

# **Sears Group Trust**

Registered Charity No: 1022586

## **Report and Financial Statements**

**31 March 2024**

# Contents

Trustees and Advisers .....	2
Trustees' Report .....	4
Statement of Trustees' Responsibilities .....	8
Report of the Independent Auditors.....	9
Statement of Financial Activities.....	12
Statement of Financial Position.....	13
Statement of Cash Flows .....	14
Notes to the Financial Statements.....	15

## Trustees and Advisers

### Trustees

The Trustees are Directors of a Corporate Trustee, Sears Group Trustees Limited, a private limited company incorporated under the Companies Act 1985: Company Registration number 2732758.

The Directors of Sears Group Trustees Limited ("the Trustees") for the year 1 April 2023 to 31 March 2024 were:

Margaret Hannell

Christopher Huscroft

Brian Sellars (resigned 27 February 2024)

Stephen Sellars

**Contact for all enquiries**      Mr Gary Branston  
Secretary to the Trustees

c/o The Trust Partnership Limited  
6 Trull Farm Buildings  
Tetbury  
Gloucestershire GL8 8SQ

Email: [gary.branston@searsgrouptrust.co.uk](mailto:gary.branston@searsgrouptrust.co.uk)  
Telephone: 07702 520752

The Secretary is responsible for the day-to-day administration of Sears Group Trust ("the Trust") and is supported by the Administrator.



Sears Group Trust  
Trustees and Advisers (continued)  
Advisers

<b>Independent Auditors:</b>	Dunkley's Statutory Auditors Chartered Accountants Woodland Grange Woodlands Lane Bradley Stoke Bristol BS32 4JY
<b>Investment Manager:</b>	BlackRock Investment Management (UK) Limited (to 7 June 2024) 12 Throgmorton Avenue London EC2N 2DL  Newton Investment Management Limited (from 30 May 2024) The Bank of New York Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA.
<b>Bankers:</b>	Lloyds Bank 1 <sup>st</sup> floor 1 Piccadilly London W1J 0AA
<b>Solicitors:</b>	Dechert LLP 160 Queen Victoria Street London EC4V 4QQ
<b>Administrator:</b>	The Trust Partnership Limited 6 Trull Farm Buildings Tetbury Gloucestershire GL8 8SQ
<b>Charity Insurance:</b>	AXA Insurance UK Plc Old Broad Street London EC2N 1HZ

Charity name and registered charity number

Sears Group Trust is a registered charity, number 1022586.

Registered address

The Trust Partnership Limited  
6 Trull Farm Buildings  
Tetbury  
Gloucestershire GL8 8SQ

Website

[www.searsgrouptrust.org.uk](http://www.searsgrouptrust.org.uk)

# Trustees' Report for the Year Ended 31 March 2024

## Introduction

The Trustees present their report and the audited financial statements of Sears Group Trust ("the Trust") for the year ended 31 March 2024.

## Structure, Governance and Management

### Trust constitution and governing documents

The Trust is governed by a Declaration of Trust dated 19 May 1993 as amended by a Deed of Amendment dated 18 February 1997, a Supplemental Deed dated 26 February 1997 and a Deed of Amendment dated 27 March 2000.

### Trustees' appointment

The existing Trustees may, at any time, appoint a new Director to fill a vacancy or as an addition to the Board of Directors. The number of Directors is not subject to any maximum but shall not be less than three.

### Trustee changes during the year

The Board wishes to record its gratitude for the significant contribution of Brian Sellars, who retired as a Director on 27 February 2024, following six years' service to the Trust.

### Risk management control

The major risks to the Trust are continually reviewed by the Trustees and systems have been put in place to mitigate those risks. A Risk Register was established several years ago and is regularly monitored and updated by the Trustees.

The Trustees consider the fluctuation of the Trust's investment returns to be its biggest risk. The Trustees' investment objective is to generate an income sufficient to cover the grants made by the Trust, with any balance being used to finance the Trust's necessary expenses.

A Safeguarding and Well-being Policy is in place and is regularly reviewed to ensure the Trust's beneficiaries and its employees are not exposed to undue risk and can take responsible steps to protect themselves from harm.

