

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

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

THE CECIL AND ALAN PILKINGTON TRUST FUND

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THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021

Administrative information

Directors of trustee companies	Lady Pilkington (Kirsty)
	Mr D J Bricknell
	Mr J A S Pilkington
	Mr D.C. Pilkington
	Mr J McKenna
	Mr J Money
	Ms J Halligan
	Ms J Tomkinson
Executive officer	Mr P Morgan
Senior management	Ms K Greenhalgh
	Mrs J Mafi
	Mrs D Swift
	Mrs J Knowles
Principal office	Enterprise Offices Salisbury Street St Helens Merseyside WA10 1FY
Charity number	237623
Auditors	Livesey Spottiswood Limited 17 George Street St Helens Merseyside WA10 1DB
Bank	National Westminster Bank Plc Ormskirk Street St Helens Merseyside WA10 1DR
Investment managers	CCLA Senator House 85 Queen Victoria St London EC4V 4ET
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

The trustees present their report along with the financial statements of the Charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 17 and comply with the Charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Structure, governance and management

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

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

- **Alan Douglas Pilkington** Trust Fund (Founding Deed 11th June 1948)
- **Alfred Cecil Pilkington** Trust Fund (Founding Deed 1st May 1937)

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

The following limited companies acted as trustees throughout the year to 31 March 2021:

- **Pilkington Employees' Trustee (No.1) Limited** (Company Registration No: 01161784)
- **Pilkington Employees' Trustee (No.2) Limited** (Company Registration No: 01161785)

The directors of the trustee companies are appointed by the Board of the trustee companies. The directors of the trustee companies meet three times a year to agree the broad strategy and areas of activity for the Trust.

The Investment Committee assists the directors of the trustee companies in the consideration of the investment, reserves and risk management policies and performance. The following directors of the trustee companies were members of the Investment Committee during the year:

- Mr D J Bricknell
- Mr J McKenna
- Mr J Money

The management of the Trust is carried out by Pilkington Retirement Services Limited (P.R.S.L), set up as a management company to administer the community care programme.

The following directors of the trustee companies were also members of the P.R.S.L Board.

- Mr D J Bricknell
- Mr J McKenna

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

The day to day administration of the community care programme and the resources is delegated to the Executive Officer who is the Managing Director of P.R.S.L. and its employees.

The induction process for any newly appointed director of the trustee companies comprises an in depth briefing and training programme to provide an overview of all aspects of the work of the Charity, and includes experience of service delivery. The officers of the Charity provide key information on managing the Trust, which includes:

- Trust deeds and associated documentation;
- trustees' powers and responsibilities;
- investment and financial structure;
- management structure and staffing; and
- the scope and breadth of the community care programme and the end users.

All trustees of the Charity and directors of the board give their time voluntarily and receive no benefits in that capacity. Allowable travel expenses may be claimed and are disclosed in the accounts.

Key management personnel remuneration

The trustees consider the Executive Officer and senior management as the key personnel in charge of running and operating the charity on a day to day basis.

The pay for key personnel is encompassed within the pay review system for all of the Charity's staff. The trustees review appropriate pay research and the union pay claim, consider recommendations and propose an increase which is negotiated with the union representatives. Once agreed, the pay award is implemented for all staff, including key personnel.

Objectives and activities

The objectives of the Charity are to provide financial assistance for those in necessitous circumstances being employees, ex-employees and dependants of employees and ex-employees of Pilkington Brothers Ltd or its successors in business and its subsidiaries. At 31 March 2021, there were 7,356 people retired and eligible to receive services, including spouses of employees and have not worked for the company.

The Trust Fund's mission statement is '*There to care when care is needed*'. To achieve this, the Charity has developed a community care programme to support those individuals in the greatest need. The main purpose of the programme is to enable people to live as fulfilled a life as possible by supporting them to keep mentally and physically active. The programme aims to maintain contact with all beneficiaries to help keep people living independently.

The objectives for the year support the strategic aims and help to ensure the trustees' objectives are met in an efficient and effective way. When setting objectives, the trustees have given due regard to Charity Commission guidance relating to public benefit.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

The Trust looks to achieve its aims by maintaining a strong organisational structure, promoting good industrial relations with its staff through periods of change and ensuring effective delivery of services.

