

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**A Company Limited by Guarantee
Registered Charity**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

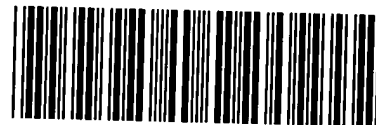
31st MARCH 2021

**Registered Charity Number 1095897 (England & Wales) SC039255 (Scotland)
Company Registered in England and Wales Number 04620683**

Registered Office and Principal Address:

**2 Lakeside Business Park,
Swan Lane,
Sandhurst, Berkshire
GU47 9DN**

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NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2021

| CONTENTS | Page |
|---|-------------|
| Legal and Administrative Details | 3 |
| Chairman's Statement | 4 |
| Trustees' Report | 8 |
| Independent Auditor's report | 14 |
| Consolidated Statement of Financial Activities (including Income and Expenditure account) | 18 |
| Consolidated and Charity Balance Sheets | 19 |
| Group Cash Flow Statement | 21 |
| Notes to the Financial Statements | 22 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
YEAR ENDED 31st MARCH 2021

LEGAL AND ADMINISTRATIVE DETAILS

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. An explanation of the method of appointment of Trustees is provided in the Trustees' Report.

The Trustees serving during the year and at the time the accounts were signed were:

| | |
|------------------|------------------------|
| R H Bartlett | (Appointed 22/09/2020) |
| B W Dalla Mura | |
| J M Gordon | (Retired 28/04/2021) |
| L D Hendle | |
| D C Hudson | (Retired 11/11/2020) |
| N F Matthews OBE | (Retired 11/11/2020) |
| M McKenzie | |
| H E Murray | |
| D Pervez | (Appointed 22/09/2020) |
| M P Smith | |
| R A M Smith | Chairman |
| L A Stigant | |
| H M Tatum | (Appointed 11/05/2021) |
| H M Tucker | |
| J C Uttley | |
| D C Wheeler | Treasurer |
| M R Williamson | |

| | |
|-----------------------------|---|
| Life Patrons | Lord Price CVO; Mike Coupe; Paul Monk |
| President | Charles Wilson |
| Chief Executive | Steve Barnes |
| Company Secretary | Catherine Robinson-McCormick |
| Registered Office | 2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire GU47 9DN |
| Website | www.groceryaid.org.uk |
| Email | info@groceryaid.org.uk |
| Independent Auditors | Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, London EC1M 7AD |
| Bankers | Lloyds Bank, 24 Broad Street, Reading, Berkshire, RG1 2BT |
| Investment providers | CCLA Investment Management Limited, London Newton Investment Management Limited, London Rathbone Brothers Plc, London |

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2021

CHAIRMAN'S STATEMENT

It has been an intensely challenging year for our nation, our trade and the charity as we navigated through Covid-19. As we anticipated, the need to support grocery colleagues increased over the 12 months to 31st March 2021 and we supported more people than ever before.

This was only possible thanks to the immense generosity of the charity's supporters who stood shoulder-to-shoulder with GroceryAid with funding and support as the team were unable to deliver our programme of fundraising events during the year.

Listening and Acting to Meet Colleagues' Needs

The Charity has continued to broaden and strengthen its support to meet the needs of colleagues and continues to work with and listen to HR leaders across the grocery industry to ensure our welfare support is aligned to provide the right and very best type of service to meet the industry's changing needs.

In response to Covid-19, GroceryAid further improved and increased both the financial support available to grocery colleagues as well as the emotional and practical help on offer.

We have reduced the eligibility criteria again for financial support from one year to six months for those currently working in grocery to support even more colleagues who find themselves in difficult circumstances. This is an important statement of our intent to be there for all grocery colleagues in need and makes us the most accessible benevolent fund in our industry.

To specifically support through Covid-19, we added the following programmes to enhance our existing support for colleagues in need.

- GroceryAid Covid-19 Fund – The Trustees designated £1.5m to offer enhanced mental health support, bereavement grants and crisis grants for grocery people directly afflicted by this dreadful disease.
- School Essentials Grant – we launched a grant programme to help low-income families with the cost of buying school essentials for over 1,500 children. This fund has since been expanded significantly for FY21 to assist almost 4,000 children. This increase in support was made possible with the extraordinarily generous support from the Leverhulme Trade Charities Trust.

To ensure we provide the best emotional and practical support to grocery colleagues, we also reviewed our Helpline and engaged a new service supplier which went live on April 1st 2020. All emotional support calls are answered by a trained counsellor, so all callers have access to immediate counselling if required.

We also offer structured counselling sessions that are delivered face-to-face (virtually at present) or over the phone. To embrace new technology, and to meet colleagues' needs, they can now also access Woebot, an artificial intelligence counsellor which allows them to get emotional support 24/7 via a smartphone app.

To address the wider challenges that people have experienced through Covid-19, Grocery colleagues can now also access a dedicated team of information specialists who are able to provide the same breadth of information as Citizens Advice Bureau through the Helpline.

We have continued partnerships with Relate to provide family and relationship counselling, StepChange for debt management advice, Law Express for legal advice and RightSteps for our Health and Wellbeing portal. RightSteps has also provided guidance during the Covid-19 pandemic on topics including 'Managing Stress', 'Bereavement, Loss and Grief' and 'Staying Motivated'.

We have seen a rapid increase in the use of Relate counselling (up 148%) over the year. Lockdowns have inevitably resulted in more difficult household relationships during the most trying of times. We are relieved

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

that so many grocery colleagues accessed the service to support themselves and their families when counselling was required.

The Charity has continued to broaden and strengthen its support to meet the needs of colleagues and continues to work with and listen to HR leaders across the grocery industry to ensure our welfare support is aligned to provide the right and very best type of service to meet the industry's changing needs.

A Challenging but Successful Year for Fundraising

Charles Wilson as President of GroceryAid led our fundraising activity through a year like no other. We have been very fortunate to have had Charles at the helm in 2020 as under his guidance, we exceeded our target for the year. This was despite the cancellation of all events in our calendar. We and Charles remain hugely appreciative of the generosity of individuals and companies in the grocery trade who collectively contributed to this astonishing result.

Charles retired from a full-time role in the trade in February 2021 and we are delighted he will remain GroceryAid President until the end of 2021. We could not have asked for better guidance in our fundraising activities during the most significant post-war crisis our nation has faced.

Inevitably our branches and networks were significantly curtailed in the activities they could run in our last financial year. However, their enthusiasm never wavered, and all are planning events to run as soon as we are allowed. I would like to thank them for their perseverance, commitment and the very valuable future contributions they will make to our fund raising.

The Charity generated an operational surplus on the back of strong growth in income. This was driven by donations both in lieu of events we were not able to run and separate donations to support the charity through the pandemic.

The surplus was further enhanced as the value of our reserves rose over the year as stock markets showed signs of recovery.

We are mindful that the ramifications of Covid-19 on colleagues will not be confined to our last financial year. We expect continued higher levels of support will be required for colleagues throughout the current financial year. Therefore, over a two year period, we anticipate the surplus from last year will be used to support grocery colleagues in this time resulting in a break-even position over combined years.

We increased our support from trusts and foundations that have their roots in the grocery industry to help those in need. We are delighted and grateful for the contribution we received from the Leverhulme Trade Charities Trust whose backing remains exceptional and to the Garfield Weston Foundation that doubled its support in 2020.

Reaching Out and Raising Awareness

Over the past year, we accelerated our move away from a traditional advertising campaign approach to find new ways to reach out and connect with industry colleagues more effectively. We placed a greater focus on social media and digital channels to raise awareness and we are pleased with the progress made. We wanted to reach as many colleagues as possible last year to support them through Covid and we were delighted that so many supporters worked with us to achieve this.

