

McCARTHY STONE

FOUNDATION

The McCarthy & Stone Charitable Foundation
Trustees Annual Report and Financial Statements
Year ended: 31st October 2021
Charity no: 1191504

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1. Reference and Administrative Information

The McCarthy & Stone Charitable Foundation (working name: McCarthy Stone Foundation) is a Charitable Incorporated Organisation (CIO) in England and Wales no: 1191504. The principal address of the Foundation is:

McCarthy Stone Foundation
4th Floor, 100 Holdenhurst Road
Bournemouth
Dorset
BH8 8AQ

Trustees

John Tonkiss, Chair of Trustees
Paul Teverson, Trustee
Paula Jordan, Trustee
Martin Edwards, Trustee
Adam Batty, Trustee – resigned 1st June 2021

Foundation Manager

Graeme Marsh

Bankers

HSBC
PO Box 10
59 Old Christchurch Road
Bournemouth
BH1 1EH

Independent Examiners

Daniel Terrot ACMA

Report of the Trustees for the year ended 31st October 2021

The Trustees present their annual report and financial statements for the year ended 31st October 2021. Financial statements have been prepared in accordance with accounting policies set out in note 1 and comply with the charity's constitution, the Charities Act 1993, and the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities 2005.

2. Structure, Governance and Management

2.1 The Foundation is a de facto corporate foundation, registered as a Charitable Incorporated Organisation (CIO) in England and Wales. The governing document is its constitution, dated 28th September 2020, which sets out the foundation's charitable objectives.

2.2 Trustees who have served during the year are set out on page 1. The Trustees would like to acknowledge the contribution and work of Adam Batty who resigned in June 2021 for his part in establishing the foundation.

2.3 Apart from the first charity Trustees, every appointed trustee must be appointed for a term of three years. New Trustees are selected for appointment by the existing Trustees, with due regard to the skills, experience, and knowledge needed for the effective administration of the foundation. Appointment of Trustees wherever possible must provide for at least two members of the board (or one third, whichever is greater) to be external of McCarthy Stone and its subsidiaries. The current board is comprised of two Trustees from McCarthy Stone and two external members.

2.4 Trustees complete annual training on governance and compliance as identified by a skills audit and the foundation is a member of the Association of Charitable Foundations.

2.5 The Trustees meet quarterly and set the strategic goals for the Foundation, including the selection of grantees, strategic charity partnerships, and any external promotion. The Trustees retain responsibility for all policy and decision making. Daily management of the foundation is undertaken by the Foundation Manager, under the Scheme of Delegation policy.

2.6 No Trustee received any remuneration, benefits, or expenses in the financial year.

2.6 McCarthy Stone Retirement Lifestyles Ltd is a related party of the foundation and provided goods and services to the value of £62,914.47 without charge, along with the use of office space, IT equipment, and other sundry items. The Trustees would like to extend their gratitude for this support in kind.

3. Objectives and Activities

3.1 The Foundation's charitable objects are to advance such charitable purposes (according to the law of England and Wales) for the public benefit as the Trustees see fit from time to time, primarily by providing grants and volunteer support to charities and/or other organisations and with a particular focus on assistance to young people, the elderly and in education.

3.2 Our vision is a society where every older person can experience fulfilment, independence, and feel connected to their local community. Our mission is to support older people experiencing isolation, hardship, loneliness, or poor health, particularly through intergenerational activities and community regeneration.

3.3 The Trustees confirm that they have complied with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

3.4 The foundation supports charities, community groups, and other non-profit organisations across England, Scotland, and Wales principally through financial grants. Small community grants up to £500 are made on a rolling basis throughout the year, and larger grants, typically c.£5000 are made twice a year in Spring and Autumn. During the year the foundation also coordinated several activities supporting national charities, such as Alzheimer's Society Denim for Dementia day and the Royal Voluntary Service Vintage Tea Parties.