The Trust provides a number of benefits, ranging from financial grants to providing emotional and practical support for everyday living, to the most vulnerable older people.

A dedicated respite service is available in St Helens to all retirees living in the UK.

Achievements and performance in the year

COVID-19 and lockdown restrictions during the year have had a significant impact on the scope of services provided. The Trust has adapted services to continue to support beneficiaries.

COVID-19 continues to present all organisations with challenges. Since February 2020, the Trust has responded to national guidance and made significant changes to services, in particular:

- All beneficiaries have been contacted throughout the year. Wellness phone calls have been well received and referrals have been made to other support services as appropriate.
- Non-essential contact and services to beneficiaries in their own homes were stopped.
- We continued to provide much needed hot and frozen meals to our most vulnerable beneficiaries and increased delivery runs to meet the higher demand for the service.
- The Trust's staff worked with community care providers to continue or adapt services to meet needs identified.
- The respite facility in St Helens was closed on 25 March 2020 to protect beneficiaries and staff from undue risk. It was reopened in October 2020, with new safety measures and operated at reduced capacity. However, following the second national lockdown the facility was closed again temporarily on 15 January 2021. We plan to reopen in June 2021, providing clear medical evidence supports us to do so safely.
- A number of staff have been furloughed during the year. At 31 March 2021 we have 31 staff on furlough and 5 staff on flexible furlough (i.e. working less than contracted hours).
- Many of our office based staff have worked from home.

The Trust increased the amount of support in South Africa, with more regular distribution of food vouchers to those beneficiaries in greatest need.

Beneficiary numbers continue to decrease on an annual basis in all locations. COVID-19 sadly affected a number of our beneficiaries. It is too early to assess the impact on our numbers due to reporting lags. At 31 March 2021 we had 7,356 beneficiaries in the UK on our records (2020: 7,714).

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

COVID-19 limited the scope to move ahead on the Trust's development plans, in particular:

- The Trust's plans to strengthen joint working with Willowbrook Hospice in dementia services are on hold. When activities run by our dementia group resume, we hope to work more closely with Willowbrook Hospice to integrate their clients.
- Plans to extend the transport service on an ad hoc basis to provide day trips could not go ahead. The Trust will revisit this plan as national restrictions are lifted and in the light of emerging national guidance.
- Pressures on local authority funding across the UK has led to reductions in community services. In response, we continue to earmark funds to provide personal care in the home, a relatively new area of funding for the Trust. We anticipate this will be a growth area although take up of the service during the year was lower than expected due to COVID-19.

The Ruskin Lodge Respite Care Home has not been subject to statutory inspections during the year as it was closed for significant periods and inspection regimes were affected by the pandemic.

Financial Review

The Trust is reliant on the income from its investments. Investment income is supplemented by contributions towards the services the Trust provides, through support from donations and a general grant from the Pilkington Charities Fund. The Trust also received other restricted donations to support additional work in South Africa. Investment income of £2,973,735, together with support from other sources, funded all of the key programmes of the Trust in the financial year.

The reserves position of the Trust remains strong. The accounts reflect a significant increase in the market value of the Trust's investments during the financial year. This is in line with the recovery of the stock markets since the sharp fall in February 2020 at the start of the COVID-19 pandemic. The trustees recognise that there is still uncertainty in the financial markets.

Operational changes made by the Trust, in response to emerging government guidance since March 2020, have resulted in lower expenditure in this financial year. Work is ongoing to assess the impact of COVID-19 on the Trust's services and spending requirements for 2021/22 and future years.

The trustees remain confident that the Trust will have sufficient resources from cash balances and expected income to meet spending requirements for the next 12 months. The Trust has increased the focus on managing cash flow. The trustees and the Trust's accountant work closely with the Trust's specialist advisors to assess the impact on investment values and expected income. If the trustees anticipate the need for disinvestment this will be undertaken in a planned way with our investment managers to minimise financial risk.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

Investment policy and performance

There are no restrictions on the Charity's power to invest. The trustees have adopted a policy to achieve the optimum return from a broad spread of investments and have not imposed restrictions on the type of investments in the portfolio. The policy is to adopt a medium/high risk investment strategy based on income generation with potential for capital growth. Both our investment managers have a clear focus on ethical, social and governance (ESG) considerations in managing the Trust's investments.

