

# Shell Pensioners Benevolent Association

Object: The relief of poverty among persons who are members of the Shell Pensioners Association (and the wives, husbands, widows, widowers, children and other dependants of such persons) who are also retired Shell employees in receipt of a pension from the Shell Contributory Pension Fund (SCPF) or the Shell Overseas Contributory Pension Fund (SOCPF) or the Combined Petroleum Companies Pension Fund (CPCPF) and are resident in the United Kingdom.

## Notice of Annual General Meeting, Report and Financial Statements for the year ended 31 December 2023

### Notice

is hereby given that the 54th Annual General Meeting of the Association will be held at the York Road Building, Shell Centre, London SE1 7NA at 17:30 on Wednesday 12 June 2024 following the conclusion of the Shell Pensioners Association AGM.

### Agenda

1. To approve the Minutes of the 53rd Annual General Meeting held at the York Road Building, Shell Centre, London SE1 7NA on Wednesday 7 June 2023
2. To receive an oral report from the Chairman of the Board
3. To receive and consider:
  - a) The Report of the Trustees
  - b) The Financial Statements
  - c) The Report of the Independent Examiner
4. To elect the following Board members; Mr R Waight, Ms V Carter, Mr S Tester, Mrs G Springett, Mrs C Nancarrow, Mrs S Oxspring, Mr D Lewis, Ms K Saywell and Mr S Pain. The Board will elect Trustees at the meeting of the Board following this meeting. It is the intention to co-opt Mr K Sleat to the Board for the next year
5. To appoint an Independent Examiner, Mr S Ingall
6. To delegate setting the date and location of the 55th Annual General Meeting to the Board
7. Any other business

Shell Centre  
London SE1 7NA  
Tel: 020 7934 5131

By Order of the Board:  
**Ken Sleat** – *Secretary*  
14 February 2024

## Reference and administrative details for the year ended 31 December 2023

### Charity number

262049

### Status

The organisation is a charity registered on 15 March 1971

### Governing document

The organisation is governed by its constitution

### Registered office and Mailing address

Shell Centre, London SE1 7NA

### Board members and Trustees

Mr R Waight Chairman

Ms V Carter

Mrs C Nancarrow

Mrs G Springett

Mr C Bowkley

Mr D Lewis

Mr S Tester

Mrs S Oxspring

Ms K Saywell (appointed 14 February 2024)

Mr S Pain (appointed 14 February 2024)

### Secretary, Treasurer and Board member

Mr K Sleat FCA FCT

Shell Centre, London SE1 7NA

Email: [ken.k.sleat@shell.com](mailto:ken.k.sleat@shell.com)

Tel: 020 7934 5131

### Bankers

Lloyds Banking Group

The Strand London Branch,

PO Box 1000, London BX1 1LT

### Solicitors

Legal Division

Shell International Limited

Shell Centre,

London SE1 7NA

### Independent Examiner

Mr S Ingall ACA

1 Walham Rise,

Wimbledon Hill Road,

London SW19 7QY

In this report, 'SPA' is used for convenience where reference is made to the Shell Pensioners Association, and 'the Association' for the Shell Pensioners Benevolent Association

## Report of the Trustees for the year ended 31 December 2023

The Trustees present their report and the independently examined Financial Statements for the year ended 31 December 2023.

The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the Financial Statements and comply with the charity's constitution, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Structure, governance and management

The details of the Trustees, Bankers, Solicitors, Independent Examiner and charity name, number and address are to be found on the previous page.

Membership of the Association is open to all members of the SPA. The qualification for membership is a donation to the Association.

The Association, which is unincorporated, is governed by its constitution as approved by the Charity Commission. It is managed by Trustees who, as a Board of Management, meet six times a year. Up to nine Board Members are elected at each Annual General Meeting (AGM) who serve until the conclusion of the next AGM and have the power to co-opt up to a further three persons whom they consider having special knowledge or experience.

At the first Board meeting after the AGM the Board appoints Trustees of the Association to serve until the next AGM.

The Board seeks Trustees who have an empathy for the object of the Association and who have experience of the necessary business and professional skills, such as management, medical, marketing, financial, human resources, legal and pensions. On appointment, new Trustees to the Association are provided with copies of, or are directed to, the Charity Commission briefing material covering a Trustee's job description and "The Essential Trustee: What you need to know".

In accordance with its constitution, and to ensure that funds are used in accordance therewith, all proposals for assistance are submitted through the Secretary of the Association. Pensioner Programme Officers (PPOs) assess claimant needs and make recommendations accordingly. The proposals are then considered in detail at the meetings of the Trustees bearing in mind the object and powers of the Association. In case of urgency, any two members of the Board are authorised to agree immediate assistance and their action is tabled for noting at the next meeting of the Trustees.

### Donations and fundraising

Donations and legacies are encouraged through occasional communications to current pensioners. In addition, SPA National Committee members, the Association Chairman and the Secretary occasionally visit SPA branches and report on the activities of the Association. Branch members donate, either individually or collectively, to the Association. For the first time in many years donations from individuals increased due to one-off donations.

Generally, donations are not sought from current employees of Shell in the UK or from the public. The quantum of donations from SPA branches is expected to continue to fall as more branches close. Assistance is given by Shell International Ltd in the form of office services and other administration together with the employment costs of the Secretary.

### Reserves policy

The reserves policy of the Trustees is to maintain sufficient reserves, which, together with donations, will generate the necessary ongoing resources to make grants and loans to SPA members. This has largely been achieved from legacies, which are invested to generate income for future benevolence. This situation is kept regularly under review.

