                    </u>	<u>                    </u>
<b>Total funds carried forward</b>		<b>2,016,120</b>	<b>517,366</b>
		<u>                    </u>	<u>                    </u>

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

All income and expenditure derive from continuing operations.

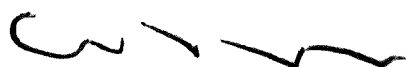
THE PRET FOUNDATION

BALANCE SHEET

AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets:</b>					
Tangible assets	9		191,756		252,557
<b>Current assets:</b>					
Debtors	10	186,076		120,180	
Cash at bank and in hand		1,818,964		269,798	
Total current assets		2,005,040		389,978	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	11	(180,676)		(125,169)	
Net current assets			1,824,364		264,809
<b>Total net assets</b>			2,016,120		517,366
<b>The funds of the charity:</b>					
Unrestricted funds			2,016,120		517,366

These financial statements on pages 10 to 21 were approved by the Trustees and authorised for issue on 25th October 2022 and signed on their behalf by:



C Schlee  
Trustee

**THE PRET FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	14	1,548,567	366,864
<b>Cash flows from investing activities:</b>			
Investment income		599	703
Purchase of tangible fixed assets		-	(116,151)
<b>Net cash provided by/(used in) investing activities</b>		599	(115,448)
Change in cash and cash equivalents in the reporting period		1,549,166	251,416
<b>Cash and cash equivalents at the beginning of the reporting period</b>		269,798	18,382
<b>Cash and cash equivalents at the end of the reporting period</b>		1,818,964	269,798

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**1 Legal status of the Charitable Foundation**

The Pret Foundation is an unincorporated charitable Foundation registered as a Charity at the Charity Commission in England and Wales (Charity Commission number is 1050195) and from 29 September 2020 was also registered as a Charity with the Scottish Charity Regulator (Charity Commission number is SC050501). The principal place of business is Pret A Manger, 10 Bressenden Place, London, SW1E 5DH.

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

**2 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide ‘true and fair view’. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, including the adoption of the amendments issued in October 2019, rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

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

**Going concern**

At the time of approving the financial statements, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Following the uncertainty presented by COVID-19, a detailed review of the Foundation’s resources and challenges presented by the current economic climate has been undertaken. Based on the Foundation’s ability to flex and control its expenditure dependent on income levels and its strong cash reserves, trustees have concluded that the going concern basis remains appropriate and that the Foundation is able to meet its liabilities as they fall due. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Foundation has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the trust’s ability to continue as a going concern.

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**2 Accounting policies (continued)**

**Income**

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

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

**Funds**

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

**Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of obligation can be measured reliably.

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

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

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

**Fixed assets**

Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any impairment losses. Tangible fixed assets with a cost price in excess £1,000 are capitalised and all other expenditure is charged to the statement of financial activities.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Fixtures and fittings	over 5 years
-----------------------	--------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to statement of financial activities.

**Impairment of fixed assets**

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Trust estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.



**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**2 Accounting policies (continued)**

**Impairment of fixed assets (continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

**Financial instruments**

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

**Debtors**

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

**Cash at bank and in hand**

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

**Creditors**

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

**Taxation**

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

**Pension**

For defined contribution schemes the amount charged to the Statement of Financial Activities is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

**3 Critical accounting estimates and areas of judgement**

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

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**4 Analysis of income**

<b>(a) Donations</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Donations received	2,801,935	2,208,795
	<u>          </u>	<u>          </u>
<b>(b) Investment income</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Interest receivable	599	703
	<u>          </u>	<u>          </u>

**5 Analysis of expenditure incurred by The Pret Foundation**

The Trust fulfilled its charitable purposes by picking up unsold food from Pret A Manger shops throughout the UK and delivering it to other charities that assist with the relief of poverty. In other instances the Foundation made cash grants as the Trustees saw fit. The accounts do not include the monetary value of the unsold food collected and distributed from the Pret A Manger shops as the Trustees believe that the food has no monetary value by virtue of it being unsold.

