

WESTON PROVIDENT FUND

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
5 APRIL 2021**

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WESTON PROVIDENT FUND

REFERENCE AND ADMINISTRATION INFORMATION OF THE FUND

Charity Number:	283311
Address:	50/51 Russell Square London WC1B 4JU
Trustees:	John Bason, Chairman David Yiend (resigned 24 May 2021) Kari Rodgers Helen Byrne
Secretary to the Trustees:	Karen Bennett
Auditor:	Ernst & Young LLP Apex Plaza Forbury Road Reading RG1 1YE
Banker:	Bank of Scotland Citymark 150 Fountainbridge Edinburgh EH3 9PE
Investment Manager:	Fidelity Investment Services Limited Kingswood Fields Millfield Lane Tadworth Surrey KT20 6RP
Solicitor:	Herbert Smith Freehills LLP Exchange House Primrose Street London EC2A 2EG

WESTON PROVIDENT FUND

TRUSTEES' REPORT

The Trustees present their Annual Report along with the financial statements of the Fund for the year ended 5 April 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 14 and comply with the Fund'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 October 2019.

Objectives and activities

The Weston Provident Fund (the "Fund") was established with the purpose to relieve poverty among employees, former employees and dependants of such employees of UK companies of the Associated British Foods Group (ABF).

Achievements and performance

Every year since 1981, the Trustees have provided grants to pensioners in the defined benefit section and retired members from the defined contributions section of the Associated British Foods Pension Scheme who fulfil certain criteria together with a small number of elderly insured pensioners. The Trustees have continued the practice of recent years to target grants for pensioners over 65 years of age who have worked for an ABF company in the UK for 13 years or more (or the dependants of such pensioners). For the December 2009 grants and those in subsequent years, the Trustees have requested each potential beneficiary to submit a statement of means before being considered for a grant. Grants were not awarded to individuals who did not provide a statement of means nor to those that the Trustees did not consider to be living in poverty.

Applications for special grants at any time of the year continue to be considered on an individual basis. The Trustees intend to continue with this grant-making policy for the foreseeable future.

The total amount paid out in grants each December and May are decided by the Trustees after having regard to the amount of income earned by the Fund's investments. Arising from the December 2020 grant exercise a total of 1,214 grants were issued (December 2019: 1,167) totalling £1,193,600 (December 2019: £924,500). In December 2020 all grants were for £600 (December 2019: £600) and in May 2021 all grants were for £300 (May 2020: £300). Most grants have been paid direct to the recipients' bank accounts.

There were 20 special grants paid during the year totalling £91,450 (2020: 4 grants totalling £12,350). As well as grants, the Fund continues to pay monthly pensions. The number of people in receipt of pensions from the Fund at the year end was 2 (2020: 1).

The Trustees have continued to raise awareness of the Fund within the ABF HR community. This has meant more people who are in financial need have been directed to towards the Fund for help. The Trustees have also discussed the support that can be provided to people who find themselves in financial need at no fault of their own due to the impact of the Covid-19 pandemic.

None of the Trustees, nor any connected person, has ever received any grant, benefit or remuneration from the Fund (although Trustees may be reimbursed from the Fund for travel and subsistence expenses in attending meetings).

Financial review

Donations to the Fund have been made from time to time by the Trustees of the Garfield Weston Foundation. Except for 38,665 ordinary shares in Associated British Foods plc which are held directly by the Fund and cash balances kept with Bank of Scotland, the accumulated investments of the Fund are managed by the Fund's Investment Manager. Historically, income from the investments was returned to the Fund's Trustees in order for them to pay grants and pensions as well as the ongoing expenses of administering the Fund. However, since February 2020 the Trustee has reinvested the investment income and will disinvest the required funds to cover grant payments when required.

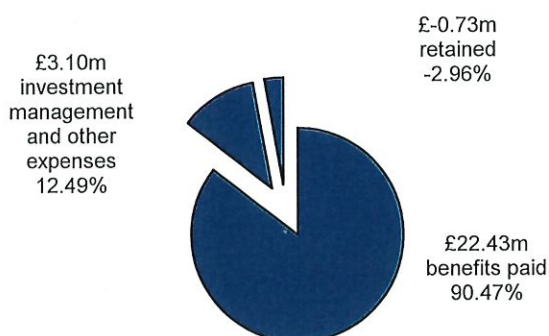
The assets are invested in an income generating blended fund with Fidelity, the Fidelity Multi Asset Income Fund. The fund has a strategic allocation of approximately 40% in Income Assets, 30% in Hybrid Assets and 30% in Growth Assets.