The Trust has Charity Protection Insurance cover of £1,000,000 (2023: £1,000,000) via an policy with AXA Insurance UK Ltd.

### Trustee Training

The Trustees review their capabilities and consider the skills required for effective trusteeship on an ongoing basis, with training being given to close any identified knowledge and/or skill gaps. Suitable training is arranged for new and existing Trustees, as and when required.



Sears Group Trust

## Trustees' Report for the Year Ended 31 March 2024 (continued)

### Structure, Governance and Management (continued)

#### Data Protection

The Board continuously reviews its policies and procedures to ensure compliance with relevant Regulations. The Trust's Privacy Policy is available from the Secretary or can be found on the Trust's website.

#### Activities

##### Public benefit statement

Eligible beneficiaries of the Trust comprise employees and former employees of any company that is/was associated with Sears Limited, as well as their families and dependents. The Trustees' objective is the relief of financial need amongst its beneficiaries, whether caused by reason of age or sickness or howsoever.

The Trustees confirm that they refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning its future activities and grant-making policies.

##### Grant-making policy

The Trust employs two (2023: two) full-time Welfare Visitors. An important part of the Welfare Visitors' duties is to present applications to the Trustees for grant awards – either to increase an individual's total income but also/otherwise to make purchases to meet specific needs.

The Welfare Visitors also assist with the review of continued grant payments to individuals and any new grant applications that are brought to the Trust's attention.

Grants are usually reviewed three-yearly, or sooner in the event of a material change to a recipient's circumstances.

The Trustees decide, on a majority basis, whether or not to approve each grant recommendation that is put forward.

The day-to-day administration is managed by the Secretary, supported by the Administrator.

Sears Group Trust  
Trustees' Report for the  
Year Ended 31 March 2024 (continued)

## Achievements and Performance

### Review of the year ended 31 March 2023

At 31 March 2024, there were 99 (2023: 93) annual grants in payment; 15 (2023: 6) new annual grants were awarded during the year and 19 (2023: 69) existing grants were reviewed. 38 (2023: 29) one-off grants paid included awards for beds and bedding; boilers, electrical and gas appliances; home furnishings and decorations; kitchen, bathroom and property adaptations; mobility aids; personal items and help with food and other essential expenses.

Equipment purchased by the Trust is gifted or loaned to individuals, as appropriate, to improve their quality of life. Where necessary, equipment is serviced and insured at the Trust's expense.

11 (2023: 20) existing grants were cancelled during the year following review or on the death of the individual.

The Trust made donations of £20,000 (2023: £25,000) to Charity Link and £5,000 (2023: £5,000) to the Retail Trust, in recognition of the exceptional services these charities perform and to support them in their work.

During the year, the Trust's Welfare Visitors made 1,900 (2022: 1,950 home calls). Contact was made with Sears pensioners and former employees via telephone calls, emails, letters and texts. In addition and where appropriate, the Welfare Visitors assisted individuals with making claims for a range of State and other benefits.

### Trustees' plans for future periods

The Trustees will continue to review the level and types of grant that the Trust can award and will monitor ongoing grant payments to individuals. The Trustees will also continue to consider as many new grant applications and recommendations as possible.



Sears Group Trust  
Trustees' Report for the  
Year Ended 31 March 2024 (continued)

## Financial Review

### Reserves policy

Reserves are held by the Trustees to enable sufficient income to be generated to cover the Trust's annual expenditure. Reserves are equal to the accumulated funds carried forward each year, i.e., at 31 March 2024 £12,041,946 (2023: £11,827,518).

Reserves of £7m to £8m are generally considered sufficient to generate enough income to meet the Trust's grants and associated expenses.

The Trust's investment and reserves policies are regularly monitored and reviewed.

### Investment policy and performance

The Trust is not a fund-raising charity, so it relies on investment income, which was £379,996 for the year ended 31 March 2024 (2023: £346,121) and its capital to fund its total expenditure. The Trustees have the power to debit their proper expenses either to capital or to income, or between the two, in such proportions as the Trustees think fit.

Total expenditure for the year ended 31 March 2024 amounted to £367,096 (2023: £ 415,723). This included grant expenditure of £219,493 (2023: £178,510).