### Investment policy

The investment policy is to maximise the Association's investment income in a relatively low risk manner to meet securely the object of the Association. The policy is to invest surplus funds into equity investments, managed equity investment funds and fixed interest deposits.

As a registered charity, the Association's investment income is not subject to tax and the Trustees are mindful of this fact when making investment decisions. Investment policy is implemented by an investment sub-committee which reports regularly to the Trustees on performance. The Trustees review the investment policy at least annually.

### Unrestricted funds

The funds are unrestricted and can therefore be used for any purpose permitted by the Association's constitution.

### Indemnification of Officers

During the year, the Association, in accordance with its constitution, indemnified the Board, the Secretary and other Officers against liabilities in relation to the Association. In addition, insurance was taken out by the Association to cover this indemnification.

### Material changes

Following discussions with Shell, a communication about the Association's activities was sent out to all pensioners by the Pensioners' Administration Team in February 2023. This provided detail on the benevolence offered by the Association and led to a significant increase in referrals. Further ways of increasing communication via Shell are being explored and are expected to continue to yield positive results.

During 2023, the Association took the decision to again pay two general grants during the year due to the continuation of the cost-of-living issue for pensioners on low incomes. The number of discretionary grants increased substantially as outlined below.

Shell continued to sponsor and fund the Shell Pensioner Programme (SPP) which is a free of charge facility but only for SPA members who are in receipt of a SCPF / SOCPF / CPCPF pension. The SPP runs the help desk for pensioners to discuss their problems directly with a PPO.

During 2023, the workload of the PPOs increased significantly. Visits to pensioners were 129 compared with 97 in 2022. The total number of contacts made by the PPOs, including those made by telephone, were 5,967, up from 5,557 in 2022 due to the increase in referrals referred to above.

### Serious incidents

There have been no serious incidents or other matters relating to the Association that should have been brought to the attention of the Charity Commission. The Trustees have made a risk assessment of the activities of the Association and procedures are in place to mitigate the negative impact of such risks. However, the fact that neither war in Europe nor the dramatic increase in prices (nor the earlier pandemic) were included in the Association's risk register prior to their happening, reminds the Trustees of the need for continual vigilance in assessing emerging risks.

**Report of the Trustees** for the year ended 31 December 2023 – *continued*

**Object and public benefit**

The object of the Association is specified on the front page. In managing the Association's activities, the Trustees have had regard to the guidance issued by the Charity Commission on public benefit. They have noted that the activities directed towards the relief of poverty and financial need, albeit exclusively to a group of former employees, satisfy the public benefit specified in the Charities Act 2011.

**Activities**

Pensioners in poverty and in need of assistance are generally identified by the PPOs. If a PPO believes the Association might be able to assist the pensioner, he / she brings the case to the attention of the Secretary, by discussion, and subsequently by submitting an AFA (Application for Assistance) which is reviewed by the Trustees. The Trustees may seek further information or modify, reject or accept any application.

If appropriate, a grant or an interest-free loan may be awarded. In the past, both dated and undated loans have been given. From 2020, the Association's policy is to give only dated loans which are repayable in monthly instalments based on the pensioner's ability to pay, with any amount outstanding being paid from the borrower's estate in the event of death.

Whenever appropriate, for larger amounts interest-free loans are made rather than a grant as repayment enables recycling of the funds to others in need of benevolence.

In addition to the above assistance, the PPOs, in conjunction with the Secretary, nominated pensioners in need of both the additional grant and the Christmas grant in 2023.

Many pensioner problems are capable of resolution at no direct cost to the Association, for example by directing the pensioner to the appropriate social service or by providing advice and guidance about state benefits. To facilitate this guidance, the Association has contracted the services of Tina Gilchrist of CBG Solutions Ltd. As a result, regular update bulletins on state benefits and a confidential help desk service are provided to SPA members. These services are valued by pensioners.

**Achievements and performance**

Following the successful communication to all Shell pensioners by the Pensioners' Administration Team on behalf of the Association, more proposals were received this year than in 2022. During 2023, 34 (2022: 21) new cases were brought to the attention of the Trustees. There was one unresolved case brought forward from 2022. Many of these were debt related and the help given by the Association involved directing pensioners to appropriate social services, debt counselling or by providing advice and guidance about state benefits. However, there were still 23 (2022: 18) grants made in the year totalling £43,236 (2022: £34,051). No loans have been made to pensioners since 2020.

The Trustees were concerned at the continued effect of the rise in the cost of living on pensioners on low incomes and, as was the case in 2022, an additional grant was paid in May through to June 2023 to those who qualified. The Trustees concluded, like last year, that a grant of £400 was appropriate and this was paid to 226 (2022: 269) pensioners at a cost of £90,400 (2022: £107,600).

The largest benevolence cost remained the Christmas grant award. 218 (2022: 219) payments of £450 (2022: £500) each were made in November 2023 through to January 2024 costing £98,100 (2022: £109,500). The Trustees concluded that £450 was the appropriate amount for 2023 after taking into account plans to pay a further

grant in the second quarter of 2024.

During 2023, Tina Gilchrist of CBG Solutions Ltd, in addition to writing articles in the SPA magazine, handled 449 (2022: 503) queries from Shell pensioners on matters relating to, but not limited to, state benefits / pension reforms or tax and lasting powers of attorney. The Association is extremely grateful to Tina for her highly regarded work.