The Trust relies on the services of our investment managers, CCLA and Sarasin & Partners, to manage the investments. The Trust settled into the current arrangements late in the previous financial year to 31 March 2020. A small residual holding with Tilney Investment Management was settled at the earliest trading opportunity and the proceeds transferred to CCLA in July 2020.

The investment managers are set the objective of achieving a return of not less than CPI + 3.5% over a five year period.

- CCLA achieved a total return of 24.4% in the year to 31 March 2021. This reflects a recovery in the value of investments during the year. The total return since inception to 31 March 2021 was 8.9%.
- Sarasin & Partners achieved a total return of 24.3% in the year to 31 March 2021. This reflects a recovery in the value of investments during the year. The total return since inception to 31 March 2021 was 9.9%.

Stock markets fell sharply in late February 2020, due to concerns over the impact of the COVID-19 on the world economy. The fall in the value of the Trust's investments was reflected in the accounts for the financial year to 31 March 2020. Since then the stock markets have recovered. In the current financial year to 31 March 2021 the accounts show a significant increase in the market value of the Trust's investments to £4,429,576 above cost (2020: £11,527,096 below cost).

The Trust's investment managers are working to a total returns approach to achieve the targets set by the trustees. The trustees work closely with the investment managers to identify and assess the potential impact of COVID-19 on total returns from investments. The Trust's investment managers have expressed confidence that budgeted income distributions for the funds will be achieved for the financial year to 31 March 2022. The trustees' view is that the changes made to the Trust's investment management last year has reduced the impact of the COVID-19 crisis on the capital value and income.

The trustees will continue to review performance through close working with specialist advisors, information scrutinised by the Investment Committee and reports from an external monitoring company.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

Risk management

The trustees review the financial and operational risks to which the charity may be exposed and the systems put in place to mitigate those risks.

A list of the risks, potential impact and the steps taken to mitigate the risks is regularly reviewed. The principal risk faced by the Trust is the performance of the investments to provide the funding for the services. This is mitigated by retaining expert investment managers, having a diversified portfolio and monitoring the performance through the Investment Committee.

The trustees have reviewed the risks presented by COVID-19 and the actions being taken to mitigate the risks. Work is ongoing and includes:

Risk to services and beneficiaries

Action to mitigate the risks includes: the temporary closure of Ruskin Lodge; changes to the community care programme (stopping non-essential services in beneficiaries' homes, maintaining contact with beneficiaries by phone and adapting service provision to meet identified needs).

Risk to the health and safety of the Trust's staff

Action taken to mitigate the risks includes all office based staff working from home where they can; working with the landlord to introduce new measures to ensure health and safety in the office environment; and developing policies and risk assessments to support home working.

Risk to income to fund services

Action taken by the trustees to mitigate the risks includes: the trustees working closely with the Trust's specialist advisors to assess the impact on income yield and total returns from investments and to respond to developments; holding higher cash balances; and a greater focus on cash flow.

Reserves policy

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

The trustees consider it important that the capital value of the funds is maintained to generate revenue returns that will largely fund the community care programme, increases in capital returns being used to supplement any shortfall in revenue.

Annual returns are used to fund the on-going programmes and are supplemented by the cumulative income reserve. At 31 March 2021 the balance on the reserve was £8,242,757 and the Trust also had restricted funds of £18,079.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

The capital endowed reserves, which at 31 March 2021 were £88,957,734 (2020: £73,002,691), are used to generate the annual income but are available to be used on projects as agreed by the trustees.

Plans for the future

Given the considerable uncertainty over the timescales and external factors due to COVID-19, the Trust has parked plans for making any major changes to operations or services in the short term.

The focus is on providing the support needed by the Trust's beneficiaries in a safe and effective way. The Trust has a road map for resuming normal services. The trustees are working with the Executive Officer and his team to assess national guidance as it develops in order to determine the appropriate response for the Trust.