We put a particular focus on reaching the independent retailer community in 2020. This is naturally a more difficult community to access but one that, with others, were working hard on the frontline during Covid. We set up an Independent Retailer Strategy Group chaired by Andrew Thompson which delivered a step change in awareness supported by the trade with great ideas and creative execution. Thank you to Andrew for leading this initiative.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

To capture the great work of the industry in supporting the country, we produced a short film "Grocery feeds the nation" which we released in autumn 2020. This captured the contribution of individuals and companies through the darkest days of the pandemic. It is a powerful and moving testament to our industry and was widely shared. This raised awareness of GroceryAid within the trade and helped us to reach more colleagues that need our support.

We are planning an event in 2021 to say thank you to the trade for all that it did to feed the nation and for the support given to GroceryAid.

Challenging Year for Events But an Exciting Year Ahead

We were not able to run events in the last financial year, but this has not stopped us from continuing to plan and market events for the current financial year. We hope all these will run, except for the Windermere Row, always making sure that guidance is followed to protect our industry colleagues.

We have sold over 10,000 tickets for 2021 with 95% of events sold out prior to the start of our current financial year. This gives us great confidence that the market is there as soon as we can proceed.

Since last September, we have played a much larger role in the delivery of the Diversity and Inclusion in Grocery (DIG) annual programme. This industry-wide programme has gained significant momentum with 40 sponsor companies and three streams of activity led by GroceryAid and delivered by the trade:

- Shared learning: Monthly virtual Learning Labs hosted by leading advocates in the trade. Access to understand what other organisations are doing in this space and opportunities to make connections, seek advice and share success through a dedicated online portal.
- Mentoring: Helping talented people reach their true potential through cross-industry mentoring
- DIG Live!: A day like no other, designed by the industry for the industry with one key goal – to make diversity everyone's business. This will be attended by over 1,000 colleagues.

Our Trustee Board

There have been some changes to our Trustee board over the past 12 months. We said goodbye to two long-serving Trustees as Nigel Matthews and David Hudson retired after over 35 years of joint service between them. Their enthusiastic counsel over this period has been deeply appreciated and the contribution has been immense.

After the close of the financial year, a further long-standing Trustee Ian Gordon retired. Ian was a volunteer welfare assessor and Chair of our Welfare Committee for many years – we, again, are very grateful for his excellent contribution.

During the financial year, we welcomed Rhian Bartlett, Food Commercial Director, Sainsbury's PLC and Dawood Pervez, Managing Director, Bestway onto our Trustee board and we are already benefitting from their input.

After the close of the financial year, we also welcomed Hayley Tatum, Senior Vice President and Chief People Officer, Asda onto the Trustee Board and I very much look forward to working with Hayley.

In 2019 we established GroceryAid Trading Ltd as a separate company for our trading activities - largely events. With no events running in the last financial year, there are limited results to be consolidated into this report.

We expect to be running activity through the Trading Company in 2021 and to ensure best practice in governance, we have appointed an Independent Non-Executive Director. Derek Lawlor, Chief Merchandising Officer, Asda has agreed to take on this role. Derek will sit on the Board alongside Trustees Mark Smith and Mark Williamson and executive representation from Steve Barnes (Chief Executive – GroceryAid) and Jane Hill (Fundraising Director – GroceryAid).

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Our People, Our Volunteers, Our Supporters

I am delighted that we were able to help over 17,000 industry colleagues when they needed us last year.

I am so grateful, to so many, that we had such a successful fundraising year in such a challenging time – which will allow us to continue to help those in need in the future.

I am incredibly proud of the GroceryAid team along with our wonderful group of volunteers, who stretch themselves to do incredible things for grocery people in need. I am also humbled by the feedback we receive from beneficiaries which inspires us to work even harder on their behalf.

I would like to end by once again thanking our supporters, our volunteers and the team for all their hard work and generosity in supporting industry colleagues in need during this particularly difficult year.



Ruston Smith
Chair of GroceryAid Trustees

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The National Grocers Benevolent Fund, trading as GroceryAid, is a registered charity in England and Wales (registration number 1095897) and Scotland (registration number SC039255) and is constituted as a company limited by guarantee (registration number 04620683).

The charity is run by 14 serving Trustees who are also directors and members of the limited company. In that capacity they select new members of the Board of Trustees.

Trustees are responsible for compliance with our legal and statutory requirements and the safe and effective running of the charity. They meet every quarter to discuss and review both the day-to-day operations and the strategic direction of the charity. In addition, the Trustees also meet on an ad hoc basis when required. Steve Barnes, appointed by the Trustees as Chief Executive, manages the day-to-day operations of the charity. He reports to the quarterly Trustee meetings and contributes to the discussions in an advisory capacity. His senior direct reports are Mandi Leonard, Welfare Director, Jane Hill, Fundraising Director and Catherine Robinson-McCormick, Finance Director.

Remuneration for key management personnel is determined by a sub-committee of the Trustee Board - the Remuneration Committee. This committee has specific delegated responsibilities to:

- Set the remuneration policy for directors (salary, pension and benefits) in line with the approach taken for GroceryAid's employees
- Determine salary levels for directors considering:
 - Individual directors' capabilities and contribution;
 - Salary levels in other charities of a comparable nature and size;
 - Salary levels across GroceryAid; and
 - Overall appropriateness given charitable purpose, stakeholder perception and affordability.
- Be kept informed by the Chief Executive of any significant changes in the remuneration arrangements for GroceryAid's employees.

The objectives of our senior remuneration policy are:

- To be able recruit and retain individuals who will lead the successful delivery of our mission, and
- To reward them fairly taking account of their contribution, market levels and levels within GroceryAid.

The Remuneration Committee meets at least twice annually and is chaired by Helen Tucker.

Various Trustees and industry colleagues sit on six main sub-committees covering welfare, welfare strategy, communications, finance, fundraising and remuneration. These committees consider each of their areas, in depth, and report to the Trustee Board on key developments, risks, plans and initiatives. Formal terms of reference exist for these committees and these are set out in the GroceryAid Policy Document, which is reviewed and updated annually. This document also contains various processes and procedures to ensure that we have appropriate controls in place for the effective and efficient operation of the charity.

From 2018, it was agreed that Trustees can serve for a three-year period and may be re-elected to serve for two further three-year periods. All GroceryAid Trustees have signed an 'Eligibility to Serve' declaration form, and a Declaration of Interest and Connected Persons form. The possible existence of conflicts of interest is considered prior to the start of every meeting of the Board of Trustees. The Declaration of Interest and Connected Persons forms are completed annually and are held on file at the GroceryAid offices.

New Trustees, as a qualification, must have worked or currently work in any area within the grocery industry. All nominations are approved by the Board of Trustees. All new Trustees have a formal induction that covers the role of the charity and what is expected of them in their role as GroceryAid Trustees. Governance requirements of both Trustees and Senior Management are incorporated into the GroceryAid Policy Manual which forms part of ongoing training and updates at Trustee meetings.

No Trustees are paid by the charity for their services.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Charity law requires organisations to demonstrate explicitly that their aims are for public benefit. The charitable activities of GroceryAid are available to people in need who are, or have been, engaged in the grocery or provisions trade, greengrocers and the off-licence trade, in any capacity and for their surviving spouses, civil partners and dependent children. The Trustee Board have discussed the issue of public benefit and are confident that the breadth and scope of the work of the Charity, as disclosed in this Report, clearly falls within the guidelines set in Section 17 of the 2011 Charities Act:

OBJECTIVES & ACTIVITIES

The objectives of the charity are the provision of relief to persons in need, whether that be through ill health, disability, financial hardship or other disadvantage who:

- are or have been engaged in the grocery trade, in any capacity; or
- are the surviving spouse, civil partner or otherwise long term partner or child (or other dependent or former dependent) of persons who have been engaged in the grocery trade

The term grocery trade means any work relating to the manufacturing, logistics, distribution or sales of groceries or other products typically sold in supermarkets, whether wholesale or retail. For the avoidance of doubt, this includes the off-licence trade.