The Trustees reviewed the Association's portfolio in the light of the dramatic increase in interest rates, and the need to potentially fund a deficit in income during the year. Accordingly, the Trustees sold £200,000 from the COIF Charities Investment Fund and £100,000 from the M&G Charifund. £250,000 was invested in a medium-term deposit with Lloyds Bank at an interest rate of 5.08% with the balance funding the deficit.

Following these changes in investments the mix of assets changed with 66% (2022: 70%) invested in equities at the end of the year, 13% (2022: 14%) in property, 12% (2022: 3%) in fixed interest securities, 5% (2022: 8%) in cash, and 4% (2022: 5%) in other investments.

The return on investment was 4.1% (before capital gains / losses), higher than the 3.7% achieved in 2022, mainly due to an increase in return on global equities. The overall return on investment including losses and gains on investments was 8% compared with a negative 5% in the previous year.

In the opinion of the Trustees, the investments are sufficient to fulfil the obligations of the Association.

Acknowledgement is made of the office services and other administration together with the employment costs of the Secretary provided by Shell International Ltd which amounted to £49,623 for the year (2022: £45,839).

The Trustees also acknowledge the considerable support of the PPOs and the Pensioner Programme Manager whose workload was affected by the increase in referrals outlined above.

The active fundraising by the SPA members of the various SPA branches and numerous donations by many individual pensioners are very much appreciated. In addition, the Trustees give their services free, and this is also gratefully acknowledged.

The Secretary and Chairman issue guidelines which help ensure that the PPOs and Trustees share a common understanding of the basis on which benevolence is granted in line with the Association's constitution. These guidelines have been updated during the year and reviewed by the Trustees. The guidelines will continue to be reviewed regularly based on the experience of the benevolence cases submitted, inflation and any poverty guidance issued.

**Financial review**

The most significant item in the financial results of 2023 were the net gains on revaluation of assets of £115,702 compared with net losses of £286,889 in 2022. This was caused by a rise in the global equity markets partly offset by the continual fall in UK commercial property markets in 2023, compared with the dramatic falls in all markets, except the UK equity market, in 2022.

As it is the policy and practice to hold the investments for the long term, fluctuations in gains and losses due to volatility in the financial markets are not a cause for concern provided the overall income is maintained and the underlying investments are still considered sound.

Excluding net gains and losses on the revaluation of investments, the Association showed a deficit of £36,831 in 2023 compared with a deficit of £47,059 in 2022. The improvement was mainly



caused by an increase in investment income and a fall in benevolence offset by a decrease in legacies.

The provision for bad debts remains the same as last year at £17,050, which the Trustees believe is adequate.

The result of the year, including the significant item mentioned above, was an increase in funds of £78,871 (2022: a decrease of £333,948). The total funds carried forward are £3,262,860 (2022: £3,183,989).

A full audit needs to be carried out if the closing gross assets are above £3.26 million and the income above £250,000. Although the gross assets were above the threshold, the income was not. A full audit was therefore not required. The Trustees will continue to monitor these levels to ensure compliance.

### **Risks and future plans**

The Association regularly updates its risks and submits them for discussion by the Trustees at least once a year. The downward trend in donations remains a concern, particularly those from the SPA and its branches as branches continue to close.

It is expected that, as in 2023, communication about the Association's activities will be sent out to all pensioners. The Association takes advantage of the SPA website to communicate with members in need of benevolence.

The Trustees will continue to make grants and loans to pensioners in need whose cases are submitted to them and which meet the stated object of the Association. In addition, the Trustees will keep under review the need for further support to pensioners in the light of developments in the cost of living. The expectation is that 2024 will see benevolence holding at the current level and any shortfall will be funded from reserves.

Shell International Ltd introduced the SPP / PPO service towards the end of 2017 and the Trustees believe that the scheme remains effective as a vehicle for delivering benevolence thanks to the personal commitment and knowledge of the PPOs. The workload of the PPOs nevertheless remains a challenge.

The Association relies on Shell International Ltd to pay for the administrative costs of the charity. The Trustees welcome legacies, which will continue to be invested so that such gifts enable future benevolence.

The Trustees believe that investment income, together with donations, legacies and the healthy level of reserves, will enable the Association to meet the annual deficits that are expected in the future. The funds provide the Association with a solid foundation for continuing future benevolence activities against a background of considerable uncertainty.

### **The Board**

No new members joined the Board in the financial year.

Ms K Saywell and Mr S Pain were co-opted to the Board at the February 2024 meeting and are being proposed as Board members at the AGM in June. Mr C Bowkley has expressed his wish to

retire at the AGM, and the Trustees thank him for his invaluable contribution. The other seven existing Trustees will be offering themselves for re-election at the AGM. The intention is to co-opt the Secretary Mr K Sleat to the Board.

### **Trustees' responsibilities in relation to the Financial Statements**

The Association's Trustees are responsible for preparing a Trustees' annual report and 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 Association's Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and of the incoming resources and application of resources of the Association for that period. In preparing the Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation. The Trustees confirm that it has sufficient reserves and can generate future income to pay benevolence for the foreseeable future.