We will need to establish our methods of operating in the new working environment. As we are a face to face social care organisation this presents us with a host of issues to consider and overcome. This we hope can be achieved with no detriment to our beneficiaries and the quality of the support they receive. This matter and our response will be discussed and agreed upon with the trustees.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Trustees' report for the year ended 31 March 2021 (continued)

Trustees' responsibilities in relation to the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- there is no relevant audit information of which the Charity's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the trustees on

2021.

Signed on behalf of the trustees

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D J Bricknell

THE CECIL AND ALAN PILKINGTON TRUST FUND

Independent Auditors' Report to the Trustees of The Cecil and Alan Pilkington Trust Fund

Opinion

We have audited the financial statements of The Cecil and Alan Pilkington Trust Fund (the 'charity') for the year ended 31 March 2021 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 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, including its income and expenditure, 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 trustees' report and accounts, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report and accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 CECIL AND ALAN PILKINGTON TRUST FUND

Independent Auditors' Report to the Trustees of The Cecil and Alan Pilkington Trust Fund (continued)

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
- the charity has not kept adequate accounting records; 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 trustees' responsibilities statement set out on page 9, 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

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

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

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:

- Discussions with management and those involved in the financial reporting process including consideration of known or suspected instances of non-compliance with laws and regulations central to the company's ability to operate, and fraud;
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or of significant monetary amounts; and
- Review of the rationale for the calculation of key accounting estimates in the financial statements and testing of the accuracy of these calculations.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Independent Auditors' Report to the Trustees of The Cecil and Alan Pilkington Trust Fund (continued)

There are inherent limitations in the audit procedures described above. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew McMinnis ACA, FCCA (Statutory Auditor)

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

Date:

THE CECIL AND ALAN PILKINGTON TRUST FUND
Statement of financial activities for the year ended 31 March 2021

	Notes	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:					
Investments	2	-	2,973,735	2,973,735	3,182,453
Donations , legacies and grants	3	23,880	405,933	429,813	96,633
<i>Charitable activities:</i>					
UK benefits and services		-	99,596	99,596	113,652
Ruskin Lodge respite care		-	41,271	41,271	275,701
Other		-	9,558	9,558	5,787
Total income		23,880	3,530,093	3,553,973	3,674,226
Expenditure on raising funds:					
Investment management costs		-	1,650	1,650	198,961
Expenditure on charitable activities:					
UK benefits and services	6	2,828	1,053,922	1,056,750	1,260,161
Ruskin Lodge respite care		18,880	1,025,076	1,043,956	1,183,228
Visiting beneficiaries		-	605,889	605,889	628,699
Overseas benefits and services		5,000	141,037	146,037	173,382
Donation to Willowbrook Hospice		-	75,000	75,000	91,000
Charitable expenditure		26,708	2,900,924	2,927,632	3,336,470
Total expenditure	4	26,708	2,902,574	2,929,282	3,535,431
Net income/(expenditure) and movement in funds before gains and losses on investments		(2,828)	627,519	624,691	138,795
Net gains/(losses) on investments		-	15,955,043	15,955,043	(8,091,021)
Net movement in funds		(2,828)	16,582,562	16,579,734	(7,952,226)
Reconciliation of funds:					
Total funds brought forward		20,907	80,617,919	80,638,826	88,591,052
Total funds carried forward		18,079	97,200,481	97,218,560	80,638,826

The notes on pages 16 to 25 form part of these accounts

THE CECIL AND ALAN PILKINGTON TRUST FUND

Balance Sheet as at 31 March 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible fixed assets	8	828,758	791,863
Investments	9	95,266,604	78,894,440
		<u>96,095,362</u>	<u>79,686,303</u>
Current assets			
Debtors	10	77,733	63,280
Cash and bank deposits		<u>1,199,256</u>	<u>1,052,842</u>
		1,276,989	1,116,122
Creditors amounts falling due within one year	11	(117,715)	(125,460)
Net current assets		<u>1,159,274</u>	<u>990,662</u>
Provision for liabilities	12	(36,076)	(38,139)
Total assets less current liabilities		<u><u>97,218,560</u></u>	<u><u>80,638,826</u></u>
Fund balance			
Expendable endowment fund		88,957,734	73,002,691
Spendable reserves		8,242,747	7,615,228
Restricted funds	13	<u>18,079</u>	<u>20,907</u>
Total charity funds	14	<u><u>97,218,560</u></u>	<u><u>80,638,826</u></u>