**(a) Charitable activities**

	<b>Food distributions</b>	<b>The Rising Stars and Shooting Stars programmes</b>	<b>Cash, equipment and food donations</b>	<b>Shelter</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gifts and donations (See note 5(c))	-	-	190,717	-	190,717	730,166
Food delivery costs	706,578	-	-	-	706,578	690,202
Apprenticeship costs	-	54,236	-	-	54,236	161,628
Shelter costs	-	-	-	121,141	121,141	195,320
Food donations	-	-	3,762	-	3,762	39,254
Equipment donations	-	-	10,715	-	10,715	54,198
Support costs (See note 5(b))	57,519	89,642	57,519	11,951	216,631	313,055
	<u>764,097</u>	<u>143,878</u>	<u>262,713</u>	<u>133,092</u>	<u>1,303,780</u>	<u>2,183,823</u>

**(b) Support costs**

	<b>Food distributions</b>	<b>The Rising Stars and Shooting Stars programmes</b>	<b>Cash, equipment and food donations</b>	<b>Shelter</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs (See note 6)	37,624	67,723	37,624	7,525	150,496	238,219
Charity site visits	-	-	-	-	-	18,193
Team expenses	2,529	4,554	2,530	506	10,119	42,050
Bank charges	7	6	7	2	22	206
Audit and accounting fees	14,660	14,660	14,659	3,310	47,289	14,387
Consultancy costs	1,569	1,569	1,569	353	5,060	-
Other costs	1,130	1,130	1,130	255	3,645	-
	<u>57,519</u>	<u>89,642</u>	<u>57,519</u>	<u>11,951</u>	<u>216,631</u>	<u>313,055</u>

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

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5 Analysis of expenditure incurred by The Pret Foundation (continued)**

**(c) Gifts and donations**

	No of gifts	2020 £	No of gifts	2019 £
The Foundation has made the following gifts of £5,000 or more:				
The 999 Club	1	10,000	1	15,628
The Clock Tower Sanctuary	-	-	1	21,000
Emmanuel House Day Centre	-	-	1	17,500
Salford Loaves & Fishes	1	7,700	1	10,928
240 Project	1	10,000	1	22,500
Cardboard Citizens	1	5,000	1	16,500
Action Homeless Leicester	-	-	1	7,914
Glasgow City Mission	-	-	1	10,028
Notre Dame Refugee Centre	-	-	1	6,520
Shelter from the Storm	1	10,000	1	20,862
The Choir with No Name	-	-	1	7,300
Acting on Impulse	-	-	1	8,512
Albert Kennedy Trust	1	10,000	-	-
Genesis Trust	1	10,000	1	11,750
Hackney Doorways	-	-	1	18,352
AKT	-	-	1	17,396
Aspire Oxford Community Enterprise Ltd	-	-	1	12,370
London City Mission	-	-	1	9,360
Notre Dame de France Trust	-	-	1	7,500
Off the Fence Trust	1	10,000	1	24,785
Barnabas	1	10,000	1	12,645
Bridges Project	-	-	1	6,358
Crisis Centre Ministeries	-	-	1	10,000
Glass Door	-	-	1	17,160
Firm Foundation	-	-	1	5,360
Manchester City Mission	-	-	1	12,027
Bethany Christian Trust	1	7,000	1	8,225
Cornerstone Manchester	-	-	1	11,000
Accueil Ozanam Madeleine	1	8,117	-	-
Manna Islington	1	10,000	1	12,000
Olallo	1	10,000	1	40,000
InHope	1	10,000	-	-
Subtotal (continued on following page)	14	127,817	29	401,480

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5 Analysis of expenditure incurred by The Pret Foundation (continued)**

**(c) Gifts and donations (continued)**

	No of gifts	2020 £	No of gifts	2019 £
The Foundation has made the following gifts of £5,000 or more (continued):				
Subtotal brought forward from prior page	14	127,817	29	401,480
Vineyard Community Centre	1	6,860	1	9,770
Hinde St Methodist Church	-	-	1	9,800
The Upper Room	1	10,000	1	17,394
Ace of Clubs	-	-	1	15,487
St Cuthbert's Centre	1	8,500	1	18,880
ASLAN	-	-	1	12,680
FCENS	-	-	1	16,500
The Margins Project	1	10,000	1	18,000
Fareshare	-	-	1	11,863
The Suited and Booted Centre	-	-	1	7,500
Brixton Soup Kitchen	1	5,000	1	5,000
Caring in Bristol	-	-	1	15,000
Castlemilk Community Church	-	-	1	9,007
Cheltenham Open Door	-	-	1	6,200
Crawley House, Crawley	-	-	1	6,500
Hope Housing Training and Support Limited	-	-	1	8,000
Maggs Day Centre	-	-	1	7,800
Peterborough Soup Kitchen	-	-	1	8,000
The Friary	-	-	1	9,045
The People's Kitchen	-	-	1	5,500
The Vineyard Arches Trust	-	-	1	9,982
Breaking Barriers	-	-	1	8,752
C4WS	1	10,000	1	12,000
Street Connect	1	5,000	1	6,500
St Petrock's	-	-	1	6,000
Imagine If I Trust	-	-	1	5,000
Harrow Law Centre	-	-	1	14,800
The Food Chain	-	-	1	5,500
The Running Charity	-	-	1	5,460
Wycome Homeless Projects	-	-	1	5,000
Other amounts less than £5,000	4	7,540	77	31,766
Total	25	190,717	136	730,166