WESTON PROVIDENT FUND

TRUSTEES' REPORT (continued)

All donations, together with the accumulated capital appreciation, are held within the Expendable Endowment which will normally be treated as capital funds but may, at the discretion of the Trustees, be applied as income in furtherance of the objectives of the Fund. All accumulated investment income over and above the cost of benefits and expenditure is treated as Unrestricted Funds.

From the original donations of £6.1m the Fund has earned income of £24.7m since 1981 which has been used as shown in the diagram below:



As at 5 April 2021, the Unrestricted Funds amounted to £721,074 compared to the investment income for the year of £990,163.

The Trustees continue to monitor the accumulated surplus of income over expenditure.

Plans for future periods

The Trustees continue to monitor the criteria they use to determine to whom grants should be paid. They are also monitoring the investment returns, particularly in view of the current economic climate, to ensure that the Fund has sufficient resources to continue grants at similar levels in future. The Trustees consider expenditure on grant payments over the year against the level of income generated by the investment returns.

There are no material uncertainties about the Fund's ability to continue as a going concern. There are no 'entitlement to benefits' payable from WPF so from a value of the Fund perspective, if this falls as a result of Covid-19 the Trustees would still be in a position to meet the fairly modest number of adhoc grant requests that are received. The level of pensioner grants that are now paid in December and May are decided on annually. This is established on the number of recipients who have qualified based on their response to a statement of means and also the funds available for distribution. The Fund manager shares monthly reports on the value of the fund with the Trustees so fund performance is visible between the meeting dates.

Structure, governance and management

The Fund was established by Trust Deed in June 1981 and is registered as charity number 283311.

During the year David Yiend resigned from the board. There are no plans for a replacement to be appointed. Training was provided to all new Trustees pre Covid-19 lockdown in the form of on-site meetings with the Secretary of the Fund and the ABF Group Pensions Finance Team who produce the Annual Report and Accounts. Virtual on-line Investment training has been provided to the Trustees by Fidelity.

Updates on relevant legislative and regulatory changes are normally provided by the Secretary who draws on a number of sources, including the Charity Commission website and matters advised by the Fund's auditor. The Trustees also consider the use of web-based training and external courses where these may be cost effective.

Trustees receive periodic investment updates and formally meet with the Investment Manager twice a year to appropriately forecast the level of investment income to be generated.

In terms of day to day management, all Trustees are communicated with regard to applications for financial assistance. All large ad-hoc grants require two or more Trustees to be in agreement before payment is made with small grants being approved by the Secretary to the Trustees and the Pensions Director.

WESTON PROVIDENT FUND

TRUSTEES' REPORT (continued)

Reference and administrative details

The names of the current Trustees are listed on page 2. The power to appoint or remove any of the Trustees is vested in the Chairman of Associated British Foods plc. Having no employees of its own, the Fund is administered on behalf of the Trustees by the ABF Group Pensions Department at 50/51 Russell Square, London, WC1B 4JU.

Public benefit

"Public benefit" is the legal requirement that every organisation set up for charitable aims must be able to demonstrate that its aims are for the benefit of the public. The Fund has the aim of relieving poverty which the Trustees discharge principally by providing grants to poor elderly people at a time of the year when the Trustees consider that the extra money will be of most assistance. In recognition of the fact that beneficiaries are not just in financial need during the winter months, the Trustees have agreed to make two payments per year, the largest being paid in December followed by another one in the Spring. Benefit is provided to a section of the public, being individuals who have worked for or are a dependant of someone who has worked for a UK company within the Associated British Foods Group. Apart from this requirement there are no geographical or other restrictions.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Fund's aims and objectives and in planning future activities and setting the grant making policy for the year.

In January 2011 the Attorney-General referred to the Charity Tribunal the question of whether employer-related charities such as the Fund satisfy the public benefit test. The Tribunal decision confirmed the charitable status of approximately 1,500 registered charities that were established for the relief of poverty amongst beneficiaries who are defined by reference to a person, organisation or employer.

