MAKING A POSITIVE DIFFERENCE TOGETHER

2023 ANNUAL REPORT AND ACCOUNTS
Having served as a Trustee since the Foundation’s inception in 2020, I am, as ever, inspired and humbled by the way that McCarthy Stone employees, customers and supply chain partners have supported our charitable work through their fundraising, donations and volunteering. It is this support that is the lifeblood of the Foundation. We are also delighted to advise that funds raised by our employees, customers and suppliers now attract corporate match funding. For 2023 this amounted to an additional £135,000, and we expect to receive over £164,000 in 2024 as a result of this year’s efforts, a huge achievement. On behalf of the Trustees and the charities we support, we would like to express our deep gratitude and appreciation.

As the Foundation has grown, we have worked to strengthen our governance, operations and systems. In addition to Salesforce, which was implemented early in 2023, we have recruited Julia Laister as Foundation Coordinator to work alongside Graeme Marsh, our Head of Foundation, and will be implementing accounting software in 2024. Crucially, we have remained committed to our vision of supporting grassroots charities and community groups. The average organisation supported by the Foundation has a turnover of under £100,000 a year and 53% of our grants were made in direct support of core costs, helping organisations to keep their doors open and services supported. We continue to believe it is at this part of the sector where our work can have the greatest impact.

As I step up to the role of Chair, I would like to thank John Tonkiss, CEO of McCarthy Stone, for his excellent stewardship of the Foundation in its first three years. I look forward to another three years of progress and growth as we continue the Foundation’s mission to help create a better society for older people.

On behalf of the McCarthy Stone Foundation Trustees, I am pleased to approve the following annual report for 2023.

Thank you.

Paula Jordan
Chair of Trustees
25th April 2024

2023 has been another extraordinary year for the McCarthy Stone Foundation. We made 171 grants totalling £339,160 to charitable causes across the country, an increase of 58% compared with 2022. Our funding helped support more than 22,000 older people to be valued, connected, and engaged with their local community.
ABOUT OUR FOUNDATION

The McCarthy Stone Foundation is an independent charity that supports grassroots, local charities and community groups and other non-profit organisations across England, Scotland and Wales, principally through the provision of financial grants. It is a corporate foundation, connected to the UK’s largest retirement living developer McCarthy Stone, who generously provided goods and services to the value of £133,099 and a further £148,514 in donations during 2023.

The foundation’s charitable objectives are to advance such 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 with a particular focus on assistance to older adults, aged 65 and over. The foundation is registered with the Fundraising Regulator and complies with both the Fundraising Code of Practice and the Charity Governance Code.

Trustees meet quarterly to set the strategic aims of the foundation, retaining responsibility for all policy and decision making. New Trustees are appointed for a term of three years after a rigorous and inclusive process of recruitment, with due regard to the skills, experience and knowledge needed for the effective governance of the foundation. At least two members (or one third, whichever is greater) must be external of McCarthy Stone and its subsidiaries. The foundation currently has five external trustees. Daily management of the foundation is undertaken by the Head of Foundation, in line with the Financial Controls Policy, which outlines delegated responsibilities. Further support is provided by the Foundation Coordinator, who reports into the Head of Foundation. Foundation staff are employed by McCarthy Stone directly and seconded to the charity. Remuneration and performance management is conducted by McCarthy Stone with the due consideration and input of the Trustees, via the Executive Liaison Sub-Committee.

The Trustees confirm that they have complied with their duty to have regard to the guidance on public benefit, published by the Charity Commission and are pleased to present their annual report and financial statements for the year ended 31st October 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes and comply with the foundation’s constitution, the Charities Act 1993, and the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities FRS 102, 2019.
Our vision is a society where older people are valued, connected and engaged with their communities.

Our mission is to help grassroots charities and community groups support older people by engaging the McCarthy Stone Group, People, Customers, and Partners.

Our values

- We are positive about ageing
- We are transparent and accountable
- We are committed to improvement

TOGETHER PROJECT, LONDON

“We’re so delighted that McCarthy Stone Foundation has supported us for a second year. By funding our office they have provided much-needed stability to our organisation and supported our ambitious growth plans for 2024, which will see us roll out our intergenerational Songs & Smiles programme across London.”