3.5 There are no income limits on organisations supported, but the focus is on supporting wherever possible smaller, local, grassroots organisations that are volunteer led. Funding is typically available on an unrestricted basis, to enable the support of core costs and overheads. Where organisations offer a range of community services, funding may be restricted to support those programmes that directly further the charitable purposes of the foundation.

3.6 The foundation also works in partnership with McCarthy Stone and its supplier and contractor partners to support community projects through volunteering, materials, and other resources.

3.7 Opportunities for volunteering have been significantly curtailed due to the impact of the Covid-19 pandemic. The foundation has coordinated several group volunteering activities through the latter part of the year in review and is supported by a team of Volunteer Ambassadors, who liaise with local grantees and assist with fundraising and events.

3.8 Grant Making Policy

In line with the foundations aim to support small, local, grassroots organisations, funding is available to any non-profit organisation, including, but not limited to, registered charities, community interest companies, constituted community groups, schools and colleges, and community benefit societies. Unrestricted funding is only offered to registered charities and all activities funded must be for activities that are charitable in law.

Applications for grants over £500 are reviewed at Spring and Autumn trustee meetings. Each application is first scored using an assessment rubric, which assesses the application against four criteria:

- Focus (30%)
- Impact (30%)
- Risk (20%)
- Organisation (20%)

Trustee scores are tabulated, and applications further reviewed in a panel discussion prior to a final funding decision.

The foundation operates a transparent approach to grant making, and all grants made are listed in the annual report and on the foundation website. The foundation's grant making policy is publicly available in full on the foundation website.

3.9 The foundation raises income from fundraising from McCarthy Stone employees, suppliers and customers and is committed to best practice in all fundraising activities, in line with the Code of Fundraising Practice and the Fundraising Promise. It is registered with the Fundraising Regulator and does not use professional fundraising agencies. No complaints have been registered with the regulator against the foundation in the year under review.

4. Achievements and Performance

4.1 Despite the challenges of the Covid-19 pandemic, the foundation has enjoyed a successful first year, exceeding expectations for income generation and grant-making. The initial months of the charity were focused around embedding the required governance and policies to enable the foundation to operate effectively. The achievements during this time included:

- Initial policies created, reviewed, and approved for use
- Governance structure created and board meetings formalised

- Development and launch of foundation website
- Payment processing providers and fundraising platforms onboarded
- Development of a strategic plan and grant making focus
- Registration with the Charity Commission
- Registration with HMRC for Gift Aid
- Social media channels established, and online presence developed
- Membership of the Association of Charitable Foundations and the Fundraising Regulator
- Google AdWords grant secured and implemented
- Initial Governance training with NCVO completed for Trustees
- Financial reporting and accounting systems implemented
- Foundation successfully launched internally to McCarthy Stone employees
- Grant making framework established

4.2 Fundraising

Total income for the year was £293,469. Key achievements relating to fundraising included:

- Established a weekly lottery
- Completed Gift Aid registration with HMRC
- Golf Day at the Belfry, hosted by London South East Division of McCarthy Stone
- 2021 Supply chain gala
- Generated donations from several corporate partners
- Secured restricted income from McCarthy Stone Divisions for community projects
- Funding donated from McCarthy Stone Group
- Supported Denim for Dementia for Alzheimer's Society
- Development of a long-term funding proposal with McCarthy Stone Group

The Trustees would like to thank everyone who supported the foundation throughout the year for their kindness and generosity.

4.3 Grant Making

The principal way that the foundation fulfils its charitable purposes is through the disbursement of grant funding. Over the course of the year the foundation has worked directly with 40 organisations from the voluntary sector, awarding almost £90,000 in grant funding, more than double our initial target.

As the bulk of grants were made in the second half of the year for 12-month programmes, monitoring and evaluation is ongoing. For all grantees, requirements around this are designed to be proportionate to the grant amount and not to create undue work unless included in the funding proposal. Of the 40 grants awarded, impact reports have been received to date from 17 organisations that received small community grants. Although these grants were comparably small, the feedback from the organisations receiving them has demonstrated that they have had a discernible positive impact on service users.