The Trust's investments are managed by BlackRock, through a direct investment in the BlackRock Charities Growth & Income Fund (the "Fund"). BlackRock have provided the following investment policy and performance report.

The Fund has full discretion to invest globally, directly or indirectly, in equities; equity-related securities; fixed income securities (e.g. bonds and other investments whose value is related to fixed-income securities); money market instruments; deposits; cash and near-cash; property; commodities and other permitted alternative assets and funds, including exchange traded funds. The Fund return for the year to 31 March 2024 was 5.8% net of fees, versus benchmark performance of 10.0%. Outside of a handful of names within the technology and luxury goods sectors which performed strongly over the period, financial markets were driven by the evolving path of inflation and economic growth. At the start of the period higher-than-expected inflation data combined with instability within the banking sector impacted investor sentiment. As central banks followed through on raising interest rates, the realisation that interest rates may need to remain higher for longer led to equity and fixed income markets falling in value. However, they rallied strongly into year-end as resilient economic data paired with softer inflation prints led the increased prospect of a soft landing, inflation returning to target without a recession, and interest rate cuts.

As the growth outlook, particularly for the US remains robust, the market consensus and indeed our own view is that inflation will come back to Central Banks target levels and the US and Europe will avoid a recession. It should be recognized that there are many potential risks to this outlook, including the lagged consequences of higher interest rates and very significant geopolitical tension. We prefer higher quality assets as companies with stable revenue generation and healthier balance sheets are better placed to withstand the current tighter credit conditions. We continue to focus on portfolio resilience and downside protection and believe that active asset allocation and dynamic monitoring of positioning remain important parts of our toolkit for navigating periods of uncertainty.

Following a detailed and ongoing review of BlackRock's performance and a competitive tendering process, the Trustees decided to appoint Newton Investment Management Limited in place of BlackRock and their appointment took effect from 30 May 2024. All assets formerly managed by BlackRock were sold and an equivalent amount was transferred to BlackRock during June 2024.



## Statement of Trustees' Responsibilities

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

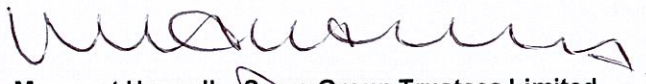
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period.

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

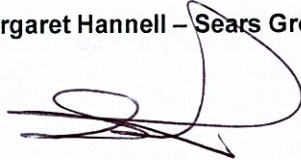
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

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

**Approved by the Directors – Sears Group Trustees Limited on 7 November 2024 and signed on their behalf by:**



**Margaret Hannell – Sears Group Trustees Limited**



**Stephen Sellars – Sears Group Trustees Limited**



Sears Group Trust

# Report of the Independent Auditors To the Trustees of Sears Group Trust

## Opinion

We have audited the financial statements of Sears Group Trust (the "charity") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our Report of the Independent Auditors thereon.

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 identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Sears Group Trust  
Report of the Independent Auditors  
To the Trustees of Sears Group Trust (continued)

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

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

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

**Responsibilities of the trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the charitable sector, control environment and performance including the design of the organisation's remuneration policies;

- Any matters we identified, having obtained and reviewed the organisation's documentation of their policies and procedures relating to:

o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

o The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.



Sears Group Trust  
Report of the Independent Auditors  
To the Trustees of Sears Group Trust (continued)

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas of management override of controls, going concern, income recognition, and the appropriateness of expenditure.

We also obtained an understanding of the legal and regulatory framework that the organisation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements.

Audit response to risks identified

Our procedures to respond to risks identified included the following:


- Enquiring of management, concerning actual and potential litigation and claims;
- Substantive testing to vouch source records to the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Enquiring of management the internal controls in, evaluating each control for weakness and vouching to evidence of the control taking place;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

#### Use of our report

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



Dunkley's Statutory Auditors Chartered Accountants  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Woodlands Grange  
Woodlands Lane  
Bradley Stoke  
Bristol  
BS32 4JY

Date: 08/11/2024 .