LOUISE GOULDEN, CEO

Image courtesy of The Together Project at Appleby Almshouse in Southwark
ACHIEVEMENTS AND PERFORMANCE

We set out with ambitious goals for 2023, to increase our grant making, grow our income, and improve our overall operational capacity. This began with recruiting a new team member, and we welcomed Julia Laister to the foundation in November 2022 as our Foundation Coordinator. Over the past year Jules has immersed herself in all aspects of the foundation’s work and quickly become an integral part of the charity.

Graeme Marsh and Julia Laister, McCarthy Stone Foundation Team

Makng a pox difference to

The investment in Salesforce has significantly streamlined our grants programme administration, simplified the application process, and enabled us to assess and process applications quicker and more consistently. We successfully delivered the implementation of Salesforce on budget, albeit taking slightly longer than hoped. Looking ahead, there is still some work to be done on integration with platforms such as Just Giving, and to align our CRM with our finance and accounting tools.

The Foundation also agreed a Memorandum of Understanding with McCarthy Stone, helping to position the positive relationship between the two organisations well into the future. Our thanks go to the Legal and Compliance team at McCarthy Stone who helped to make this possible.

Our target for 2023 was to support over 150 organisations with at least £300,000 of funding. We exceeded this, ending the year having granted a total of £339,160 to 171 organisations, an increase of 58% on 2022. We delivered this through small grant initiatives to connect older people at Christmas, provide warm spaces for older people to meet, and in support of Dementia Action Week, alongside our larger grant programmes in Spring and Autumn. Funding was largely unrestricted and went to supporting vital core costs, which saw a sharp rise over the year, hitting small charities the hardest. At times though, we did try to do too much, and this created additional work for our team that could have been avoided.

Once again it was the people of McCarthy Stone, their customers and supply chain partners, who helped make this possible. Our target for overall income in 2023 was £450,000, which was exceeded, achieving a total income for the year of £548,122. Support came from cash donations from the McCarthy Stone Group of £148,514 in addition to many collective and individual fundraising efforts across the business. Our weekly lottery continues to raise valuable funds, and individual raffles were held by several divisions of McCarthy Stone, and over 160 raffles took place at developments around the country celebrating the coronation of King Charles III. McCarthy Stone employees took on group challenges ranging from a Winter Sea Dip to our first ever Walk With WiMS led by the Women in McCarthy Stone network. Others raised money through silent auctions, raffles and physical challenges like the Jurassic Coast Walk and Yorkshire Three Peaks. Our annual gala dinner, supported by McCarthy Stone, took place at Studley Castle in Warwickshire, welcoming over 400 guests and raising over £119,000 on the night. We are very grateful to the event sponsors, donors and volunteers who helped make this possible.

It has been inspiring to have worked with so many grassroots charitable causes during 2023. We have been privileged to collaborate with some incredible local, volunteer led organisations working to create a better society for all of us to grow older in, some of whom are featured in this report. I’d like to thank everyone who has supported our charitable foundation over the past year. It is your kindness and generosity that makes this possible. We simply couldn’t do it with you.

Graeme Marsh
Head of Foundation

ACHIEVEMENTS AND PERFORMANCE

08

ACHIEVEMENTS AND PERFORMANCE

09
2023 IN NUMBERS

£548,122 INCOME RAISED

£339,160 GRANTS MADE

OVER 22,000 OLDER PEOPLE SUPPORTED THROUGH OUR FUNDING

£281,613 DONATIONS AND SUPPORT COSTS FROM McCARTHY STONE

OVER £16,600 RAISED ACROSS McCARTHY STONE DEVELOPMENTS

£11,800 RAISED IN OUR WEEKLY LOTTERY

171 CHARITABLE CAUSES SUPPORTED
Our strategic aims for 2023 were:

• To support local grassroots, volunteer driven charities and community groups working with older people.
• To provide funding and resources to drive connection and purpose in later life for those experiencing isolation, hardship or ill health.
• To promote intergenerational relationships, bringing young and old together.
• To support community regeneration that enables connection and engages those in later life.

We assessed our success in this through the number of organisations we were able to reach with funding and the overall amount disbursed. While we do carry out some light touch reporting with grant recipients, this is kept minimal and largely taken on trust, due to the size of both the grant amount and the organisations supported. Due diligence was undertaken on every grant awarded and all grants were made in line with the foundation’s grant policy, which can be found in full at www.mccarthystonefoundation.org.