Our vision is that everyone engaged in this trade can turn to us for help. Our long-term objectives are to work with the industry to identify and support those in need, to address social isolation through our Helpline and Carer's initiative and to enhance our income streams to further support our industry colleagues.

The key activities of the charity are providing emotional, practical and financial support to colleagues working in the grocery sector, who meet our eligibility criteria as agreed and regularly reviewed by the Trustees. This includes, but is not exclusive to:

- non-repayable financial grants
- 24/7 freephone Helpline providing emotional and practical support
- relationship counselling
- legal advice
- digital wellbeing support for adults and young people
- on-line wellbeing platform
- workplace critical incident support
- managers support line
- debt advice

Emotional and practical support services are delivered in partnership with expert, third party organisations, to provide bespoke services to colleagues.

FUNDRAISING

The vast majority of the charity's income comes from the industry we work to support. This can be in the form of donations and/or by supporting regional and national fundraising events. The remainder is derived from the charity's investments.

GroceryAid fundraises through industry events organised by its branches and its central fundraising team who on occasion use the services of event management companies to assist in organising events. It also received donations during the year from another organisation which organised events for the industry.

No monies are raised by public collections. GroceryAid does not receive any support from either local or central government.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

GroceryAid is registered with the Fundraising Regulator and follows the fundraising code. GroceryAid has not received any complaints about its fundraising activities.

ACHIEVEMENTS AND PERFORMANCE

Demand for our welfare services has continue to grow through the year, and we expect that growth to continue through the next financial year as the government relaxes covid restriction, including the unwinding of the furlough scheme. We continue to support both our working colleagues and those who have retired from the trade.

The Charity has responded to this challenge by increasing its impact in the following areas:

- GroceryAid spent £5.0M to support grocery colleagues coping with financial, emotional and physical hardship during the year ending 31st March 2021.
- Applications to the charity increased by a further 47% building on the growth in the previous year.
- In the year to 31st March 2021, 4,200 people in the industry received financial support, an increase of 32% compared to the previous year.
- Of the colleagues we support, in total 73% are of working age.
- Calls to GroceryAid's Helpline were up by 12%. Our Helpline provides problem-solving information and emotional support to anybody working in the industry.
- Demand for our Relate counselling service increased by 148%, while we almost 1,000 colleagues download Woebot, a digitally advanced service available via an app for Iphone or Android. This artificial intelligence counsellor allows a user to access in the moment emotional support 24/7.
- For a fourth year running, our largest percentage of referrals came from companies in our industry rather than other charities – awareness of GroceryAid is growing where we need it.

FINANCIAL REVIEW

Our operational annual surplus was £2.0M, which combined with a net gain on investments of £1.4M, resulted in an overall surplus of £3.4M, compared to a deficit of £0.3M in the prior year.

The net deficit in the year to 31st March 2020 was attributable to a fall in the value of our investments caused by the Covid-19 crisis which was beyond our control. During the year to 31st March 2021, the value of investments has recovered to 103% of their pre-covid values.

Total income for the period amounted to £8.0M, a decrease of £1.0M compared to the prior year and reflects the generosity and support of the grocery industry during a year in which we were unable to run any events.

Total costs of £6.0M were £2.7M lower than the previous year, and reflect increased welfare spend, offset by reduced event costs.

As at 31st March 2021, cash at bank and in hand was £5.7M, £5.0M higher than the prior year.

Principal Risks

Our Risk Management Policy seeks to identify any major risks to which the Charity may be exposed and that may affect the realisation of our goals.

Our short-term targets and long-term objectives are reviewed by the Trustee Board at our quarterly Trustee meetings. The Risk Assessment procedure is also regularly reviewed, and we can confirm systems are in place to mitigate those risks. This assessment forms part of our Policy Document which is updated and issued annually.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

The Trustees consider the key risks facing GroceryAid are:

- Income generated from donations and other fundraising activities is insufficient to meet the needs of our beneficiaries. We manage this through review and discussions at each Trustee meeting and through our Fundraising Committee, led by the President of GroceryAid, that has over 50 senior members from the industry who meet three times per year to review and discuss our fundraising efforts.
- An unforeseen rise in the demand for GroceryAid's services result in a significant increase in the applications for help and support. We manage this risk through our Welfare Committee, Finance Committee and the Trustee Board who continually review our financial position.
- Financial and reputational damage that could occur in the event of a cyber attack on the organization. Cyber crime continues to rise in scale and complexity. We manage this risk through regular staff training combined with external penetration and phishing exercises undertaken to determine any potential areas of weakness.

Reserves Policy

The aim of our Reserves Policy is to ensure the sustainability of the Charity.

The Trustees have reviewed the Reserves Policy of the Charity as set out in the GroceryAid Policy Document. Sustainability of the fund is paramount to our beneficiaries and the Trustees believe that a minimum level of £5M of reserves is sufficient to cover three years beneficiary payments and the infrastructure required to administer these payments in a number of stress tested scenarios. As at 31st March 2021, GroceryAid's free reserves were £10.3M.

Whilst this is above our target, we are mindful that the ramifications of Covid-19 on colleagues will not be confined to our last financial year. We expect elevated levels of support for colleagues will be required throughout the current financial year. Therefore, over a two year period, we anticipate the surplus from over performance last year to be used to support grocery colleagues in this year resulting in a break-even position over combined years.

Furthermore, whilst the market value of investments has recovered to pre-Covid levels, there remains uncertainty over the longer-term impact of the pandemic on investment values.

Going Concern

The social distancing rules implemented as part of the national response to the covid pandemic has resulted in a number of planned events being cancelled but plans are in place for events to be resumed once government restrictions allow. Management has worked closely with the Trustees and the Grocery Industry to ensure that the Charity remains able to support those Grocery Industry colleagues in need, through additional donations and seeking to support grocery colleagues in new ways.

The Trustees have assessed the principal risks and formulated a suitable reserves policy as stated above. In particular, the principal risks have been reviewed given the current Covid-19 environment. A number of scenarios have been modelled based on different income and demand assumptions. Based on the results of these models and the level of reserves, the Trustees are satisfied that GroceryAid, the charitable company, has adequate resources to continue as a going concern.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

INVESTMENT POLICY AND PERFORMANCE

As at 31st March 2021, GroceryAid's investment fund, was valued at £8,947,345.

This is held by the Charity to underpin the value of Reserves retained to ensure the Charity's sustainability. The Trustees objective is that the Reserves do not decrease in real value by aiming to achieve long-term capital growth ahead of inflation.

The Reserves are also key in the provision of income to help fund current expenditure. To meet these objectives the Trustee Board has set a target return of CPI +2% per year over a rolling five-year period. This is a target and the Trustees acknowledge that due to fluctuations in markets this may not always be possible.

The GroceryAid Finance Committee is a sub-committee of the Trustee board and meets quarterly to review financial controls within the charity, oversee investment performance and recommend changes to the investments as necessary. Our Investment Policy allows us to manage the money we raise and the money we need to have in reserve for unforeseen eventualities.

At 31st March 2021, 98% of the reserves were invested in four Common Investment Funds. These are: Newton Growth and Income Fund for Charities, Newton Global Higher Income Fund, Rathbone's Core Investment Fund for Charities and CCLA Charities Property Fund. The remaining 2% is held in cash deposits.

With regard to ethical investing, the Trustees continue to be satisfied that our investment manager invest responsibly, having regard to the Environment, Social and Governance consideration and our managers exercise our stewardship responsibilities in an appropriate way. Any investments that may hamper the work of the Charity will be avoided as will those deemed inappropriate on moral grounds to avoid reputational damage to the charity, which could in turn negatively impact on fundraising activities. Investments that would pose a risk of significant financial detriment will also be avoided.