The above accounts were approved by the trustees on
signed on their behalf by:

2021 and were

D J Bricknell (Director of Trustee Companies)

J McKenna (Director of Trustee Companies)

The notes on pages 16 to 25 form part of these accounts

THE CECIL AND ALAN PILKINGTON TRUST FUND

Cash flow statement for the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
<i>Net cash from/ (used in) operating activities:</i>	(2,291,030)	(3,047,709)
Cash flows from investing activities		
Purchase of investments	(2,598,371)	(134,853,358)
Purchase of equipment, furniture and vehicles	(133,278)	(41,566)
Proceeds from sale of investments	348,386	135,369,092
Dividends and interest from investments	2,973,735	3,182,453
Receipt for sale of fixed assets	14,108	850
<i>Net cash (used by)/provided by investing activities</i>	604,580	3,657,471
(Decrease)/ Increase in cash in the period	(1,686,450)	609,762
Net funds at the start of the year	3,420,295	2,810,533
Net funds at 31 March	1,733,845	3,420,295

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

Net income/(expenditure) and movement in funds	16,579,734	(7,952,226)
Adjustments for:		
Depreciation charges	88,807	80,204
(Gains)/losses on investments	(15,955,043)	8,091,021
Dividends and interest from investments	(2,973,735)	(3,182,453)
(Profit)/Loss on sale of fixed assets	(6,532)	-
(Increase)/decrease in debtors	(14,453)	9,748
Increase/(decrease) in creditors and provisions	(9,808)	(94,003)
Cash flow from operating activities	(2,291,030)	(3,047,709)

Analysis of cash at 31 March

Cash at bank	1,199,256	1,052,842
Deposits held by investment managers	534,589	2,367,453
Total cash	1,733,845	3,420,295

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial statements for the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The Charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared under the historical cost convention, with the exception of the investments which are stated at mid- market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

b) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received and the monetary value can be measured with sufficient reliability.

Restricted income is used in accordance with any specific restrictions imposed by the donors.

c) Resources expended

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

d) Investments

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

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

e) Tangible fixed assets and depreciation

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

Freehold buildings	between 10 and 50 years
Services	between 10 and 25 years
Computer equipment	between 3 and 5 years
Vehicles	between 5 and 8 years
Furniture, fittings and other equipment	between 7 and 25 years

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial statements for the year ended 31 March 2021 continued

f) Debtors/Creditors

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

g) Funds

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

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

h) Pensions

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

i) Leasing commitments

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

j) Grants

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

2. Investment income

	2021	2020
	£	£
Investments listed on a recognised Stock Exchange	2,970,132	3,164,948
Bank Interest	358	4,982
Interest on cash held by investment managers	3,245	12,523
	<u>2,973,735</u>	<u>3,182,453</u>

3. Grants, donations and legacies

Grant income is higher than previous years due to additional grants received this year to support COVID-19 initiatives, as follows:

	£
Job retention scheme grant (for furloughed staff)	325,621
<i>Local Authority funding:</i>	
Small business grant	10,000
Restricted grants for extra costs at Ruskin Lodge	18,880
	<u>354,501</u>

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial statements for the year ended 31 March 2021 continued

	2021 £	2020 £
General grants:		
- Pilkington Charities Fund	70,000	70,000
- Small business	10,000	-
- Job retention scheme	325,621	-
Restricted grants:		
- Rainford Trust	5,000	5,000
- Pilkington Charities Fund	-	20,000
- Personal protection equipment (PPE)	1,900	-
- Infection control	15,230	-
- Lateral flow testing	1,750	-
Donations		
- Other	312	1,633
	429,813	96,633

4. Resources expended

	Direct costs £	Apportioned support costs £	Total 2021 £	Total 2020 £
Cost of generating funds				
Investment management costs	1,650	-	1,650	198,961
Charitable activities				
UK benefits & services	830,694	226,056	1,056,750	1,260,161
Ruskin Lodge respite care	864,174	179,782	1,043,956	1,183,228
Visiting beneficiaries	379,786	226,103	605,889	628,699
Overseas benefits and services	115,882	30,155	146,037	173,382
Donation to Willowbrook Hospice	75,000	-	75,000	91,000
	2,267,186	662,096	2,929,282	3,535,431