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

## Financial Statements for the year ended 31 December 2023

### Statement of Financial Activities

	Note	2023 £	2022 £
<b>Income</b>			
<i>Donations and legacies</i>			
Donations and legacies	2	66,141	87,422
Donation as contribution for administration costs		49,623	45,839
		<u>115,764</u>	<u>133,261</u>
Investment income (before capital gains / losses)		128,764	116,670
<b>Total income</b>		<u>244,528</u>	<u>249,931</u>
<b>Expenditure</b>			
<i>Expenditure on charitable activities</i>			
Grants	3	231,736	251,151
Administration and other costs	4	49,623	45,839
<b>Total expenditure</b>		<u>281,359</u>	<u>296,990</u>
<b>Net loss before net gains and losses on investments</b>		(36,831)	(47,059)
Net gains / (losses) on revaluation of investments	8	115,702	(286,889)
<b>Net movement in funds</b>		78,871	(333,948)
<b>Reconciliation of funds</b>			
Funds brought forward		3,183,989	3,517,937
<b>Funds carried forward</b>		<u>3,262,860</u>	<u>3,183,989</u>

### Statement of Cash Flows

	Note	2023 £	2022 £
<b>Net cash used in operating activities</b>	6	<u>(162,797)</u>	<u>(93,830)</u>
<b>Cash flow from investing activities</b>			
Investment income		128,764	116,670
Proceeds from sale of investments		303,689	505,992
Purchases of investments		(250,000)	(500,000)
<b>Net cash provided by investing activities</b>		<u>182,453</u>	<u>122,662</u>
<b>Increase in cash and cash equivalents in the year</b>		19,656	28,832
Cash and cash equivalents at the beginning of the year		111,271	82,439
<b>Cash and cash equivalents at the end of the year</b>	7	<u>130,927</u>	<u>111,271</u>

## Balance Sheet as at 31 December

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	8	3,010,881	2,998,868
<b>Long-term loans</b>			
Loans to SPA members repayable in more than one year	9	48,006	49,698
<b>Current assets</b>			
Investments held for sale	8	50,000	–
Loans to SPA members repayable in less than one year	9	792	842
Accrued income		7	79
Other debtors		31,586	30,601
Cash and cash equivalents	7	130,927	111,271
		<u>213,312</u>	<u>142,793</u>
<b>Current liabilities</b>			
Creditors falling due within one year		9,339	7,370
<b>Net current assets</b>		<u>203,973</u>	<u>135,423</u>
<b>Net assets</b>		<u>3,262,860</u>	<u>3,183,989</u>
<b>The funds of the Association</b>			
Unrestricted income funds		3,262,860	3,183,989
<b>Total funds</b>		<u>3,262,860</u>	<u>3,183,989</u>

Approved by the Trustees on 14 February 2024 and signed on their behalf by **R Waight** – *Chairman*

## Notes to the Financial Statements for the year ended 31 December 2023

### 1. Basis of preparation and accounting policies

a) The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and with the Charities Act 2011.

b) The Financial Statements have been prepared on a going concern basis.

c) Income is accounted for in full when receivable. All donations and other incoming resources received and generated are unrestricted and therefore available as general funds for charitable purposes. However, legacies are invested to fund benevolence for future years. Legacies are recognised as income when receipt is probable, which is generally when probate has been granted, when the executors have confirmed that the estate's assets are sufficient to pay the legacy and when any conditions have either been met or are under the control of the charity.

d) Investments are recognised at market value.

e) Loans repayable in monthly instalments are classified as dated loans. Loans not repayable until an event crystallises repayment (usually sale of the recipient's house, or their death) are classified as undated loans. From 2020, all loans given are dated loans.

f) Cash and cash equivalents comprise cash at bank and deposits of less than 3 months duration.

g) Individual grants are included in the Statement of Financial Activities when they have been authorised by the Trustees and the costs necessitating the grant have been incurred by the Shell pensioner. However, non-specific grants, such as Christmas grants and any mid-year grants, are included in the Statement of Financial Activities in the year for which the grant is made.

h) Office services and other costs, together with the employment costs of the Secretary, are contributed by Shell International Limited. An estimate of the cost of these services is, in accordance with the SORP, included in the Financial Statements as both a donation and an expense. No cost is included in the Financial Statements for the Trustees, who give their services free, or for the support by the Pensioner Programme Officers who make telephone calls as well as visits to Shell pensioners to discuss their needs.

2. Donations and legacies	2023	2022
	£	£
Donations	30,004	25,992
Legacies	36,137	61,430
Total	<u>66,141</u>	<u>87,422</u>

Donations included unconditional donations from Trustees of £1,740 (2022: £1,740).

### 3. Grants

There were no grants authorised by the Trustees but unpaid at 31 December 2023 (2022: £1,034).

4. Administration and other costs	2023	2022
	£	£
Salary and associated costs	38,477	34,806
Office services and other costs	11,146	11,033
Total	<u>49,623</u>	<u>45,839</u>

The Secretary is the only member of staff and works three days per week. The average number of full-time equivalent employees was 0.6 people (2022: 0.6 people).

No fees are paid to the Independent Examiner. However, expenses incurred solely due to the performance of this Examination are reimbursed.

### 5. Trustees' costs

No Trustee received remuneration from the Association. There were £582 (2022: £297) expenses reimbursed to five Trustees for travel and meeting costs. Except for the unconditional donations shown in Note 2, there were no other related party transactions except for a donation from the spouse of a Trustee amounting to £120.