For the Fund this means it can now continue to pursue its objectives without fear of falling foul of the public benefit requirement set out in the Act.

Risk management

The Trustees have identified the operational and financial risks which the Fund faces in a Risk Management Review and have established controls intended to mitigate those risks. The Risk Management Review is revisited at least annually. The principal risks identified, and steps taken to mitigate these risks by the Trustees are:

- Reduction or loss of capital - monthly investment reports are issued to the Trustees for review
- Insufficient income – bank reconciliations and cashflow monitoring, together with accumulated investment income calculations
- Ineligible or fraudulent claimants – all grant claims are investigated and annual grants are paid to existing pensioners whom are subject to ID and mortality checks
- Unnotified deaths of beneficiaries – mortality checks are completed
- False or misleading accounts – accounts are prepared in accordance with internal controls, the financial framework (SORP) and are subject to an external independent audit

INVESTMENT REPORT FOR THE YEAR ENDED 5 APRIL 2021

UK Market Review

Global equities, as measured by the MSCI World Index, performed positively over the year. After the Covid-19 driven crisis in early 2020, equities rallied amid large-scale policy measures unveiled globally to mitigate the economic impact of the pandemic. The resumption in economic activity amid the easing of lockdown measures across countries and positive news around Covid-19 vaccines and treatments also supported investor sentiment. Notably, encouraging vaccine trials and the subsequent rollout of vaccination programmes to combat the virus globally in the second half of the year fuelled optimism towards the ongoing economic recovery. However, various waves of rising infections and the re-imposition of targeted mobility restrictions in many regions, as well as concerns over new, more infectious Covid-19 strains kept markets volatile. Against this global backdrop, all key regional equity markets ended higher. From a sector perspective, consumer discretionary, materials and information technology were among the leading performers.

Global bond markets generated mixed returns over the year, with corporate bonds outperforming government bonds. After witnessing the most aggressive sell-off in risk assets with the spread of the Covid-19 pandemic in March 2020, risk sentiment rebounded sharply. The massive monetary and fiscal stimulus on a global scale helped reverse the credit spread widening. Credit spreads continued to tighten in 2021 amid growing optimism regarding an economic recovery and rising Covid-19 vaccinations. In contrast, government bonds witnessed a year of two halves. Yields fell in the first half as investors turned to safe haven assets amid fears over the pandemic but rose in the second half given the momentum in recovery. Since the start of 2021, both nominal and real yields, i.e. inflation-adjusted yields, have risen sharply.

Investors priced in a positive outlook on growth and inflation, with most developed market economies expected to reopen and rebound strongly in 2021. Longer-term US Treasury yields rose amid higher domestic fiscal stimulus and on hopes that vaccines would spark an economic recovery. Eurozone and UK government bond yields also rose, tracking US Treasuries higher.

Investment Policy

The target asset allocation for the Fund is 40% in Income Assets, 30% in Hybrid Assets and 30% in Growth Assets. Broad-based, trend-like growth and favourable financial conditions combined to create a supportive backdrop for risky assets.

Investment Performance

The portfolio returned 16.7% over the year. The Fund does not have a benchmark, rather it has an objective to deliver a sustainable income stream of 4-6% p.a. over a market cycle, with low volatility and capital preservation, which was achieved by the Fund.

The capital value of the Fund rose from £20.9m to £23.7m over the year and income received over the year totalled £990,163.

(Source for all performance data: Fidelity International)

WESTON PROVIDENT FUND

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Fund and of net income or expenditure and application of resources of the Fund for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments 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 Fund will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Fund's transactions and disclose with reasonable accuracy at any time the financial position of the Fund and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the Auditor


The Trustees who held office at the date of approval of the Trustees' report confirm that, so far as they are aware there is no relevant audit information of which the Fund's auditor is unaware. Each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

Auditor

Ernst & Young LLP will continue in office as auditor of the Fund for the next financial year.