SUBSIDIARY COMPANY

The Charity has a wholly owned trading subsidiary which is incorporated in the U.K., GroceryAid Trading Limited, company registration No. 2952403. The company undertakes certain fundraising activities to raise money for its parent company, the Charity National Grocers Benevolent Fund. The company utilises resources from the parent company, which it pays for on an arms-length basis as resources are required.

The social distancing rules implemented as part of the national response to the covid pandemic resulted in all events for the year to 31 March 2021 being cancelled. As a result, the company incurred a loss for the year of £424,865 and had net liabilities of £312,123 at the Balance Sheet date. The continuation of government restrictions through Spring 2021 means that the Trading company has moved the majority of its events to Autumn 2021, and these are expected to go ahead providing government restrictions allow and would bring the Trading company back to a positive net assets position.

The Charity will continue to use the Trading Company in future years and will continue to review whether certain fundraising activities are more appropriate to the Trading Company.

FUTURE PLANS

Strategy and Business Plan

Our priorities for 2021/22 to further our charitable objects and deliver public benefit are to:

- Raise over £6.0M (net) through fundraising
- Support grocery colleagues through the Covid-19 crisis and beyond
- Ensure the maximum proportion of every pound spent by companies supporting GroceryAid flows through to beneficiaries

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

- Continue to drive greater awareness of GroceryAid's services on shop and factory floors throughout our industry to reach out to more colleagues who need our support

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustees (who are also the directors of National Grocers Benevolent Fund for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

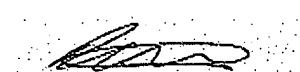
AUDITORS

A resolution will be proposed at the Annual General Meeting with regard to audit arrangements for the forthcoming financial year.

The charitable company has taken advantage of the small companies' exemptions in preparing this Trustees Report

BY ORDER OF THE TRUSTEES

Ruston Smith (Chairman)



01 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF NATIONAL GROCERS BENEVOLENT FUND, TRADING AS GROCERYAID

Opinion

We have audited the financial statements of National Grocers Benevolent Fund for the year ended 31 March 2021 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Identify such material inconsistencies or apparent material misstatements; we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- (i) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's Trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's Trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Date 11 October 2021

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2021**

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|---|------|----------------------------|--------------------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | 4,432,822 | 716,666 | 5,149,487 | 2,072,688 |
| Central fundraising | 5 | 3,338,606 | - | 3,338,606 | 6,200,669 |
| Branch fundraising | 6 | 21,578 | - | 21,578 | 467,525 |
| Investment Income | 7 | 223,106 | - | 223,106 | 279,286 |
| Total Income | | 8,016,122 | 716,666 | 8,732,777 | 9,020,167 |
| Expenditure on: | | | | | |
| Cost of raising funds | | | | | |
| Central fundraising | 5 | 1,637,557 | - | 1,614,806 | 4,386,373 |
| Branch fundraising | 6 | 3,315 | - | 3,115 | 217,036 |
| Charitable activities | | | | | |
| Grants | 8 | 2,893,728 | 508,055 | 3,401,783 | 2,659,624 |
| Goods and services | 8 | 1,393,258 | 184,799 | 1,577,037 | 1,624,727 |
| Other Expenses | 10 | 67,109 | - | 67,109 | (214,609) |
| Total Expenditure | | 5,994,967 | 692,834 | 6,665,050 | 8,673,151 |
| Net gains/(losses) on investments | 15 | 1,402,655 | - | 1,402,655 | (605,617) |
| Net income/(expenditure) and net movement in funds | | 3,423,800 | 23,832 | 3,470,382 | (258,600) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward from previous year | | 8,916,869 | 1,668 | 8,918,537 | 9,177,137 |
| Total funds carried forward | | 12,340,669 | 25,500 | 12,388,919 | 8,918,537 |

The statement of financial activities includes all gains and losses recognised in the period. All of the above amounts relate to continuing activities.

The notes on pages 22-38 form part of these financial statements.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**CONSOLIDATED BALANCE SHEET
AT 31ST MARCH 2021**

| | | Group | | Charity | |
|-------------------------------------|-------|--------------------|--------------------|--------------------|--------------------|
| | Notes | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Fixed Assets | | | | | |
| Tangible assets | 13 | 1,122,770 | 1,116,197 | 1,122,770 | 1,116,197 |
| Intangible assets | 14 | 48,465 | 45,384 | 48,465 | 45,384 |
| Investments | 15 | 8,947,345 | 7,328,752 | 8,957,345 | 7,338,752 |
| Total fixed assets | | 10,118,580 | 8,490,333 | 10,128,580 | 8,500,333 |
| Current Assets | | | | | |
| Debtors | 16 | 1,928,303 | 3,087,731 | 257,760 | 1,428,307 |
| Cash at bank and in hand | 17 | 5,674,032 | 680,025 | 4,426,789 | 448,175 |
| Total current assets | | 7,602,335 | 3,767,756 | 4,684,549 | 1,876,482 |
| CREDITORS: | 18 | (5,331,996) | (3,339,552) | (2,102,086) | (2,198,682) |
| Amounts falling due within one year | | | | | |
| NET CURRENT ASSETS | | 2,270,339 | 428,204 | 2,582,463 | (322,200) |
| NET ASSETS | | 12,388,919 | 8,918,537 | 12,711,043 | 8,178,133 |
| FUNDS | | | | | |
| Unrestricted income fund | 20 | 12,363,419 | 8,916,869 | 12,685,543 | 8,176,465 |
| Restricted income fund | 20 | 25,500 | 1,668 | 25,500 | 1,668 |
| TOTAL FUNDS | | 12,388,919 | 8,918,537 | 12,711,043 | 8,178,133 |

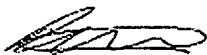
NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

These accounts have been prepared in accordance with provisions applicable to companies' subject to the small companies regime within part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees and authorised for issue on the 1st September 2021 and signed on their behalf by:



Ruston Smith, Chair, GroceryAid Trustees



David Wheeler, Treasurer GroceryAid

Charity Number 1095897

Company Number: 04620683

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2021**

| | | 2021 | | 2020 | |
|---|-------------|------------------|------------------|------------------|------------------|
| | Note | £ | £ | £ | £ |
| NET CASH USED IN OPERATING ACTIVITIES | 23 | | 5,037,113 | | (561,863) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Dividends, Interest and Rents for Investment | | 223,106 | | 279,286 | |
| Purchase of property, plant and equipment | | (31,870) | | (65,206) | |
| Purchase of intangible assets | | (18,404) | | | |
| Proceeds from the sale of investments | | | | 500,000 | |
| Purchase of Investments | | (215,938) | | (274,035) | |
| Net cash provided by investing activities | | | (43,106) | | 440,045 |
| Change in cash and cash equivalents in the reporting period | | | 4,994,007 | | (121,818) |
| Cash and cash equivalents at the beginning of the reporting period | | | 680,025 | | 801,843 |
| Cash and cash equivalents at the end of the reporting period | 24 | | 5,674,032 | | 680,025 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

1. Accounting policies

The principal accounting policies of the charity are as follows:

a) General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire, GU47 9DN.

b) Statement of compliance and basis of preparation

The financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)), and the Companies Act 2006.

These financial statements have been prepared under the historical cost convention, except for investments which are included at fair value.

The charity constitutes a public benefit entity as defined by FRS 102, and has taken regard of the charity commissions guidance on public benefit, including 'Public Benefit: running a charity (PB2)'.

The financial statements are prepared in sterling, which is the functional currency of the entity, and are rounded to the nearest £.

c) Going Concern

The financial statements are prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The social distancing rules implemented as part of the national response to the covid pandemic resulted in all events for the year to 31st March 2021 having to be cancelled. However, donation support from the Industry meant that we have been able to continue to support grocery colleagues through this difficult time. The cash balance is strong and the value of investments, that had suffered a significant reduction in value last year, have subsequently recovered to 103% of their value prior to the impact of the global pandemic on the markets in March 2020.