### 6. Reconciliation of net movement in funds to net cash used in operating activities

	2023	2022
	£	£
Net movement in funds	78,871	(333,948)
Deduct investment income	(128,764)	(116,670)
(Deduct) / add net (gains) / losses on revaluation of investments	(115,702)	286,889
Loan repayments	1,742	10,983
(Increase) / decrease in debtors	(913)	52,346
Increase in creditors	1,969	6,570
Net cash used in operating activities	<u>(162,797)</u>	<u>(93,830)</u>

7. Cash and cash equivalents	2023	2022
	£	£
Interest-earning cash at bank	130,598	104,271
Other cash at bank	329	7,000
	<u>130,927</u>	<u>111,271</u>

A cash balance of £456 in the 2022 comparative data has been reclassified as interest-earning due to updated information.



8. Investments	2023	2022
<b>Net gains / (losses) on investments (realised and unrealised):</b>	<b>£</b>	<b>£</b>
COIF Charities Investment Fund	59,250	(137,999)
COIF Charities Global Equity Income Fund	67,870	(94,675)
COIF Charities Property Fund	(24,361)	(52,752)
M&G Charifund	(12,662)	(25,440)
Shares	17,739	29,709
Permanent Interest Bearing Shares (PIBS)	125	(5,825)
Cazenove Charity Multi-Asset Fund	7,741	93
	<u>115,702</u>	<u>(286,889)</u>

<b>The change in the market value during the year:</b>	<b>£</b>	<b>£</b>
At 1 January	2,998,868	3,291,749
Purchases at cost	250,000	500,000
Sales	(303,689)	(505,992)
Net gains / (losses)	115,702	(286,889)
At 31 December	<u>3,060,881</u>	<u>2,998,868</u>

<b>The market value at 31 December:</b>	<b>£</b>	<b>£</b>
COIF Charities Investment Fund	589,101	729,851
COIF Charities Global Equity Income Fund	561,135	493,265
COIF Charities Property Fund	365,936	390,297
M&G Charifund	274,029	386,691
Shares	487,221	473,171
Permanent Interest Bearing Shares (PIBS)	25,625	25,500
Cazenove Charity Multi-Asset Fund	507,834	500,093
Lloyds Bank deposit at 5.08%	250,000	–
	<u>3,060,881</u>	<u>2,998,868</u>

<b>Historic cost at 31 December</b>	<b><u>2,592,594</u></b>	<b><u>2,625,688</u></b>
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The COIF Charities Property Fund requires a 6 month notice period to sell an investment. The Trustees gave notice on 1 December to sell £50,000 of the fund and the sale will go through on 1 June 2024. In accordance with SORP requirements, the £50,000 is shown in current assets as an investment held for sale. The investments are therefore shown in the Balance Sheet as:

	<b>£</b>	<b>£</b>
Investments	3,010,881	2,998,868
Investments held for sale	50,000	–
	<u>3,060,881</u>	<u>2,998,868</u>

## 9. Loans to SPA members

Loans to SPA members are unsecured and interest free.

<b>The change in the number of loans during the year:</b>	<b>2023</b>	<b>2022</b>
At 1 January	18	20
Fully repaid	(1)	(1)
Loan written off	–	(1)
At 31 December	<u>17</u>	<u>18</u>

<b>The change in the amount of loans during the year:</b>	<b>£</b>	<b>£</b>
At 1 January	67,590	79,986
Repayments	(1,742)	(10,983)
Loan written off	–	(1,413)
At 31 December	<u>65,848</u>	<u>67,590</u>
Less provision for bad and doubtful loans	(17,050)	(17,050)
Loans net of provision at 31 December	<u>48,798</u>	<u>50,540</u>

<b>Loans net of provision at 31 December:</b>	<b>£</b>	<b>£</b>
Undated loans repayable in more than one year	60,384	61,284
Dated loans repayable in more than one year	4,112	5,024
	<u>64,496</u>	<u>66,308</u>
Provision for bad and doubtful loans	(16,490)	(16,610)
Loans repayable in more than one year, net of provision	<u>48,006</u>	<u>49,698</u>
Dated loans repayable in less than one year	1,352	1,282
Provision for bad and doubtful loans	(560)	(440)
Loans repayable in less than one year, net of provision	<u>792</u>	<u>842</u>
Total loans net of provision	<u>48,798</u>	<u>50,540</u>

2022 comparative data has been reclassified to correct the analysis between the amounts repayable in more than one year and in less than one year.

## **Independent Examiner's report** to the Trustees of the Shell Pensioners Benevolent Association

I have examined the Financial Statements of Shell Pensioners Benevolent Association for the year ended 31 December 2023 which comprise the Statement of Financial Activities, Statement of Cash Flows, Balance Sheet and related Notes. These Financial Statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **Respective responsibilities of the Trustees and Examiner**

The Association's Trustees are responsible for the preparation of the accounts. The Association's Trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility:

- to examine the financial statements under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

### **Basis of Independent Examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Association and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair' view and the report is limited to those matters set out in the statement below.

### **Independent Examiner's statement**

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the Charities Act; and
  - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

**S Ingall** 14 February 2024

## Ten Year Summary 2014–2023

The following financial data, extracted from the Financial Statements for the period 2014- 2023, illustrate the trend of the Association in pursuance of its object.