The financial statements were approved by the Trustees on

17/1/2022


Chair of the Trustees


Secretary to the Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WESTON PROVIDENT FUND

Opinion

We have audited the financial statements of Weston Provident Fund (the 'Fund') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement Cash Flows and the related notes 1 to 12, including as summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the Fund's affairs as at 5 April 2021 and of its net expenditure and application of resources, for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Fund 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 Fund's ability to continue as a going concern for a period of twelve months from date of approval of the financial statements.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trustee's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained in the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WESTON PROVIDENT FUND (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- ▶ the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- ▶ sufficient accounting records have not been kept; or
- ▶ the financial statements are not in agreement with the accounting records and returns; or
- ▶ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 7, 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 Fund'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 management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WESTON PROVIDENT FUND (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, FRS102 The Financial Reporting standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the The Financial Reporting standard applicable in the UK and Republic of Ireland.
- We understood how the Fund is complying with those frameworks by making enquiries of the Trustees. We corroborated those enquiries through review of the minutes of Trustees' meetings.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements and documenting the controls that the Fund has established to address risks identified, or that other wise seek to prevent, deter or detect fraud. In our assessment we considered the risk of management override. Our audit procedures included testing manual journals, including segregation of duties.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved making enquiries of the Trustees for their awareness of any noncompliance with laws or regulations and review of minutes of meetings of the Trustees.

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

Use of our report

This report is made solely to the 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 Fund's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ernst & Young LLP

Statutory Auditor

Newcastle upon Tyne

28 January 2022

Ernst & Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WESTON PROVIDENT FUND

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	Note	Unrestricted Funds 2021 £	Expendable Endowment 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS					
Investment income	3	990,163	-	990,163	993,630
Total incoming resources		<u>990,163</u>	<u>-</u>	<u>990,163</u>	<u>993,630</u>
EXPENDITURE					
Costs of generating funds					
Investment management costs	4	<u>87,090</u>	<u>-</u>	<u>87,090</u>	<u>88,358</u>
Expenditure on charitable activities	6				
Annual grants to individuals		1,266,930	-	1,266,930	996,549
Special grants to individuals		93,250	-	93,250	13,340
Pensions to individuals		3,083	-	3,083	4,432
Cost of grant making		<u>1,363,263</u>	<u>-</u>	<u>1,363,263</u>	<u>1,014,321</u>
Total Expenditure		<u>1,450,353</u>	<u>-</u>	<u>1,450,353</u>	<u>1,102,679</u>
Net expenditure and net movement in funds before gains on investments		(460,190)	-	(460,190)	(109,049)
Net gains on investments	7	<u>27,792</u>	<u>2,714,933</u>	<u>2,742,725</u>	<u>(2,507,265)</u>
Net movement in funds		(432,398)	2,714,933	2,282,535	(2,616,314)
RECONCILIATION OF FUNDS					
Total funds brought forward		302,475	20,857,434	21,159,909	23,776,223
Transfer between sections		850,997	(850,997)	-	-
Total funds carried forward		<u>721,074</u>	<u>22,721,370</u>	<u>23,442,444</u>	<u>21,159,909</u>

The notes on pages 14 to 17 form part of these financial statements.

The Fund has no recognised gains or losses other than the net movement in funds for the year.

The net expenditure and resulting net movement in funds arise from continuing operations.

The transfer between sections relates to the rebalance of the Expendable Endowment and Unrestricted Funds held at year end.

WESTON PROVIDENT FUND

BALANCE SHEET

At 5 April 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	7	23,740,195	20,857,434
Current assets			
Debtors	8	73,309	74,506
Cash at bank	9	79,722	543,125
		<u>153,031</u>	<u>617,631</u>
Liabilities			
Creditors: amounts falling due within one year	10	(450,782)	(315,156)
Net current (liabilities)/ assets		<u>(297,751)</u>	<u>302,475</u>
Total assets less current liabilities	11	<u>23,442,444</u>	<u>21,159,909</u>
The funds of the Fund			
Unrestricted	11	721,074	302,475
Expendable endowment	11	<u>22,721,370</u>	<u>20,857,434</u>
		<u>23,442,444</u>	<u>21,159,909</u>

Authorised for issue by the Trustees on
and signed on its behalf by

17/11/2022


Chair of the Trustees


Secretary to the Trustees

The notes on pages 14 to 17 form part of these financial statements.