Direct costs include:

- £26,708 (2020: £5,787) of restricted expenditure.
- The external audit fee of £7,250 (2020: £7,250).
- Operating lease costs in respect of land and buildings of £110,278 (2020: £94,039)

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial Statements for the year ended 31 March 2021 continued

5. Support costs broken down by activity

	UK benefits & services	Ruskin Lodge respite care	Visiting beneficiaries	Overseas	Total 2021	Total 2020
	£	£	£	£	£	£
Governance	35,384	35,384	35,384	11,795	117,947	110,017
Corporate	17,038	34,076	17,038	12,027	80,179	73,309
Finance	33,482	33,482	33,482	6,333	106,779	85,311
Human resources	21,617	63,734	21,664	-	107,015	90,848
Community care administration	118,535	13,106	118,535	-	250,176	237,562
Total	226,056	179,782	226,103	30,155	662,096	597,047

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

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

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial Statements for the year ended 31 March 2021 continued

6. Expenditure on UK benefits and services

	Unrestricted	Restricted	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Services provided:				
Personal care and sitting service	79,272	-	79,272	87,250
Dementia support	37,659	-	37,659	37,440
Domestic assistance	380,177	-	380,177	489,090
Home meals and laundry	138,302	-	138,302	124,698
Gardening and security	10,240	-	10,240	8,724
Hairdressing	40,893	-	40,893	43,082
Day centre services	72,034	2,500	74,534	121,139
Active leisure/contact groups	31,384	328	31,712	78,950
Prism/calendar	22,586	-	22,586	46,487
Total services provided	812,547	2,828	815,375	1,036,860
Grants to individuals:	Number of grants			
	2020/21			
Hairdressing	39		553	1,494
Domestic assistance	16		640	840
Gardening	129		12,900	10,425
Discretionary, including funeral grants	-		-	3,169
	-			
Total grants to individuals			14,093	15,928
Gifts/ Christmas provisions			1,226	1,582
Total direct costs			830,694	1,054,370
Community care administration and support costs			226,056	205,791
Total spend on UK benefits and services			1,056,750	1,260,161

Restricted expenditure in 2020 was £787

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial Statements for the year ended 31 March 2021 continued

7. Trustee and staff costs

Trustees

Members of the Board of the Trustee companies do not receive any remuneration for their services. No expenses were reimbursed during the year to 31 March 2021 (2020: £597 in total to two trustees).

Staff numbers

The average number of employees during the year was 69 (2020: 74). The fall reflects a temporary recruitment freeze due to COVID-19.

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

	2021	2020
Charitable	47	51
Management and administration	6	6

Staff costs

	2021	2020
	£	£
Wages and salaries	1,368,369	1,471,135
Social Security costs	104,193	110,617
Pension contributions	193,497	181,926
	1,666,059	1,763,678

The total employment benefits, including employer pension contributions, of the key management personnel was £327,498 (2020: £317,831).

The number of employees whose emoluments (salaries and benefits in kind) fell within the following band:

	2021	2020
£70,000 - £79,999	1	1

This excludes pension contributions of £9,867 (2020: £9,661).

Pension schemes

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

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial Statements for the year ended 31 March 2021 continued

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

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

The pension charge for the year ended 31 March 2021 year was £193,497 (2020: £181,926).

8. Tangible fixed assets

	Freehold land & buildings	Services	Computer equipment	Vehicles	Furniture fittings & other	Total
	£	£	£	£	£	£
Assets at cost						
Balance at 1 April 2020	1,513,705	309,030	81,826	247,337	244,284	2,396,182
Additions	10,383	-	39,463	83,432	-	133,278
Disposals	-	(40,055)	-	(52,050)	-	(92,105)
Balance at 31 March 2021	1,524,088	268,975	121,289	278,719	244,284	2,437,355
Depreciation						
Balance at 1 April 2020	906,975	290,657	73,428	153,802	179,457	1,604,319
Charge for the year	42,540	3,557	7,634	26,518	8,558	88,807
Disposals	-	(40,055)	-	(44,474)	-	(84,529)
Balance at 31 March 2021	949,515	254,159	81,062	135,846	188,015	1,608,597
Net book value						
At 31 March 2021	574,573	14,816	40,227	142,873	56,269	828,758
At 31 March 2020	606,730	18,373	8,398	93,535	64,827	791,863