Events that had been planned for the first quarter in FY21 have been moved to Q3 FY21, in line with the government's plan for national un-lock.

The Trustees have assessed the principal risks and formulated a suitable reserves policy as stated above. In particular, the principal risks have been reviewed given the current Covid-19 environment. A number of scenarios have been modelled based on different income and demand assumptions. Based on the results of these models and the level of reserves, the Trustees are satisfied that GroceryAid, the charitable company, will be able to continue its operations and meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

d) Method of consolidation

The financial statements consolidate the results and position of the subsidiary undertaking (see note 3) and all of the Charity's branches on a line-by-line basis in both the Statement of Financial Activities (including income and expenditure account) and the Balance Sheet.

e) Incoming resources

Income is recognised when the charity has entitlement, it is probable that the amount will be received, and it can be measured reliably as follows:

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

Voluntary income

Income from donations is accounted for on a receipt.

Grant income

Grants are recognised when any conditions for entitlement are met. Grants received before the conditions for entitlement have been met are deferred and included in creditors at the year end.

Legacies

Income from legacies is accounted for on a receivable basis being included at the earliest of the date of receipt or at the point which notification is received, provided that there is sufficient evidence to provide the necessary probability that the legacy will be received.

Central and branch fundraising

Income from fundraising is accounted for on a receivable basis. Income associated with a particular event is reported only upon that event having taken place, with income received in advance of events being treated as deferred income.

Investment income

Income from investments is accounted for on a receivable basis.

Gifts in Kind and Donated Services

Items donated to the charity to assist with particular fundraising events are recognised in the financial statements at market value as income to and resources expended against the respective activities. The donation of services to the charity is similarly recognised within the financial statements by the inclusion of a charge to expenditure and a corresponding credit to income, based on the estimated market value.

f) Resources expended

Resources expended are accounted for on an accruals basis. The inclusion of costs within the various categories of expenditure was made on the following basis:

Costs of raising funds

This category is used to record any costs which are associated with the cost of raising funds from whatever source and will include costs incurred in attracting donations and sponsorship.

Investment management fees

The cost of managing the Charity's investment funds is not charged separately by the investment managers but is instead effectively recovered by way of a deduction from the funds.

Charitable activities

This category is used to record expenditure incurred in fulfilling the Charity's objectives: it includes the payment of monetary grants to beneficiaries, expenditure made in providing beneficiaries with goods and services, and the costs of distributing and administering such direct charitable provision. The cost of such provision, and that in respect of monetary grants in particular, is recognised when award of the grant has been communicated to the beneficiary. Grants are awarded on an annual basis and are subject to annual review.

Governance

This category comprises costs incurred in the general management of the Charity, as distinct from that concerned directly with the conduct of the Charity's operational activities, and includes those costs associated with ensuring that the Charity complies with applicable laws and regulations, to include the preparation of information required for public accountability.

Allocation and apportionment of costs

Expenditure is classified according to the above headings that aggregate all costs related to those categories, whether they be directly attributable or apportioned as such. The bases of the apportionment of costs are consistent with the use of the staff resources under each heading.

g) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

h) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key assumptions involving estimation uncertainty at the balance sheet date that have a risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next financial year are as follows:

Useful life of Tangible and Intangible fixed assets

Both Tangible and Intangible fixed assets are depreciated over their useful lives. The actual lives of the asset and residual values are assessed annually and may vary depending on a number of factors. The useful life is set depending upon asset class. The Trustees believe this is an appropriate methodology for valuing these fixed assets.

i) Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the asset and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

All assets costing over £250 are capitalised subject to considerations as to the likely useful life of each item. Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:

| | |
|--------------------------------------|---------------|
| Freehold interest in office premises | 2% per annum |
| Freehold interest in buildings | 1% per annum |
| Office equipment | 20% per annum |
| Furniture fixtures and fittings | 10% per annum |

No depreciation is provided on freehold land.

j) Intangible assets

All assets costing over £250 are capitalised subject to considerations as to the likely useful life of each item. Intangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:

| | |
|----------|---------------|
| Software | 20% per annum |
|----------|---------------|

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are measured at the cash or consideration expected to be paid or received and not discounted.

Debt Instruments are subsequently measured at amortised cost.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

l) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. Gains and losses on the disposal and revaluation of investments are charged or credited to the Statement of Financial Activities. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Fund accounting

Funds held by the charity as unrestricted funds are free for the Trustees to use for any purpose in furtherance of the charitable objects as set out in the Charity's Reserves policy. Designated funds are those that have been set aside by Trustees for specific purposes. Restricted funds are subject to specific conditions imposed by the donors. At the year end, any restricted fund deficits can be eliminated by a transfer from unrestricted funds unless the Trustees are of the opinion that such deficits will be eliminated by future giving. There are no transfers out of restricted fund unless approval is given by the donors.

During the year ending 31st March 2021, the Trustees created a designated fund to support grocery colleagues who had either suffered financial hardship or a bereavement directly relating to the Covid pandemic.

n) Pension costs

Pension contributions are charged in the financial statements as they become payable.

o) Publicity

Costs associated with the objective of raising awareness of the Charity and its profile, particularly within the grocery trade, are included under this sub-heading within Central Fundraising. This policy was adopted on the basis that increasing awareness of the Charity, particularly within the grocery industry, should enhance its relevance and influence and so, in turn, better enable it to raise funds through its various activities.

p) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

2. Results of the parent undertaking

The gross income and result of the parent charity excluding those of its subsidiary were as follows:

| | 2021 | 2020 |
|-----------------------|-----------|-----------|
| | £ | £ |
| Gross income | 9,385,748 | 6,417,875 |
| Net movement in funds | 4,532,911 | (984,693) |

3. Subsidiary undertaking

The charity has a wholly owned trading subsidiary, GroceryAid Trading Limited, by virtue of the ownership of that company's entire share capital of 10,000 ordinary £1 shares, to which all voting rights

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

are attached. The subsidiary is incorporated in the U.K., company registration number 02952403. GroceryAid Trading Limited may be used to operate certain activities that might be regarded as trading. The Trading Company's registered office is 2 Lakeside Business Park, Swan Lane, Sandhurst, GU47 9DN. The subsidiary donates its taxable profit to the National Grocers Benevolent Fund under the Gift Aid scheme. A summary of its trading results for the year to 31st March 2021 is shown below and accounts will be filed with the Registrar of Companies.

| Profit and Loss Account - Summary | 2021 | 2020 |
|---|-----------|-----------|
| | £ | £ |
| Turnover | 19,485 | 2,845,407 |
| Net Profit/(Loss) and Retained Reserves | (424,865) | 740,405 |

The subsidiary's net assets were comprised as follows:

| | | |
|--------------------------|-------------|-------------|
| Debtors | 1,976,556 | 2,249,415 |
| Cash at Bank | 1,247,244 | 231,851 |
| Creditors | (3,535,923) | (1,730,861) |
| Net Assets/(Liabilities) | (312,123) | 750,405 |

4. Voluntary Income – Donations and Legacies

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Donations - unrestricted | 4,432,821 | 1,606,022 |
| Voluntary Income – restricted: | | |
| Grant from Leverhulme Trade Charities Trust | 466,666 | 466,666 |
| Funds for retailer hardship fund | 250,000 | - |
| TOTAL | 5,149,487 | 2,072,688 |

Donated gifts in kind of coupons and goods etc. for hampers included above are £nil (2020: £19,822). In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

5. Fundraising – all Unrestricted

| Central fundraising | 2021 | | |
|--|------------------|--------------------|------------------|
| | <u>Income</u> | <u>Expenses</u> | <u>Surplus</u> |
| Central fundraising - unrestricted | 3,226,736 | (397,025) | 2,829,711 |
| Allocated support costs | | (1,105,911) | (1,105,911) |
| PR Marketing | 111,870 | (111,870) | 0 |
| Total current central fundraising | 3,338,606 | (1,614,806) | 1,723,800 |
| Gifts in Kind | | | |
| Total | 3,338,606 | (1,614,806) | 1,723,800 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

Central fundraising

| | | 2020 | |
|--|------------------|--------------------|------------------|
| | <u>Income</u> | <u>Expenses</u> | <u>Surplus</u> |
| Central fundraising - unrestricted | 5,415,941 | (2,688,033) | 2,744,908 |
| Allocated support costs | | (913,612) | (913,612) |
| PR Marketing | 137,699 | (137,699) | 0 |
| Total current central fundraising | 5,553,640 | (3,739,344) | 1,814,296 |
| Gifts in Kind | 647,029 | (647,029) | - |
| Total | 6,200,669 | (4,386,373) | 1,831,296 |

PR Marketing costs includes the estimated value of discounted advertisements placed in various trade publications of £111,870 (2020: £137,699) and related development work. This support is to help raise the awareness of the work of the charity and its fundraising efforts.