WESTON PROVIDENT FUND**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 5 APRIL 2021****Statement of cash flows**

	Note	2021 £	2020 £
Cash flows from operating activities:	Table 1	(1,314,849)	(872,005)
Net cash provided by/(used in) operating activities			
Cash flows from investing activities			
Dividends and interest from investments		991,482	995,504
Proceeds from sale of investments		875,669	113,049
Purchase of investments		(1,015,705)	(148,652)
Net cash provided by/(used in) investing activities		851,446	959,901
Change in cash and cash equivalents in the year		(463,403)	87,896
Cash and cash equivalents at the beginning of the year		543,125	455,229
Cash and cash equivalents at the end of the year	Table 2	79,722	543,125

Table 1: Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	2,282,535	(2,616,314)
Deduct interest income shown in investing activities	(990,163)	(993,630)
Deduct gains/add back losses on investments	(2,742,725)	2,507,265
(Increase)/decrease in debtors	(122)	106
(Decrease)/increase in creditors	135,626	230,568
Net cash used in operating activities	(1,314,849)	(872,005)

Table 2: Analysis of cash and cash equivalents

	2021 £	2020 £
Notice deposits (less than 3 months)	79,722	543,125
Total cash and cash equivalents	79,722	543,125

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at 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 (FRS 102)' issued October 2019 and the Financial Reporting Standard applicable in the applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

2. ACCOUNTING POLICIES

(a) Funds

All capital gains and losses, realised and unrealised, are allocated to the Expendable Endowment and all investment income, grants, pensions and administration expenses are allocated to the Unrestricted funds. Gifts to the Fund, should they occur, would be allocated to the Expendable Endowment (unless at any time the donor had given other instructions).

(b) Valuation of investments

Investments are included in the Balance Sheet at their bid-market value or official closing price at the year end. The valuation of holdings in pooled investment vehicles is provided by the investment manager.

(c) Income and expenditure

All income and expenditure is dealt with on an accruals basis. Single or multi-year grants are accounted for when either the qualified recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Fund.

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the Fund and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance and support costs relating to charitable activities have mainly been apportioned to annual grants to individuals with a cost apportioned to special grants as a fee per payment and pensions to individuals based as a fee per pensioner in payment at the year end.

(d) Realised and unrealised gains and losses

Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities on the basis of the difference between sale proceeds and historical cost. Unrealised gains and losses arise from the revaluation of investments to year end market values.

(e) Reserves

The Trustees do not have a policy for maintaining reserves. Amounts held within the Expendable Endowment which will normally be treated as capital funds but may, at the discretion of the Trustees, be applied as income in furtherance of the objectives of the Fund. All accumulated investment income over and above the cost of benefits and expenditure is treated as Unrestricted Funds.

The net current liabilities of the fund will from time to time be negative. The pooled investments held by the fund are highly liquid and therefore the Trustees can withdraw funds where necessary in order to make payments.

WESTON PROVIDENT FUND**NOTES (continued)****3. INVESTMENT INCOME**

	2021	2020
	£	£
Dividends from directly held UK equities	-	17,921
Income from Multi Asset Fund	989,715	972,944
Interest on cash deposits	448	2,765
	<u>990,163</u>	<u>993,630</u>

4. INVESTMENT MANAGEMENT COSTS

	2021	2020
	£	£
Investment management fees	<u>87,090</u>	<u>88,358</u>

5. ALLOCATION OF GOVERNANCE AND SUPPORT COSTS

The breakdown of support costs and how these were allocated between governance and other support costs for the year ended 5 April 2021 is shown in the table below:

	Total allocated	Governance related	Other support costs
	£	£	£
Bank charges	183	-	183
Administration costs	50,000	15,000	35,000
Communications	9,644	-	9,644
Computer consultancy	<u>7,117</u>	<u>-</u>	<u>7,117</u>
	<u>66,944</u>	<u>15,000</u>	<u>51,944</u>

	2021	2020
	£	£
Governance Costs		
Audit fees	8,000	7,800
Information Commissioner charges	200	124
Legal fees	-	9,688
Trustee meeting expenses*	-	366
Accounting and secretarial (above)	<u>15,000</u>	<u>15,000</u>
	<u>23,200</u>	<u>32,978</u>

*Trustees were reimbursed a total of nil (2020: two Trustees, £366) from the Fund during the year for travel and subsistence in attending Trustee meetings.