4.4 Community Projects and Volunteering

Across the year several community projects and volunteer days were also undertaken to support the following organisations:

- Access Dorset (installation of concrete base for polytunnel in partnership with Woodmace Ltd)

- Age Concern Windsor (repair of kitchen facilities, in partnership with APBS Ltd)
- Bridport Community Centre (supply and fit of carpets in partnership with English County Contracts Ld and Carpets and Flooring Ltd)
- Alton Dementia Friendly (Dementia Allotment)
- Style Acre (Volunteering support)
- Prior's Court (Volunteering support)
- Lewis Manning Hospice Care (Volunteering support).

5. Financial Review

5.1 The Foundation received a total income of £293,468 during the financial year and ended the year with £72,721.39 cash at bank. Total operating costs for the year were £65,140 with an event expenditure of £67,932.

5.2 The Trustees have agreed on building a reserves policy of 3 months operating costs, currently equivalent to £16,285 to be always maintained to cover operating costs in the event of a shortfall in fundraising or in the unlikely case of the charity winding up. Additional funds held over this at year end will be allocated to the next round of grant awards.

5.3 The Trustees review risks to the charity on an ongoing basis via the use of a Risk Register, with risk assessed and controlled across six categories: governance, regulatory and compliance, external, operational, financial and grant making. The Trustees consider there to be no material concerns for the charity's ability to continue as a going concern. With the initial phase of the charity's regulatory and operational framework now completed, Trustees are optimistic that the next financial year should see increased financial performance and a higher level of grant making in relation to other expenditure.

5.4 There are no funds or subsidiary undertakings in deficit.

Declarations

The Trustees declare that they have approved the above report:

Signature	
Full Name	John Tonkiss
Position	Chair of Trustees
Date	26 th April 2022

6. Independent Examiner's Report

I report to the trustees on my examination of the accounts of the McCarthy Stone Foundation ("the Trust") for the year ended 31 October 2021 as recorded on pages 7 and 8 of this annual report.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Chartered Institute of Management Accountants.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Name: Daniel Terrot

Date: 23 April 2022

Relevant professional body: Chartered Institute of Management Accountants

7. Statement of Financial Activities (including summary income and expenditure account) for the period 1st November 2020 – 31st October 2021.

Recommended categories by activity	Unrestricted funds	Total funds
	£	£
Income (Note 3)		
Income and endowments from:		
Donations and legacies	293,469	293,469
Total	293,469	293,469
Expenditure (Note 5)		
Expenditure on:		
Raising funds	100,187	100,187
Charitable activities	119,590	119,590
Separate material expense item	-	
Other	1,270	1,270
Total	221,048	221,048
Net income/(expenditure) before tax for the reporting period	72,421	72,421
Net income/(expenditure)	72,421	72,421
Net income/(expenditure)	72,421	72,421
Other gains/(losses)	-	-
Net movement in funds	72,421	72,421
Total funds carried forward	72,421	72,421

The notes on pages 8 – 12 form part of these financial statements.

Balance Sheet

	Unrestricted funds	Total this year
	£	£
Cash at bank and in hand (Note 24)	72,721	72,721
Total current assets	72,721	72,721
Creditors: amounts falling due within one year (Note 20)	300	300
Net current assets/(liabilities)	72,421	72,421
Total assets less current liabilities	72,421	72,421
Total net assets or liabilities	72,421	72,421
Unrestricted funds	72,421	72,421
Total funds	72,421	72,421

These accounts have been prepared in accordance with FRS102 SORP and were approved by the Board of Trustees on March 16th 2022 and signed below on behalf of the Trustees.

Signature	
Full Name	John Tonkiss
Position	Chair of Trustees
Date	26 th April 2022

Notes to the accounts (forming part of the financial statements)

1. Basis of Preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise states in the relevant notes to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There are no materials uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

The accounts present a true and fair view and no changes have been made to the accounting policies adopted in Note 2.