# Statement of Financial Activities

For the year ended 31 March 2024

	Note	2024 All Unrestricted and Total Funds £	2023 All Unrestricted and Total Funds £
<b>Income and Endowments</b>			
Income from investments	5	383,146	346,121
<b>Total income</b>		<u>383,146</u>	<u>346,121</u>
<b>Expenditure on Charitable activities</b>			
Grant making activities	6	(467,096)	(415,723)
<b>Total Expenditure</b>		<u>(467,096)</u>	<u>(415,723)</u>
<b>Net (expenditure) and net movement on funds before (loss)/gain on investments</b>		<b>(83,950)</b>	<b>(69,602)</b>
<b>Other recognised gains and losses</b>			
Net gain/(loss) on investments	11	298,378	(1,183,974)
Net movement in funds	13	214,428	(1,253,576)
<b>Reconciliation of Funds</b>			
Fund balances brought forward at 1 April		<u>11,827,518</u>	<u>13,081,094</u>
<b>Fund balances carried forward at 31 March</b>	13	<u>12,041,946</u>	<u>11,827,518</u>

All amounts relate to continuing operations.

All figures are unrestricted.

The notes on pages 15 to 21 form part of these financial statements.

Sears Group Trust

# Statement of Financial Position

As at 31 March 2024

	Note	2024	2023
		All Unrestricted and Total Funds	All Unrestricted and Total Funds
		£	£
<b>Fixed Assets</b>			
Tangible fixed assets	10	256	956
	11	<u>11,921,955</u>	<u>11,727,013</u>
		<b>11,922,211</b>	<b>11,727,969</b>
<b>Current Assets</b>			
Debtors	12	114,801	90,307
Cash at bank and in hand	12	<u>24,587</u>	<u>25,003</u>
<b>Total Current Assets</b>		<u>139,388</u>	<u>115,310</u>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	12	<u>(19,653)</u>	<u>(15,761)</u>
<b>Net Current Assets</b>		<u>119,735</u>	<u>99,549</u>
<b>Net Assets</b>		<u>12,041,946</u>	<u>11,827,518</u>
<b>The funds of the Charity</b>			
Unrestricted income funds/Total Charity funds	13	<u>12,041,946</u>	<u>11,827,518</u>

All figures are unrestricted.

The notes on pages 15 to 21 form part of these financial statements.

Approved by the Directors – Sears Group Trustees Limited on 7 November 2024 and signed on their behalf by:



Margaret Hannell – Sears Group Trustees Limited



Stephen Sellars – Sears Group Trustees Limited



# Statement of Cash Flows

For the year ended 31 March 2024

	Note	Total Funds 2024 £	Total Funds 2023 £
<b>Net cash used in operating activities</b>	14	<b>(483,848)</b>	(415,545)
<b>Cashflows from investing activities</b>			
Interest and dividends	5	<b>379,996</b>	346,121
Purchase of property, plant and equipment	10	-	-
Proceeds from sale of investments	11	<b>460,000</b>	415,000
Purchase of investments	11	<b>(356,564)</b>	(343,874)
<b>Net cash provided by investing activities</b>		<b>483,432</b>	417,247
<b>Change in cash and cash equivalents in the year</b>		<b>(416)</b>	1,702
Cash and cash equivalents brought forward		<b>25,003</b>	23,301
<b>Cash and cash equivalents carried forward</b>		<b>24,587</b>	25,003

The notes on pages 15 to 21 form part of these financial statements.

## Notes to the Financial Statements

### 1. General Information

#### Objectives of the Trust

The eligible beneficiaries of the Trust comprise employees and former employees of any company that is, or has been, associated with Sears Limited, as well as their families and dependents. The Trustees' objective is the relief of financial need amongst its beneficiaries..

In pursuing this objective, the Trustees have the power to:

- (i) provide financial assistance, goods and services;
- (ii) provide residential accommodation on whatever terms the Trustees think are fair and reasonable;
- (iii) provide assistance with the provision of special aids and equipment to enable beneficiaries to remain in their own homes, rather than moving into residential accommodation;
- (iv) fund assistance in meeting nursing and hospital fees;
- (v) alleviate the loneliness and isolation of beneficiaries by funding attendance at day centres as well as recreational and social activities;
- (vi) assist with expenditure as a result of which the lifestyle or comfort of beneficiaries can be eased and improved when such beneficiaries cannot reasonably be expected to incur the necessary expenditure out of their own resources; and
- (vii) assist beneficiaries in learning of methods to protect themselves and their possessions and generally raise awareness of ways in which their health and homes can be looked after and kept secure.