£ thousands

	Investment income	Donations	Grants	Surplus (deficit)	Loans repaid	Loans made	Loans less repayments	Net benevolence cash
<b>2014</b>	79.9	54.5	-132.0	<b>2.4</b>	18.6	-10.6	<b>8.0</b>	<b>10.4</b>
<b>2015</b>	79.4	52.4	-155.1	<b>-23.3</b>	35.9	-28.8	<b>7.1</b>	<b>-16.2</b>
<b>2016</b>	81.4	47.2	-111.0	<b>17.6</b>	24.0	-8.9	<b>15.1</b>	<b>32.7</b>
<b>2017</b>	84.9	44.9	-152.0	<b>-22.2</b>	15.3	-3.6	<b>11.7</b>	<b>-10.5</b>
<b>2018</b>	83.1	46.5	-178.3	<b>-48.7</b>	24.4	-20.0	<b>4.4</b>	<b>-44.3</b>
<b>2019</b>	102.9	48.2	-153.0	<b>-1.9</b>	40.3	-4.0	<b>36.3</b>	<b>34.4</b>
<b>2020</b>	109.9	36.5	-175.0	<b>-28.6</b>	6.9	-5.9	<b>1.0</b>	<b>-27.6</b>
<b>2021</b>	108.8	27.7	-128.9	<b>7.6</b>	7.3	–	<b>7.3</b>	<b>14.9</b>
<b>2022</b>	116.7	26.0	-251.2	<b>-108.5</b>	11.0	–	<b>11.0</b>	<b>-97.5</b>
<b>2023</b>	128.8	30.0	-231.7	<b>-72.9</b>	1.7	–	<b>1.7</b>	<b>-71.2</b>
	975.8	413.9	-1,668.2	<b>-278.5</b>	185.4	-81.8	<b>103.6</b>	<b>-174.9</b>

Legacies are not included as they are invested to generate income to fund future benevolence.

## Minutes of the 53rd Annual General Meeting

held on Wednesday 7 June 2023  
at Shell Centre

The Chairman confirmed that the meeting was quorate.  
He then presented his report for the year.

1. The Chairman informed the meeting that 2022 had seen the Board tackle the usual housekeeping issues. The control framework had been updated to ensure it was complete. Long-term cashflow projections were conducted to ensure financial robustness and adequate liquidity. The risk matrix was thoroughly reviewed at the beginning of the year. During the year four meetings were held remotely by Zoom and two in person.

The Board continued to be engaged by the human dimension of the cases brought to its attention. The PPM, each meeting, provided short summaries of some of the cases the PPOs deal with. They were often remarkably challenging. They were rarely just a case of giving money. Receiving letters of gratitude from those the Association has helped had been most gratifying.

The year proved challenging. The cost-of-living crisis presented a big problem for those close to the breadline. Once the likely magnitude of this crisis became apparent, the Trustees responded immediately by introducing an additional grant in the late spring for those deemed most in need. But the Trustees remain aware that the Association was probably still not reaching all those in financial distress.

In 2022 the Association continued to give direct grants, Christmas grants and advice through the PPOs and Tina Gilchrist of CBG Solutions. As already stated, an additional grant was given in May to June in response to the cost-of-living crisis which had seen food inflation running at 16% or more, and energy costs rising strongly. The Trustees were mindful that an RPI applicable to poor pensioners had been higher than that published for the whole demographic by the government.

The PPOs encountered the same problems as in previous years, and the same solutions were given. As usual there were requests for support in acquiring items such as new showers, wheelchairs, etc. The Chairman and the Trustees continued to meet periodically with the PPM and the PPOs and were impressed by the combination of compassion and rigour they bring to their task. This was all the more impressive since they manage with a mere six PPOs covering the whole country.

The PPOs were relieved to be able to resume physical visits in the second half of the year. They made 97 visits in 2022 compared with none in 2021 and 37 in 2020. They continued to expedite contact with various public and private bodies. They confronted the challenge of helping elderly pensioners who were uneasy with using the Internet. A great deal of reliance was still placed on phone calls. The PPOs took 5,557 calls in 2022 compared with 6,379 calls in 2021.

The Chairman confirmed that help given was not always financial. Tina Gilchrist of CBG Solutions had continued to write articles for the SPA magazine and handled 503 queries relating to state-benefits, tax and similar issues. In 2021 the corresponding figure was 445 queries.

During 2022 the Association gave 18 normal grants amounting in total to £34K, compared with 18 in 2021 amounting to £19K. No new loans were given. Although the sum granted was higher than the previous year, the Trustees and PPOs were convinced that the Association was still not reaching all those in need.

### The Chairman then reviewed the Financial Results

The largest benevolence cost in 2022 was, as usual, the Christmas grant. There were 219 recipients compared with 274 in 2021. The magnitude of the grant was increased to £500 from £400. Payments were made in November 2022 through to January 2023, at a total cost of £110K. The corresponding previous year's figure had similarly been £110K. The additional grant, already referred to, was given between May to June 2022 to 269 pensioners and the grant was £400 giving a total cost of £108K. Total grants came to £251K in 2022 compared with £129K in 2021. By a wide margin this was the highest level in the past ten years.

Outstanding interest-free loans decreased in total from £62K at end of 2021 to £51K at the end of 2022. One loan of £1,413 was written off during the year (none in 2021). It had been fully provided for.

Regarding the Statement of Financial Activities, for 2022 there was one significant income item, the net loss on revaluation of assets of £287K compared with a net gain in 2021 of £358K. This was owing to falls in global equity markets and UK commercial property compared with rises in 2021. The Chairman confirmed that fluctuations in gains and losses were not a cause for concern if the overall income was maintained and the investments were sound, which was the case.

Legacy income in 2022 continued to be significant. It was £61K (£71K in 2021). It was mostly received from a single estate. Donations continued to decline. The 2022 figure of £26K was slightly below the previous year's figure of £28K.