6. Branch fundraising

| | Income | 2021 Expenses | Surplus | 2020 Surplus |
|---------------------------------|---------------|--------------------------|----------------|-------------------------|
| | £ | £ | £ | £ |
| Total Branch Fundraising | 21,578 | (3,315) | 18,263 | 250,488 |

Gifts in Kind are included in the individual branch fundraising income and expenses above amounting to £nil in total (2020 £nil)

7. Investment income

| | 2021 | | 2020 |
|--------------------------------------|-------------------------------|------------------------|------------------------|
| | Unrestricted Funds | Total Funds | Total Funds |
| | £ | £ | £ |
| Dividend and other investment income | 222,086 | 222,086 | 275,784 |
| Bank deposit interest receivable | 26 | 26 | 2,508 |
| Other investment income | 994 | 994 | 994 |
| Total Investment Income | 223,106 | 279,286 | 279,286 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

8. Charitable expenditure

2021

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds £ |
|---------------------------------|----------------------------|--------------------------|---------------------|
| Monetary Grants | 2,228,805 | 508,055 | 2,736,860 |
| Provision of goods and services | 1,108,291 | 184,779 | 1,293,070 |
| Allocated support costs | 949,890 | - | 949,890 |
| Total | 4,286,986 | 692,834 | 4,979,820 |

2020

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds £ |
|---------------------------------|----------------------------|--------------------------|---------------------|
| Monetary Grants | 1,781,714 | 265,127 | 2,046,841 |
| Provision of goods and services | 1,162,233 | 199,872 | 1,362,105 |
| Allocated support costs | 875,405 | - | 875,405 |
| Total | 3,819,352 | 464,998 | 4,284,351 |

The grants paid to individuals are to relieve financial hardship in accordance with the objects of the Charity. The provision of goods and services includes one-off crisis payments, provision of basic essentials, helpline facilities, respite and other goods and services in furtherance of the charity's objects.

9. Governance costs

| | 2021 £ | 2020 £ |
|--------------------------------|---------------|---------------|
| Audit – Current year | 22,240 | 36,822 |
| Audit – Relating to Prior year | - | - |
| Meetings | 1,500 | 702 |
| Legal advice | 72,422 | 27,137 |
| Trustees' expenses | 48 | - |
| Trustees' indemnity insurance | 934 | 2,387 |
| | 97,144 | 67,048 |

10. Other Expenses

| | 2021 £ | 2020 £ |
|---------------------------|-----------------|------------------|
| Legal advice | 67,111 | 99,490 |
| Release of other creditor | - | (314,099) |
| | (67,111) | (214,609) |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

Legal advice in both 2020/21 and 2019/20 relate to the legal and professional costs incurred in terms of the investigation into accounting irregularities in one of our volunteer fundraising branches. This matter has now been concluded.

During the year 2019/20, an amount held in relation to a historical creditor was released.

11. Support Costs

| 2021 | Central Fundraising £ | Charitable Activities £ | Governance £ | Total |
|-------------------------|--------------------------------------|--|-------------------------|------------------|
| Staff related costs | 842,897 | 541,431 | 136,953 | 1,521,282 |
| Direct costs (note 9) | - | - | 97,144 | 97,144 |
| Overheads | 248,855 | 152,365 | 11,803 | 423,216 |
| Governance costs | - | 256,094 | (256,094) | - |
| Total allocation | 1,091,753 | 949,890 | - | 2,041,643 |

| 2020 | Central Fundraising £ | Charitable Activities £ | Governance £ | Total |
|-------------------------|--------------------------------------|--|-------------------------|------------------|
| Staff related costs | 711,825 | 521,003 | 131,841 | 1,364,669 |
| Direct costs (note 9) | - | - | 67,048 | 67,048 |
| Overheads | 194,131 | 143,710 | 11,803 | 349,644 |
| Governance costs | - | 210,692 | (210,692) | - |
| Total allocation | 905,956 | 875,405 | - | 1,781,361 |

The costs shown above are not specific to any one activity and have been allocated on the basis of a judgement as to the proportion of time spent on each of the activities.

12. Staff costs

| | 2021 £ | 2020 £ |
|-------------------------------|-------------------|-------------------|
| Salaries | 1,221,767 | 1,072,265 |
| Temp Staff | 1,440 | 30,206 |
| Employer's National Insurance | 130,447 | 109,122 |
| Pension contributions | 98,176 | 82,158 |
| Health insurance | 9,738 | 7,071 |
| | 1,461,568 | 1,300,822 |

The average monthly head count was 29 staff (2020: 26 Staff) and the average monthly number of employees (including casual and part-time staff) during the year was as follows:

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

| | 2021 | 2020 |
|--------------------------|-------------|-------------|
| Charitable welfare | 13.2 | 13.2 |
| Fundraising | 14.1 | 11.9 |
| Governance | 1.7 | 1.3 |
| Average Headcount | 29.0 | 26.4 |

7 out of the total of 29 employees at the year-end are part-time (2020: 8 out of 26 employees). There were 6 employees (2020: 4 employees) with emoluments above £60,000 per annum.

The number of senior post holders and other staff who receive emoluments, excluding pension contributions but including benefits in kind, in the following ranges were:

| | 2021 | 2020 |
|----------------------|------|------|
| £60,000 to £69,999 | 2 | 1 |
| £70,000 to £79,999 | - | 1 |
| £80,000 to £89,999 | 2 | - |
| £90,000 to £99,999 | - | - |
| £100,000 to £109,999 | 1 | 1 |
| £110,000 to £119,999 | - | - |
| £120,000 to £129,999 | - | - |
| £130,000 to £139,999 | 1 | 1 |

(ii) The pension arrangements operated by the charity are for all members of staff and provide benefits on a defined contribution basis. Contributions paid in accordance with the rules of the scheme are charged to the statement of financial activities as they become payable. The cost for the year was £98,176 (2020: £82,158) and there were no outstanding or prepaid contributions at the balance sheet date.

(iii) The charity holds an investment bond, valued in the accounts at £2,810 (2020: £4,412), which is used to supplement the pension of a former Director General.

(iv) Funds belonging to the Charity have been used for the purchase of insurance to indemnify the Trustees against the consequences of any neglect or default on their part. The cost recognised for the year in providing that insurance was £934 (2020: £2,387).