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6 Analysis of staff costs and numbers**

Total staff emoluments for the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	126,985	209,282
Social security costs	19,732	24,039
Pension contributions	3,779	4,898
	<u>150,496</u>	<u>238,219</u>

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

The wages and salaries of £126,985 is net of CJRS grants received of £17,143 by Pret A Manger (Europe) Limited for the employees that incurred time on the Foundation's activities.

The average number of employees whose wages were recharged to the Foundation during the year were 5 (2019: 6).

No employees are paid through the Foundation and no employees or Trustees were paid in excess of £60,000 in the year (2019: £Nil).

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

No Trustee received any remuneration or payment for expenses during the year (2019: £Nil).

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

**8 Auditors remuneration**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Audit remuneration – 2020 audit	23,400	-
Audit remuneration – 2019 audit	8,400	11,400
Other services:		
All other non-audit services - 2020	4,200	-
All other non-audit services - 2019	2,400	3,000
	<u>38,400</u>	<u>14,400</u>

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**9 Tangible fixed assets**

	Fixtures and fittings £	Total £
<b>Cost</b>		
At 1 January 2020 and at 31 December 2020	304,004	304,004
<b>Depreciation and impairment</b>		
At 1 January 2020	51,447	51,447
Charged in the year	60,801	60,801
At 31 December 2020	112,248	112,248
<b>Carrying amount</b>		
At 31 December 2020	191,756	191,756
At 31 December 2019	252,557	252,557

**10 Debtors**

	2020 £	2019 £
Other debtors (note 12)	186,076	-
Prepayments and accrued income	-	120,180
	186,076	120,180

**11 Creditors: amounts falling due within one year**

	2020 £	2019 £
Trade creditors	153,076	-
Other creditors (note 12)	-	66,362
Accruals	27,600	58,807
	180,676	125,169

**THE PRET FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**12 Related party transactions**

The main related party to the Foundation is Pret A Manger (Europe) Limited, a company which operates a chain of food retail outlets across the United Kingdom. Donations during the year were from Pret A Manger (Europe) Limited. The value of donations received via Pret A Manger (Europe) Limited are £431,467 (2019: £1,345,035). The Trustees are selected from the senior management of Pret A Manger (Europe) Limited.

During the year, the Foundation was charged £150,496 (2019: £238,219) in salary costs, for time incurred by Pret A Manger (Europe) Limited employees on the Foundation's activities, which was net of £17,143 of CJRS grants received by Pret A Manger (Europe) Limited for those employees. During the year Pret A Manger (Europe) Limited also made payments on behalf of The Pret Foundation of costs which were then recharged to the Foundation of £503,302 (2019: £1,017,928) and at 31 December 2020 the Foundation was owed by Pret A Manager (Europe) Limited £186,076 (2019: £66,362 was owed by the Foundation to Pret Europe).

During the year, the Foundation received a donation from JAB Holding Company Limited of £1,877,237 (2019: £nil), who are the owners of Pret A Manger (Europe) Limited.

In the prior year, Pret A Manger (Europe) Limited committed to donating £120,000 which was included within accrued income at the prior year end.

During the year, the Foundation received donations amounting to £350,000 (2020: £nil) from two founders of Pret.

At 31 December 2020, £5,060 (2019: £nil) was owed by the Foundation to The S&R Coaching Consultancy Ltd, an entity owned by one of the Foundation's Trustees, D. McDermott.

**13 Ultimate controlling party**

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

**14 Reconciliation of net income to net cashflow from operating activities**

	2020 £	2019 £
<b>Net income for the reporting period</b>	1,498,754	25,675
<b>Adjustments for:</b>		
Depreciation	60,801	51,447
Investment income	(599)	(703)
(Increase)/decrease in debtors	(65,896)	464,991
Increase/(decrease) in creditors	55,507	(174,546)
<b>Net cash provided by operating activities</b>	<u>1,548,567</u>	<u>366,864</u>

**15 Post balance sheet event**

Since the year end, the Foundation and West London Mission have terminated their agreement with respect to Pret House.