Note: All fixed assets are used in the direct furtherance of the Charity's objectives.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial Statements for the year ended 31 March 2021 continued

9. Fixed Asset Investments

	Listed UK equities	Overseas and other investments	Managed funds	Cash held on deposit	Total
	£	£		£	£
Market value at 01 April 2020	361,107	3,885	76,161,995	2,367,453	78,894,440
Additions at cost	-	-	2,598,371	-	2,598,371
Net cash movement in year				(1,832,864)	(1,832,864)
Disposal proceeds	(348,386)	-	-	-	(348,386)
Realised profit/(loss) on disposals	(1,629)	-	-	-	(1,629)
	11,092	3,885	78,760,366	534,589	79,309,932
Net unrealised investment gains/(losses)	(11,092)	(3,785)	15,971,549	-	15,956,672
Market value at 31 March 2021	-	100	94,731,915	534,589	95,266,604
Historical cost at 31 March 2021	-	7,600	90,294,839	534,589	90,837,028
Historical cost at 31 March 2020	350,015	7,600	87,696,468	2,367,453	90,421,536

The market value of investments was £4,429,576 above cost (2020: £11,527,096 below cost) at the balance sheet date. This reflects an increase in the value of investments since the sharp fall at the start of the COVID 19 pandemic.

The Trust changed investment managers during the previous year. At 31 March 2021 the Trust is invested mainly in two managed funds, each with a diversified portfolio of investments. The amount invested in any one company does not exceed 5% of the Trust's total investments.

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial Statements for the year ended 31 March 2021 continued

10. Debtors

	2021	2020
	£	£
Pilkington Charities Fund	17,500	17,500
St. Helens MBC	2,343	21,712
HMRC (Job Retention Scheme)	41,092	6,081
Other debtors	16,798	17,987
	77,733	63,280

There are no debtors falling due after more than one year (2020: nil)

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
St Helens MBC	6,562	-
Other creditors	111,153	125,460
	117,715	125,460

12. Provisions

	Cumulative leave £	Refurbishment costs £	Total £
At 01 April 2020	20,134	18,005	38,139
Additions	2,160	10,000	12,160
Used in the year	-	(14,223)	(14,223)
At 31 March 2021	22,294	13,782	36,076

13. Restricted Funds

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

	Balance at 31 March 2020	Movement of funds in the year		Balance at 31 March 2021
	£	Income £	Spend £	£
Pensioners Club	1,115	-	(328)	787
Minibus	19,792	-	(2,500)	17,292
South Africa	-	5,000	(5,000)	-
Local Authority grants relating to COVID-19 costs	-	18,880	(18,880)	-
	20,907	23,880	(26,708)	18,079

THE CECIL AND ALAN PILKINGTON TRUST FUND

Notes to the financial Statements for the year ended 31 March 2021 continued

14. Analysis of net assets between funds

	Restricted funds £	Endowment funds £	Total funds £
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	18,079	810,679	828,758
Investments	-	95,266,604	95,266,604
Net current assets	-	1,159,274	1,159,274
Provision for liabilities	-	(36,076)	(36,076)
Total net assets	18,079	97,200,481	97,218,560

15. Related parties

The Cecil & Alan Pilkington Trust Fund uses Pilkington Retirement Services Limited as an employment vehicle for 69 (2020: 75) contracts of employment at the Balance Sheet date. All associated salary costs are borne exclusively by the Cecil & Alan Pilkington Trust Fund. During the year the Trust did not pay any trustee for services (2020: one trustee £500).

16. Operating lease commitments

At 31 March 2021 the charity had total minimum operating lease payments as set out below:

Land and Buildings:

	2021 £	2020 £
Operating leases which expire:		
- within one year	14,347	54,856
- between one and five years	249,660	-
	<u>264,007</u>	<u>54,856</u>