Investment income before capital gains and losses was £117K in 2022, above the figure of £109K in 2021. The return on investment of 3.7% was slightly above the 2021 figure of 3.5% owing both to good investment returns and the lower market value of our portfolio.

The investment strategy / performance continued to be scrutinized by a sub-committee and was reviewed by the Trustees.

The Chairman explained that the level of overall investment income and donations excluding legacies was important since it represents the stable and reliable source of income which the Association depends on for benevolence. The total was £143K in 2022, above the 2021 figure of £137K. Grants in total were £251K, way above the 2021 figure of £129K. The resulting deficit (excluding legacies) in 2022 of £109K compared with a surplus of £8K in 2021.

Including legacy income, the Association showed a deficit of £47K in 2022 compared with a surplus of £79K in 2021. The Trustees agreed that the provision for bad debts should reduce to £17K in 2022 from the figure of 18K in 2021 reflecting the write-off mentioned earlier.

The overall result, including the net capital loss on

revaluation, was a decrease in funds of £334K compared with the increase of £437K seen in 2021. Total funds carried forward were £3,184K against £3,518K in 2021.

In 2022 both the income and total assets of the Association were below the levels required for a full audit to take place. The Chairman confirmed that the Trustees would continue to monitor this to ensure compliance with audit requirements.

The Chairman explained that most of the Association's funds are held as fixed assets. At the end of the year the Association invested £500K in the Cazenove Multi-asset Fund by selling £400K from the Association's CCLA Investment Fund and £100K from its CCLA Global Equity Income Fund. The Association did this following a review of its portfolio.

During the year, the Association saw a decrease in its fixed assets from £3.29 million to £3.0 million. These fixed assets are now managed by CCLA, M&G and Cazenove, or as equities held directly by the Association.

At the end of the year, CCLA funds comprised: the COIF Property Fund (£390K), the COIF Investment Fund (£730K) and the COIF Global Equity Income Fund (£493K). The fund managed by M&G comprised its Charifund (£387K). The fund managed by Cazenove amounted to £500K. Directly held shares amounted to £473K and Permanent Interest-Bearing Shares 26K.

Regarding the underlying composition of these assets, and rounding to the nearest percentage point - at the end of 2022, the mix of assets saw a decrease in equities from 75% to 70%, an increase in fixed interest from 1% to 3%, and an increase in cash from 5% to 8%. Property remained at 14% and other investments at 5%. The return on investment was 3.7% before capital gains and losses, compared with 3.5%, as mentioned earlier. The Chairman confirmed that, in the opinion of the Trustees, investments were sufficient to fulfil the obligations of the Association.

### **The Chairman then went on to discuss Risks and Future Plans**

He stated that the Association was well placed to face the foreseeable future. Clearly poorer pensioners were facing straitened times and this was likely to remain the case for some time. The Association's immediate response, to give the additional grant in the Spring, will be repeated in 2023.

In 2022 the Trustees of the Association concluded that inclusion of an insert in the Shell pension increase letter was most likely to reach a wider population of pensioners. Although the Chairman admitted he was trespassing on 2023, he thought the members would be interested to know that Shell Pensions kindly agreed to include an insert advertising the Association and what it can do to help those in financial distress. It also mentioned the Shell Pensioner Programme. This had a dramatic effect. The insert was a great success. The Association has seen a dramatic increase in applications for help, including many pensioners with shockingly low net disposable incomes. The number of normal grants in the whole of 2022 was 18 and the amount paid out was £34K. The number of applications for grants

sent to the April Board was 13, with 8 more in the pipeline, with an estimated cost of £60K. It seems that the level of normal grants in 2023 will be between 2 and 3 times the previous year's level and higher than in any previous year. The Association will discuss with Shell Pensions the possibility of repeating this in 2024.

Following the insert, the number of pensioners being nominated for a Spring / Christmas grant also increased. The final number is expected to be higher than for last year's Christmas grant. The Chairman confirmed that was the first time since the PPO system was started that the number of pensioners eligible for a Christmas or additional grant had risen. Despite this significant increase in actual and likely benevolence, the Chairman asserted that the Association's healthy funding position meant that it would be able to continue to fulfill its objectives.

The Chairman then expressed thanks to various parties: Shell International Limited for reimbursing the costs of office services and administration as well as the employment costs of the Secretary and the PPOs; the PPOs and PPM for their managing in a tough climate; the Association's many donors, both individual and those who donate through the SPA branches; and the Independent Examiner, Simon Ingall. The Chairman pointed out how professional the accounts were compared with most charities. He then thanked Ken Sleat, the Secretary and, finally, the Trustees for their understanding, support and time, which are given freely throughout the year.

2. There were no questions, and the meeting moved to approving:
  - The Report of the Trustees.
  - The Financial Statements made up to 31 December 2022.
  - The Report of the Independent Examiner.
3. The Chairman confirmed that all 9 Board members had offered themselves for re-election. They were Roy Waight, Veronica Carter, Chris Nancarrow, Gil Springett, Colin Bowkley, Stuart Tester, David Lewis, Sue Oxspring and Ken Sleat (the Secretary). The AGM approved these appointments which will apply until next year's AGM in 2024. The Chairman explained that the Association is actively seeking new Board members.
- The Chairman explained that he intended to nominate all the Board members, except the Secretary, as Trustees of the Association at the Association's Board meeting which would briefly reconvene after the AGM.
4. The meeting then approved the appointment of Simon Ingall as Independent Examiner for another year.
5. The Chairman expressed the hope that the AGM in 2024 would again be held in Shell Centre, with the date and the location to be confirmed with the SPA. The meeting delegated the decision as to the AGM venue and date to the Board.
6. At the end of the meeting, it became apparent that the Chairman had not obtained formal agreement to the minutes of the previous AGM. A quorate number of members was convened and approved the minutes.