### 2. Statement of Compliance

The financial statements have been prepared under the historical items recognised at cost or transaction value, unless otherwise stated in these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities prepared in accordance with the Financial Reporting Standard applicable in the UK and (FRS 102) and comply with the Charities (Accounts and Reports) Regulations 2019 and the Charities Act 2022.

The Trust constitutes a public benefit entity as defined by FRS 102

### 3. Fund income

The Accumulated Fund is an unrestricted fund, representing the cumulative net incoming resources of the Trust since its inception. This is applied in the payment of grants at the absolute discretion of the Trustees of the Sears Group Trust.



## Notes to the Financial Statements (continued)

### 4. Accounting Policies

The following accounting policies have applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

#### a) Preparation of financial statements as a going concern basis

Reserves increased from £11,827,518 in 2023 to £12,041,946 at 31 March 2024. The Trustees will continue to monitor the position, noting that the Charity continues to have a significant reserves balance to meet its committed and fixed costs for the foreseeable future. The Trustees consider reserves of £7m to £8m adequate to generate sufficient income to cover grants and associated expenses. The Trustees therefore consider the "going concern" basis of accounting to be entirely appropriate in the preparation of these financial statements.

#### b) Investments

Pooled investment vehicles are stated at fair values as notified by the investment managers at the year end. This is based on the value of the underlying investments and all valuations are net of accrued management fees and performance fees or allocations payable to the portfolio managers as required by the Investee Funds' respective operating agreements.

#### c) Resources expended

The payment of grants and other expenses are accounted for on an accruals basis.

#### d) Charitable activities

The costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Trust. These costs comprise direct costs and support costs as shown in notes 6 and 7.

#### e) Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice.

#### f) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Gains and losses realised on sales of investments and unrealised changes in market value are not separated in the Statement of Financial Activities.

Sears Group Trust  
Notes to the Financial Statements (continued)

4. Accounting Policies

g) Pensions

Until 29 November 2023, the Trust's employees were eligible for membership of the Sears Retail Pension Scheme ("the Scheme"), a defined benefit scheme, which covered a number of former Sears Group businesses.

Towards the end of 2023, the Trustees of the Scheme gave notice that they had agreed terms with Clara Pension Trust to transfer all members' accrued benefits via a bulk transfer to the Clara Pension Trust – Sears Retail Section and, from December 2023. No liabilities were to be retained in the Scheme and, as a consequence, the pensionable service of the Trust's two employees would have to cease.

Accordingly, new pension and life assurance arrangements were established for the Trust's employees from 1 December 2023. Ongoing pension provision was set up with Smart Pensions on a defined contribution basis, while a separate life assurance policy provides death in service lump sum benefits which are four times each of the two member's annual salaries. Future, aggregate pension contribution and life assurance costs are comparable to those which had applied up to December 2023.

h) Short-term deposits

Short-term deposits comprise monies held by the Trust's bankers and investment managers. Interest on short-term deposits which is due but not received is accounted for as accrued income.

i) Income from investments

Investment income is accounted for when declared by the investment manager.

j) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of the asset. Computer equipment is depreciated at 33.33% a year on a straight-line basis.

5. Income from investments

	2024	2023
	£	£
Pooled investment vehicles	379,996	346,121
Donations	3,150	-
Total investment income	<u>383,146</u>	<u>346,121</u>



Sears Group Trust  
Notes to the Financial Statements (continued)

6. Analysis of charitable activities

	2024	2023
	£	£
Grant funded activity	219,493	178,510
Support costs (note 7)	240,709	231,882
Governance (note 8)	6,895	5,331
	<u>467,096</u>	<u>415,723</u>

7. Support costs

	2024	2023
	£	£
Staff costs	149,598	150,786
Administration expenses	57,943	50,858
Car and travel expenses	30,008	25,509
Other costs	3,160	4,729
<b>Total support costs</b>	<u>240,709</u>	<u>213,288</u>

8. Governance costs

	2024	2023
	£	£
Auditors' remuneration	3,900	2,520
Trustees' Indemnity Insurance	2,955	2,811
<b>Total governance costs</b>	<u>6,895</u>	<u>5,331</u>

9. Analysis of staff costs

	2024	2023
	£	£
Salaries	110,550	112,834
National insurance contributions	9,186	9,589
Pension costs	29,862	28,363
<b>Total staff costs</b>	<u>149,598</u>	<u>150,786</u>

Two (2023: two) full-time Welfare Visitors were employed for the whole of the accounting year. All employee time was involved in providing support services to the Trust's charitable activities. Trustees' remuneration and expenses are disclosed in note 16.