(v) The key management personnel of the charity comprise the Trustees, Chief Executive, Fundraising Director, Welfare Director and Corporate Services Director & Company Secretary. The total employee benefits of the key management personnel of the charity were £497,378 (2020: £449,751), reflecting that the management team was not fully in place for the previous financial year.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

13. Tangible assets

| | Freehold land and buildings £ | Office Equipment £ | Furniture, fixtures and fittings £ | Total £ |
|---------------------------------------|-------------------------------------|-----------------------|---|------------------|
| <u>Cost:</u> | | | | |
| Brought forward | 1,197,855 | 113,038 | 19,573 | 1,330,466 |
| Additions | - | 15,047 | 16,822 | 31,869 |
| Disposals | - | (31,870) | - | (31,870) |
| Carried forward | 1,197,855 | 96,215 | 36,395 | 1,330,465 |
| <u>Depreciation</u> | | | | |
| Brought forward | 129,201 | 75,214 | 9,854 | 214,269 |
| Charge for year | 12,213 | 10,701 | 1,874 | 24,789 |
| Disposals | - | (31,362) | - | (31,362) |
| Carried forward | 141,414 | 54,544 | 11,728 | 207,696 |
| Net book value carried forward | 1,056,422 | 41,661 | 24,667 | 1,122,720 |
| Net book value brought forward | 1,068,654 | 37,824 | 9,719 | 1,116,197 |

All of the Charity group's fixed assets were held for functional charity use and other than one freehold property which is retained for direct charitable purposes; all assets are used in the running and administration of the Charity.

14. Intangible assets

| | Website £ | Software £ | Total £ |
|---------------------------------------|---------------|----------------|----------------|
| <u>Cost:</u> | | | |
| Brought forward | 23,576 | 125,077 | 148,653 |
| Additions | 12,144 | 6,260 | 18,404 |
| Disposals | - | - | - |
| Carried forward | 35,720 | 131,337 | 167,057 |
| <u>Depreciation</u> | | | |
| Brought forward | - | 103,269 | 103,269 |
| Charge for year | 5,357 | 9,966 | 15,323 |
| Disposals | - | - | - |
| Carried forward | 5,357 | 113,235 | 118,592 |
| Net book value carried forward | 30,363 | 18,102 | 48,465 |
| Net book value brought forward | 23,576 | 21,808 | 45,385 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

15. Investments

| | Group | | Charity | |
|--|------------------|------------------|------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| <u>Analysis of Movement of Investments</u> | | | | |
| Market value at beginning of year | 7,328,752 | 8,170,333 | 7,338,752 | 8,170,333 |
| Additions to investments at cost | 215,938 | 274,036 | 215,938 | 274,036 |
| Disposals at market value | - | (500,000) | - | (500,000) |
| Net gain/(loss) on revaluation | 1,402,655 | (605,617) | 1,402,655 | (605,617) |
| Market value at end of year | 8,947,345 | 7,338,752 | 8,947,345 | 7,338,752 |
| <u>Investments held</u> | | | | |
| Listed investments | 8,947,345 | 7,328,752 | 8,947,345 | 7,328,752 |
| Investments in subsidiary undertakings | - | - | 10,000 | 10,000 |
| Total investments held | 8,947,345 | 7,328,752 | 8,957,345 | 7,338,752 |

Unrestricted fund investments consist of a portfolio of listed investments managed on the charity's behalf by professional fund managers. The following investments make up more than 5% of the total investment portfolio:

| | % of total | Market Value |
|---|------------|--------------|
| BNY Mellon Global Income Fund Newton Inst Shares 1 | 31% | £2,741,180 |
| Newton Growth and Income Fund for Charities Inc Class | 25% | £2,557,648 |
| Rathbones Core Investment Fund for Charities | 26% | £2,351,884 |
| CCLA COIF Charities Property Fund | 14% | £1,293,823 |

16. Debtors

| | Group | | Charity | |
|--|------------------|------------------|----------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Current: | | | | |
| Trade debtors | 1,219,909 | 2,135,033 | 42,387 | 1,272,912 |
| Other debtors | 473,770 | 798,803 | 1,500 | 1,500 |
| Prepayments | 75,985 | 31,752 | 75,985 | 31,752 |
| Accrued income | 129,777 | 114,032 | 129,777 | 114,032 |
| | 1,897,441 | 3,079,620 | 249,649 | 1,420,196 |
| Loans receivable secured on property | 8,111 | 8,111 | 8,111 | 8,111 |
| | 1,905,552 | 3,087,731 | 257,760 | 1,428,307 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

17. Cash at bank and in hand

| | Group | | Charity | |
|----------------------------------|------------------|----------------|------------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Head office bank current account | 4,418,784 | 432,766 | 4,418,784 | 432,766 |
| Head office deposit accounts | 74 | 74 | 74 | 74 |
| Trading Co bank account | 1,247,243 | 231,850 | - | - |
| Branch bank accounts * | 7,931 | 15,335 | 7,931 | 15,335 |
| | <u>5,674,032</u> | <u>680,025</u> | <u>4,426,789</u> | <u>448,175</u> |

*Deposit account in Northern Ireland only.

18. Creditors: amounts falling due within one year

| | Group | | Charity | |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Trade creditors | (189,263) | (563,007) | (181,157) | (227,892) |
| Other creditors | (4,073,007) | (2,242,911) | (995,199) | (877,810) |
| Accruals | (37,554) | 11,985 | (33,094) | (6,630) |
| Deferred income | (1,032,172) | (545,619) | (689,369) | (500,105) |
| Amounts due to subsidiary undertaking | - | - | (302,267) | (586,245) |
| | <u>(5,331,996)</u> | <u>(3,339,552)</u> | <u>(2,102,086)</u> | <u>(2,198,682)</u> |

Movement on deferred income balances was as follows:

| | | | | |
|---|--------------------|------------------|------------------|------------------|
| Balance brought forward | (545,619) | (801,620) | (744,217) | (744,217) |
| Released to statement of financial activities | 545,619 | 801,620 | 744,217 | 744,217 |
| Fund raising proceeds received | (1,032,172) | (545,619) | (689,369) | (500,105) |
| Balance carried forward | <u>(1,032,172)</u> | <u>(545,619)</u> | <u>(689,369)</u> | <u>(500,105)</u> |

19. Commitments under operating lease

| | 2021 | 2020 |
|---------------------|--------------|---------------|
| | £ | £ |
| Office equipment | | |
| Amounts to be paid | | |
| Within 1 year | 5,748 | 6,231 |
| Between 2 - 5 Years | 3,451 | 9,199 |
| Over 5 Years | - | - |
| | <u>9,199</u> | <u>15,430</u> |

Operating lease costs in the year ending 31st March 2021, were £6,231. (2020: £5,005)

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

20. Funds

At the balance sheet date restricted funds were represented by current assets with the balance of the Charity's assets and liabilities were representing the unrestricted funds.

The Designated Funds represent the balance of funds designated by the Trustees to offer enhanced mental health support, bereavement grants and crisis grants for grocery people directly afflicted by Covid-19.

The Restricted Funds are the unspent balance of the Leverhulme Trade Charities Trust grant received during the year, which can only be used for certain categories of our beneficiaries, plus unspent funds received from a retailer for a hardship fund administered by the charity for their employees only.