The support costs are mostly attributable to the provision of annual grants to individuals with a fixed fee per member and a fixed fee per payment allocated to pensions and special grants to individuals retrospectively. The Trustees have decided to meet all support and governance costs from Unrestricted funds and so no allocation or charge is made to restricted funds for any of these costs.

WESTON PROVIDENT FUND

NOTES (continued)

6. EXPENDITURE ON CHARITABLE ACTIVITIES

Breakdown of costs 2021	Grant funded activities	Support and governance costs	Total
	£	£	£
Annual grants to individuals	1,193,600	73,330	1,266,930
Special grants to individuals	91,450	1,800	93,250
Pensions to individuals	3,069	14	3,083
	<u>1,288,119</u>	<u>75,144</u>	<u>1,363,263</u>

Breakdown of costs 2020	Grant funded activities	Support and governance costs	Total
	£	£	£
Annual grants to individuals	924,500	72,049	996,549
Special grants to individuals	12,350	990	13,340
Pensions to individuals	4,418	14	4,432
	<u>941,268</u>	<u>73,053</u>	<u>1,014,321</u>

Support and governance costs in the year to 5 April 2021 include £50,000 (2020: £50,000) in respect of services provided by the ABF Group Pensions Department (see note 12).

7. INVESTMENTS

	Market Value 2020	Purchases	Sales Proceeds	Realised and Unrealised Gains and Losses	Market Value 2021
	£	£	£	£	£
Fidelity Multi Asset Fund	20,185,049	1,015,705	(875,669)	2,467,430	22,792,515
UK Equities (directly held)	672,385	-	-	275,295	947,680
	<u>20,857,434</u>	<u>1,015,705</u>	<u>(875,669)</u>	<u>2,742,725</u>	<u>23,740,195</u>

The change in market value of investments comprises all increases and decreases in the market value of investments held at any time during the year and includes profits and losses realised on sales of investments during the year.

8. DEBTORS

	2021	2020
	£	£
Accrued investment income	66,968	68,287
Rebate due from investment manager	6,341	6,219
	<u>73,309</u>	<u>74,506</u>

9. CASH AT BANK

	2021	2020
	£	£
Current account	<u>79,722</u>	<u>543,125</u>

10. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Accrued expenses	86,182	90,356
Accrued grants	364,600	224,800
	<u>450,782</u>	<u>315,156</u>

Accrued expenses at 5 April 2021 include £50,000 (2020: £50,000) in respect of services provided by the ABF Group Pensions Department for that year (see note 12).

WESTON PROVIDENT FUND**NOTES (continued)****11. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Investments	Net Current Assets	Total
	£	£	£
Unrestricted funds	1,018,825	(297,751)	721,074
Expendable Endowment	22,721,370	-	22,721,370
	<u>23,740,195</u>	<u>(297,751)</u>	<u>23,442,444</u>

	Investments	Net Current Assets	Total
	£	£	£
Unrestricted funds	-	302,475	302,475
Expendable Endowment	20,857,434	-	20,857,434
	<u>20,857,434</u>	<u>302,475</u>	<u>21,159,909</u>

As disclosed on page 4, amounts held within the Expendable Endowment which will normally be treated as capital funds but may, at the discretion of the Trustees, be applied as income in furtherance of the objectives of the Fund. All accumulated investment income over and above the cost of benefits and expenditure is treated as Unrestricted funds.

12. RELATED PARTY TRANSACTIONS

In addition to the investments held with Fidelity, the Fund holds 38,665 (2020: 38,665) shares in Associated British Foods plc, valued at £947,680 (2020: £672,385). Dividends received during the year from the Associated British Foods shares totalled £nil (2020: £17,921).

None of the Trustees, nor any connected person, has ever received any grant, benefit or remuneration from the Fund (although Trustees are reimbursed from the Fund for travel and subsistence expenses in attending meetings as described in note 5). The Fund has no employees of its own and is administered on behalf of the Trustees by the ABF Group Pensions Department at 50/51 Russell Square, London, WC1B 4JU. The Trustees have accrued £50,000 in these financial statements as an estimate of the cost of services provided by the ABF Group Pensions Department for the year to 5 April 2021. These costs are included in the financial statements as follows:

	2021	2020
	£	£
Within charitable activities	35,000	35,000
Within governance costs	15,000	15,000
	<u>50,000</u>	<u>50,000</u>