Additional monitoring was carried out through case studies, photography and video, and several site visits throughout the year by our foundation team. We are pleased to be able to share some of those stories with you in this report.

To achieve this in 2023 we delivered four principal grant programmes, each aimed at delivering our strategic aims and supporting grassroots groups to reach older people in their community:

• Christmas Connections
• Winter Warmers
• Dementia Action Week
• Community Grants

53% of grants made were to directly support the core costs of small charities.

The average size of organisation we supported was just under £98,000 of turnover per year.

Over 22,000 older people were directly impacted through our funding.
**We expanded our reach, awarding 34 grants of between £250 – £1,000, totalling £20,000.**

In 2022 we awarded 33 grants totalling £12,750 in support as part of our Christmas Connections programme, in this year.

The grants focused on reaching small charities and groups working in their local area to support older people over the festive period, for some this meant providing food supplies or small gifts, while for others it was opening a venue on Christmas day and providing a warm meal.

**B:FRIEND**

“The funding helped us to deliver fun Christmas activities, again during a difficult time with the cost of living meaning that older neighbours were in even more need of a warm space and a place where they could get a hot drink and snacks and enjoy the Christmas period in the company of good friends.”

**COLETTE BUNKER, CEO – GRANTED £960**
WINTER WARMER GRANTS

A new initiative this year was aimed at providing support for local community groups and charities dealing with the rising energy costs that impacted hard during the winter months.

Our Winter Warmer grants were awards of £750 to be used towards the cost of heating and/or providing warm spaces for older people during the coldest time of the year. We awarded 40 grants, totalling £28,500.

CONNECT COMMUNITY CHOIR

“It’s absolutely brilliant how everyone feels valued, positive and engaged at the choir and so many friendships have been made and nurtured there, especially for members who have lost their spouse and have met other people in the same situation”.

JANE KELLY, FOUNDER – GRANTED £750

GARNSYCHAN PARTNERSHIP

“Many of our diners live alone and often lunch club is their only social event each week where they enjoy a tasty home cooked meal”

GEMMA BURTON, MARKETING AND PROJECT SUPPORT OFFICER – GRANTED £750
DEMENTIA ACTION WEEK GRANTS

Once again, the foundation ran a grants programme in support of Dementia Action Week, with grants up to £1,000 available to support local dementia groups and memory cafes.

In 2022 we awarded 20 grants totalling £10,000, which was increased this year to £28,811, helping 38 organisations provide connection and engagement to older people in their community living with dementia.

EAST KILBRIDGE & DISTRICT DEMENTIA CARERS GROUP

“The impact on our attendees is incredible. One local resident had refused all other support. We took him to a Memory Cafe meeting where there was a Music Therapy session. He loved it and even danced for the first time in years! That was a turning point as he now regularly attends daycare with us and has built up good relationships... something he was unable to do elsewhere.”

BRIAN DOIG, GROUP COORDINATOR

– GRANTED £800

CUMBERNAULD ACTION ON CARE OF THE ELDERLY

“Isolation and loneliness has such a devastating impact on vulnerable older adults and places such a strain on families and carers. With your help, CACE can be there for some of the most vulnerable in our community. Thank you.”

WILMA PATERSON, CEO

– GRANTED £800
COMMUNITY GRANTS

Our Community Grants programme has two funding windows in Spring and Autumn, awarding grants to organisations across England, Scotland and Wales. To reflect the increasing cost of living and rising inflation, the maximum grant amount was increased from £5,000 to £7,500 across the year.

2023 was our biggest year to date, with 59 community grants made and £261,849 of funds disbursed. Of these grants, 46 were over £2,000 with 13 smaller grants of between £250 and £1,995. Most of these grants were also made as unrestricted core cost funding, enabling organisations to prioritise the support where it was needed most.

CARAWAY

“With the help of the McCarthy Stone Foundation we’ve been able to open three new Memory Café’s in the more deprived areas of Southampton.”

DR ROS SIMPSON, CHAIR OF TRUSTEES – GRANTED £6,644

SWITCHBOARD

“The foundation’s grant supported Switchboard to host four Grief Meets Cookery sessions throughout the year, which proved to be the most popular session we have held yet. Thanks to the McCarthy Stone Foundation for allowing us to offer such popular and healing sessions!”