| GROUP | Brought forward | Income | Expenditure | Gains/ (losses) | Transfers | Carried forward |
|----------------------------------|------------------------|------------------|--------------------|------------------------|------------------|------------------------|
| Year to 31 March 2021 | | | | | | |
| General funds | | | | | | |
| Unrestricted fund | 8,916,869 | 6,516,112 | (5,365,348) | 1,402,655 | - | 11,470,288 |
| Designated funds | | 1,500,000 | (606,869) | | | 893,131 |
| Total general funds | 8,916,869 | 8,016,112 | (5,972,217) | 1,402,655 | - | 12,363,419 |
| Restricted funds | | | | | | |
| Leverhulme Trade Charities Trust | 1,668 | 466,666 | (468,334) | - | - | 0 |
| Retailer hardship fund | - | 250,000 | (224,500) | - | - | 25,500 |
| Total restricted funds | 1,668 | 716,666 | (692,834) | - | - | 25,500 |
| Total funds | 8,918,536 | 8,732,778 | (6,665,051) | 1,402,655 | - | 12,388,918 |

| CHARITY | Brought forward | Income | Expenditure | Gains/ (losses) | Transfers | Carried forward |
|----------------------------------|------------------------|------------------|--------------------|------------------------|------------------|------------------------|
| Year to 31 March 2021 | | | | | | |
| General funds | | | | | | |
| Unrestricted fund | 8,176,464 | 7,169,082 | (4,955,789) | 1,402,655 | - | 11,792,412 |
| Designated funds | - | 1,500,000 | (606,869) | | | |
| Total general funds | 8,176,464 | 8,669,082 | (5,562,658) | 1,402,655 | - | 11,792,412 |
| Restricted funds | | | | | | |
| Leverhulme Trade Charities Trust | 1,668 | 466,666 | (468,334) | - | - | - |
| Retailer hardship fund | - | 250,000 | 224,500 | - | - | 25,500 |
| Total restricted funds | - | 716,666 | (692,834) | - | - | 25,500 |
| Total funds | 8,178,132 | 9,385,748 | (6,255,492) | 1,402,655 | - | 12,711,043 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

| GROUP & CHARITY | Brought forward | Income | Expenditure | Gains/ (losses) | Transfers | Carried forward |
|----------------------------------|------------------------|------------------|--------------------|------------------------|------------------|------------------------|
| Year to 31 March 2020 | | | | | | |
| General funds | | | | | | |
| Unrestricted income fund | 7,848,414 | 8,553,501 | (8,208,153) | (605,617) | - | 7,588,146 |
| Revaluation reserve | 1,328,723 | - | - | - | - | 1,328,723 |
| Total general funds | 9,177,137 | 8,553,501 | (8,208,153) | (605,617) | - | 8,916,869 |
| Restricted funds | | | | | | |
| Leverhulme Trade Charities Trust | - | 466,666 | (464,998) | - | - | 1,668 |
| Other Trusts | - | - | - | - | - | - |
| Total restricted funds | - | 466,666 | (464,998) | - | - | 1,668 |
| Total funds | 9,177,137 | 9,020,167 | (8,673,151) | (605,617) | - | 8,918,537 |

21. Net assets

| 2021 Consolidated Group | Unrestricted Funds | Restricted Funds | Total |
|--------------------------------|---------------------------|-------------------------|-------------------|
| | £ | £ | £ |
| Tangible fixed assets | 1,122,770 | - | 1,122,770 |
| Intangible fixed assets | 48,465 | - | 48,465 |
| Investments | 8,947,345 | - | 8,947,345 |
| Current assets | 7,554,084 | 25,500 | 7,579,584 |
| Current liabilities | (5,331,996) | - | (5,331,996) |
| Total | 12,685,543 | 25,550 | 12,711,043 |

| 2021 Charity | Unrestricted Funds | Restricted Funds | Total |
|-------------------------|---------------------------|-------------------------|-------------------|
| | £ | £ | £ |
| Tangible fixed assets | 1,122,770 | - | 1,122,770 |
| Intangible fixed assets | 48,465 | - | 48,465 |
| Investments | 8,957,345 | - | 8,957,345 |
| Current assets | 4,659,049 | 25,500 | 4,684,549 |
| Current liabilities | (2,102,086) | - | (2,102,086) |
| Total | 12,685,543 | 25,550 | 12,711,043 |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

| 2020 Consolidated Group | Unrestricted Funds | Restricted Funds | Total |
|-------------------------|--------------------|------------------|------------------|
| | £ | £ | £ |
| Tangible fixed assets | 1,116,197 | - | 1,116,197 |
| Intangible fixed assets | 45,384 | - | 45,384 |
| Investments | 7,328,752 | - | 7,328,752 |
| Current assets | 3,766,088 | 1,668 | 3,767,756 |
| Current liabilities | (3,339,552) | - | (3,339,552) |
| Total | 8,916,869 | 1,668 | 8,918,537 |

| 2020 Charity | Unrestricted Funds | Restricted Funds | Total |
|-------------------------|--------------------|------------------|------------------|
| | £ | £ | £ |
| Tangible fixed assets | 1,116,197 | - | 1,116,197 |
| Intangible fixed assets | 45,384 | - | 45,384 |
| Investments | 7,338,752 | - | 7,338,752 |
| Current assets | 1,874,814 | 1,668 | 1,876,482 |
| Current liabilities | (2,198,682) | - | (2,198,682) |
| Total | 8,176,465 | 1,668 | 8,178,133 |

22. Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

23. Reconciliation of Net Incoming Resources to Net Cash (Outflow)/Inflow from Operating Activities

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| Net income/(expenditure) for the reporting period | 3,470,382 | (244,287) |
| Income from investments | (223,080) | (276,778) |
| Interest receivable | (26) | (2,508) |
| (Gains)/losses on investments | (1,402,655) | 605,617 |
| Depreciation | (24,789) | 48,665 |
| Amortisation | (15,323) | - |
| Loss (Profit) on sale of fixed assets | 508 | - |
| (Increase)/Decrease in debtors | 1,182,179 | (749,699) |
| Increase/(Decrease) in creditors | 1,992,444 | 57,127 |
| Net cash (outflow)/inflow from operating activities | 5,037,113 | (561,863) |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

24. Reconciliation of Net cash Flow Movement in Net Funds

| | 2021 | 2020 |
|---|------------------|----------------|
| | £ | £ |
| Increase/(decrease) in cash in the period | 4,994,007 | (121,818) |
| Change in net funds | 4,994,007 | (121,818) |
| Net funds at 1 April | 680,025 | 801,843 |
| Net funds at 31 March | <u>5,674,032</u> | <u>680,025</u> |

25. Analysis of changes in Net Funds

| | 1-Apr-2020 | Cash flows | 31-Mar-2021 |
|--------------|----------------|------------------|------------------|
| | £ | £ | £ |
| Cash at bank | <u>680,025</u> | <u>4,994,007</u> | <u>5,674,032</u> |

26. Related party transactions

During the year ending 31st March 2021, there were no related party transactions (2020: nil).

27. Parent company Statement of Financial Activity

| | Unrestricted Funds | Restricted Funds | Total 2021 | Total 2020 |
|---------------------------------|--------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Income from: | | | | |
| Donations and legacies | 5,070,485 | 716,666 | 5,787,151 | 2,087,001 |
| Central fundraising | 3,353,912 | - | 3,353,912 | 3,584,064 |
| Branch fundraising | 21,578 | - | 21,578 | 467,525 |
| Investment Income | 223,106 | - | 3,353,912 | 279,286 |
| Total Income | <u>8,669,082</u> | <u>716,666</u> | <u>9,385,748</u> | <u>6,417,875</u> |
| Expenditure on: | | | | |
| Cost of generating funds | | | | |
| Central fundraising | 1,205,246 | - | 1,205,246 | 2,510,173 |
| Branch fundraising | 3,315 | - | 3,315 | 217,036 |
| Charitable activities | | | | |
| Grants | 2,893,728 | 508,005 | 3,401,783 | 2,659,624 |
| Goods and services | 1,393,258 | 184,779 | 1,578,037 | 1,624,727 |
| Other Expenses | 67,111 | - | 67,111 | (214,609) |
| Total Expenditure | <u>5,562,658</u> | <u>692,834</u> | <u>6,255,492</u> | <u>6,796,951</u> |

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2021

| | | | | |
|---|------------------|---------------|------------------|------------------|
| Net gains/(losses) on investments | 1,402,655 | - | 1,402,655 | (605,617) |
| Net income/(expenditure) and net movement in funds | 4,509,079 | 23,832 | 4,532,911 | (984,693) |
| Reconciliation of funds: | | | | |
| Total funds brought forward from previous year | 8,176,464 | 1,668 | 8,178,132 | 9,162,824 |
| Total funds carried forward | 12,685,543 | 25,500 | 12,711,043 | 8,178,132 |