## Notes to the Financial Statements (continued)

## 10. Tangible fixed assets

	<b>Computer equipment</b>	
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 2023	<b>3,097</b>	3,097
Additions in year	-	-
Disposals in year	-	-
	<u><b>3,097</b></u>	<u>3,097</u>
<b>Depreciation</b>		
At 1 April 2023	<b>2,141</b>	1,441
Charge for the year	<b>700</b>	700
Disposals in year	-	-
	<u><b>2,841</b></u>	<u>2,141</u>
<b>Net book value</b>		
At 31 March 2024	<u><b>256</b></u>	<u>956</u>

## 11. Investments

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Movement in investments</b>		
Market value brought forward	<b>11,727,013</b>	12,982,113
Add: additions to investment at cost	<b>356,564</b>	343,874
Disposals at carrying value	<b>(460,000)</b>	(415,000)
Add net gains/deduct net losses on revaluation	<b>298,378</b>	(1,183,974)
	<u><b>11,921,955</b></u>	<u>11,727,013</u>

An analysis of market value at year-end is detailed below

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Pooled investment vehicles – Unit Trusts	<b>11,921,955</b>	11,727,013

The following table sets out the investments of the Trust

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>%</b>	<b>Value</b>	<b>%</b>	<b>Value</b>
		<b>£</b>		<b>£</b>
<b>Security</b>				
Blackrock Charities Growth & Income Fund	100.00	11,921,955	100.00	11,727,013



Sears Group Trust  
Notes to the Financial Statements (continued)

12. Analysis of net current assets

	2024	2023
	£	£
<b>Debtors: amounts falling due within one year</b>		
Prepayments and accrued income	114,801	90,307
<b>Cash held</b>		
Cash at bank and in hand	24,587	25,003
<b>Total current assets</b>	<u>139,388</u>	<u>115,310</u>
<b>Creditors: amounts falling due within one year</b>		
Administration charges due	15,753	13,241
Professional fees	3,900	2,520
<b>Total current liabilities</b>	<u>19,653</u>	<u>15,761</u>

13. Unrestricted income funds

	Balance 1 April 2023	Incoming resources	Charitable expenditure costs	Realised and unrealised gain	Balance 31 March 2024
	£	£	£	£	£
Unrestricted Income Fund	<u>11,827,518</u>	<u>383,146</u>	<u>(467,096)</u>	<u>298,378</u>	<u>12,041,946</u>

14. Reconciliation of net movement in funds to net cash flow from operating activities

	2024	2023
	£	£
Net movement in funds	214,428	(1,253,576)
Add depreciation charges	700	700
Deduct interest income shown in investing activities	(379,996)	(346,121)
Deduct net (gain)/add net loss on investments	(298,378)	1,183,974
Increase in debtors	(24,494)	(1,056)
Increase in creditors	3,892	534
<b>Net cash used in operating activities</b>	<u>(483,848)</u>	<u>(415,545)</u>

Notes to the Financial Statements (continued)

15. Contingent liabilities or commitments

The Trust has no contingent liabilities as at 31 March 2024 (2023: nil).

16. Related party transactions and Trustees' remuneration

Trustees received no emoluments (2023: nil). None of the Trustees received expenses (2023: nil).

The Trust paid £24,261 (2023: £20,332) to MMH Services, an administration services company operated by Margaret Hannell. The amount owed to MMH Services at the year-end amounted to £5,739 (2023: £nil).

During the year Gary Branston, a member of key management personnel, received remuneration of £77,907 (2023: £79,636). This reflects his role as Secretary to Sears Group Trust and Sears Group Trustees Limited as well as his role as one of the two Welfare Visitors employed by Sears Group Trust. At the year end, a balance of £nil was due to Gary Branston (2023: £nil).