2. Accounting Policies

2.1 Income

Income is recognised in the Statement of Financial Activities (SoFA) when:

- The charity becomes entitled to the resources;
- It is more likely than not that the Trustees will receive the resources;
- The monetary value can be measured with sufficient reliability.

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so. Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable. Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA. The charity has incurred expenditure on support costs. The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

2.2 Expenditure and Liabilities

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g., allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

3. Income

Analysis of income	Unrestricted funds	Total funds
	£	£
Donations and gifts	228,948	228,948
Gift Aid	1,606	1,606
Donated goods, facilities and services	62,914	62,914
Other	-	-
Total	293,469	293,469

4. Donated Goods, facilities and services

	This year
	£
Seconded staff	45,594
Other Costs	17,320
Total	62,914

Donated goods, facilities and services were accounted for at cost. The foundation has one full time member of staff, who is employed and has costs paid for, by McCarthy Stone Retirement Lifestyles Ltd. This support cost is apportioned across fundraising and charitable activity to reflect time allocated to each.

5. Expenditure

Analysis	Unrestricted funds	Total funds
Expenditure on raising funds:	£	£
Incurring seeking donations	19,349	19,349
Operating membership schemes and social lotteries	150	150
Staging fundraising events	67,933	67,933
Advertising, marketing, direct mail and publicity	1,876	1,876
Start-up costs incurred in generating new source of future income	10,580	10,580
Inspection Fees	300	300
Total expenditure on raising funds	100,187	100,187
Expenditure on charitable activities:		
Grant Making	87,674	87,674
Support Costs	31,916	31,916
	-	-
Total expenditure on charitable activities	119,590	119,590
Separate material item of expense		
Total	-	-
Other		
Staff Training	1,270	1,270
	-	-
Total other expenditure	1,270	1,270
TOTAL EXPENDITURE	221,048	221,048

6. Fees for examination of the accounts for the accounting period were £300

7. Analysis of Grants paid

Analysis	Grants to institutions	Grants to individuals	Support costs	Total
			£	£
Small grants in Total	87,674.07	Nil	31,916	119,590

Organisation	Amount Awarded	Organisation	Amount Awarded
Access Dorset	£250	Alive Activities	£5000
Clevedon Happy Companions Club	£250	Alzheimer's Society	£2823
British Wireless for the Blind Fund	£270	St Tudy Village Hall	£2000
Pallion Action Group	£500	Journey Enterprises	£3000
Truth Be Told	£250	Buddies Dementia Café	£1000

Small Acts of Kindness	£250	North Berwick Coastal Connections	£1000
Wiltshire Bobby Van Trust	£500	LIVES	£500
Rugby First Responders	£500	Green Ridge Primary Academy	£3000
Estuary League of Friends	£250	New Friends for You	£5000
Community Life Hub Cullompton	£250	Sandwell Youth in Action	£4950
Herts Independent Living Services	£250	Winchester Student Hub	£5000
Alzheimer's Society	£250	West SILC	£5000
Swindon Branch - Samaritans	£500	Moretonhampstead Development Trust	£5000
Swindon and District Parkinson's UK	£500	VASA	£5000
Swindon Stroke Support Group	£500	Newent Association for the Disabled	£6300
Dementia-friendly Alton	£500	Sheerhatch Primary School	£5000
Alton Community Association	£500	Minehead Shed	£6250
Blue Lamp Trust	£500	Sydenham Garden	£5000
Bridport YACC	£1080	Mamhead Village Hall	£5000
Scottish Book Trust	£2000	Toynbee Hall	£2000

8. Analysis of creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year	Last year	This year	Last year
	£	£	£	£
Accruals and Deferred Income	300	-	-	-
Total	300	-	-	-

9. Transactions with Trustees and related parties

None of the Trustees have been paid any remuneration or received any other benefits and no trustee expenses have been incurred.

McCarthy Stone Retirement Lifestyles Ltd is a related party and provided funding and support costs as outlined in the notes above.