There being no other business, the Chairman closed the meeting.



## Please give generously to the Association

Your Association could not help ex-colleagues without your help. The Association, with the help of the Pensioner Programme Officers, frequently come across those in poverty needing help, for example:

- Pensioners with very small pensions due to short service or who relied significantly on overtime which was non-pensionable.
- Pensioners or their dependants who are suffering illness or pain from asthma, Alzheimer's, blindness, cancer, diabetes, stroke, MND, paralysis, etc, making it very difficult for people to look after themselves.
- Those in debt to the extent it is no longer manageable, possibly due to financial mismanagement but sometimes due to illness or unfortunate family circumstances. Guidance is provided to them by the Pensioner Programme Officers. If the Trustees are satisfied that the pensioner will manage their affairs better (cut up credit cards, etc) temporary financial assistance such as an interest-free loan will be provided to assist a "fresh start".

The sort of help with which your Association assists:

- Stair lifts, recliner chairs and bathroom modifications.
- Wheelchairs and mobility scooters.
- Nursing care for a few days to give a partner a break.
- Prompt medical treatment if in pain, or taxis to hospital for treatment or visiting partners / dependants.
- Urgent house repairs, central heating repairs, new boilers, kitchen equipment, etc.
- Small items such as replacement dentures, spectacles, etc.
- Over 200 Christmas grants and mid-year grants of up to £500.

To give this assistance, we need your help. There is no benevolence budget from Shell. The Association relies on generous voluntary donations from SPA members. Unlike most other charities, none of the members' donations are spent on advertising or administrative costs - 100% is spent on assisting fellow pensioners in need.

The qualification for membership is a donation to the Association. This report has been sent to all members – currently over five hundred pensioners. The Trustees are extremely grateful to you all.

If you are not a current donor and would like to donate by Gift Aid, please use the attached cut off document and send it to the Secretary / Treasurer at the address indicated on the form. Alternatively please give the form to a fellow pensioner who may wish to donate.

All donations are welcome, no matter how small. However, regular giving is particularly beneficial as it enables the Trustees to plan future benevolence. If you are a taxpayer,

giving by Gift Aid is the most tax efficient method.

The ways in which you could make your donation are:

1. Single or occasional cheque payments to us (the Association would get the basic rate tax back through your Gift Aid declaration and you would get any higher rate tax relief - £10.00 given by you would be worth £12.50 to the Association).
2. An annual or monthly standing order from your bank to ours (the Association would get the basic rate tax back through your Gift Aid declaration and you would get any higher rate tax relief – again, each £10.00 given by you would be worth £12.50 to the Association).
3. Charities Aid Foundation vouchers and cheques are also very welcome.

To use 1 or 2 above, please send a cheque or completed Standing Order form together with the completed Gift Aid Declaration. Please note that if you have sent a signed gift aid form in the last 4 years there is no need to sign a new form.

Making a bequest is a convenient way of supporting the charity after your death. Legacies received give a long-term benefit to the Association as the amount is invested to fund future benevolence. Legacies to charities are excluded from an individual's estate for Inheritance Tax purposes, thereby reducing the Inheritance Tax payable by 40% of the legacy. To make a bequest, include in your will as a beneficiary "Shell Pensioners Benevolent Association, Charity No. 262049" with any communication for the attention of the Secretary / Treasurer, Shell Pensioners Benevolent Association, Shell Centre, London SE1 7NA.

It would be very helpful if you could inform the Secretary / Treasurer of any legacy that you plan to give to the Association.

## Gift Aid declaration

(On completion, please send to: The Secretary / Treasurer, Shell Pensioners Benevolent Association, Shell Centre, London SE1 7NA)

### Shell Pensioners Benevolent Association

Charity No. 262049 registered with the Charity Commission on 15 March 1971

Title

Forename(s)

Surname

Address

Postcode

Email

Phone no.

Shell pension no.

Please treat as Gift Aid to the Shell Pensioners Benevolent Association all donations I make from the date below until I notify you otherwise. I am a UK taxpayer and understand that if I pay less Income Tax and / or Capital Gains Tax in a tax year than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.

Please notify the SPBA if you:

- ☐ want to cancel this declaration
- ☐ change address
- ☐ no longer pay sufficient tax on your income and / or capital gains

Signed

Date

## Standing order

(On completion, please send to: The Secretary / Treasurer, Shell Pensioners Benevolent Association, Shell Centre, London SE1 7NA)

To

Bank Plc

Address

Postcode

My Account No.

Branch Sort Code

Please pay the Shell Pensioners Benevolent Association, Account No. 25488860, Sort Code 30-91-79 held at Lloyds Bank plc, The Strand London Branch, PO Box 1000, London BX1 1LT

the sum of £ \_\_\_\_\_ (in words – \_\_\_\_\_ pounds only)

commencing on or about the fifth day of \_\_\_\_\_ (specify month)

and every **month / year** (*specify frequency by deleting as appropriate*) thereafter until further notice.

Please quote reference (*insert donor's name*) \_\_\_\_\_ – GIFT AID

Signed

Date