JACK MASON, SERVICES MANAGER – GRANTED £5,000

INDEPENDENT ARTS

“You’ve helped us to bring generations together and improve wellbeing among the most vulnerable residents on the Isle of Wight. Using creative health techniques to keep people independent and healthier for longer. Thank you.”

LISA GAGLIANI, CEO – GRANTED £6,060
SMALL ACTS OF KINDNESS

“It’s easy to see the direct impact that the funding has on older people when you get to the doorstep and hand over a ‘Warm Winter Bag’ and you can see the gratitude in their eyes, and the appreciation that somebody actually cares for them.”

CHRIS HAMILL, CHAIR OF TRUSTEES – GRANTED £7,500

BRIGHTER TOGETHER

“This funding has helped Brighter Together go from strength-to-strength by providing support for the delivery of our intergenerational projects for a full twelve-month period. This has been critical in ensuring the quality and sustainability of the programme benefiting over 180 older adults and early years children. It has given us a great foundation on which to expand our programme to improve the social and emotional wellbeing of more older adults in 2024.”

POLLY VAN MARKEN, FOUNDER – GRANTED £5,000

TIME TO TALK BEFRIENDING

“Funding from organisations such as the McCarthy Stone Foundation plays a key role in helping us deliver our range of befriending services. We particularly appreciate the flexibility of unrestricted funding, which means we are better placed to respond to the increasingly complex needs of the older people we support. It is a pleasure to work with a funder who is so accessible, and who really understands the challenges faced by the sector.”

EMILY KENWARD, FOUNDER & CEO – GRANTED £6,000
FUNDRAISING AND VOLUNTEERING

The foundation’s work would not be possible without the fundraising efforts of McCarthy Stone employees, customers, and supply chain partners.

On behalf of all the organisations supported by the foundation, the trustees of the foundation would like to extend their sincere thanks to everyone who contributed across the year.

Some of the fundraising highlights included:

- Individuals took on challenges including the Jurassic Coast Walk, Yorkshire Three Peaks, Pen-y-Fan, and our first ever ‘Winter Sea Dip’.
- Over 160 McCarthy Stone developments and divisional offices took part in local raffles to celebrate the Coronation of King Charles III.
- The inaugural ‘Walk With WiMS’ sponsored walk was organised by the Women in McCarthy Stone network, encouraging colleagues and homeowners to cover 1000 miles together in a week, raising valuable funds in the process.
- Charity golf days were held at Hanbury Manor and Edgbaston Golf Club, welcoming over 170 golfers from across the McCarthy Stone group and supply chain.

The foundation’s work would not be possible without the fundraising efforts of McCarthy Stone employees, customers, and supply chain partners.
We received many generous donations of raffle and auction prizes from McCarthy Stone suppliers, which we are very grateful for.

Over 80 suppliers joined our Northern Division for a Clay Pigeon Shoot/Land Rover Discovery Day at the Coniston Hotel near Skipton.

The weekly lottery continues to generate valuable funds.

Funds were raised through the recycling and sale of old office furniture and demonstration furniture from McCarthy Stone show apartments.

Our flagship fundraising event was held at Studley Castle in Warwickshire, welcoming over 375 guests and raising almost £120,000.

In addition to the brilliant fundraising efforts of our teams, many McCarthy Stone colleagues were involved in supporting our charitable efforts through the Employer Supported Volunteering scheme. 2023 saw an extraordinary 179% increase in volunteering as teams around the country took the opportunity to give back to their local community.

This included supporting several of our key events, joining projects at local charities and helping local community groups. We are grateful to McCarthy Stone for providing every employee with two paid days a year and to those who used this time to support our foundation directly or help out in their local community.
The foundation planned to run a small deficit in 2023, with an expenditure for the year of £568,894 of which £408,723 was spent in furtherance of the charity’s activities, and £160,171 was spent on raising funds. This performance exceeded the targets set by the trustees at the start of the year.

The trustees review risks to the charity on an ongoing basis, with risks managed daily by the Head of Foundation as delegated. Risks are assessed and controlled across six areas: governance, regulatory and compliance, external, operational, financial, and grant making. Where key risks are identified, measures are put in place to manage them and keep them under review using a robust risk register. Income dependence remains a risk to the foundation, given the relationship with the McCarthy Stone Group and a Memorandum of Understanding was agreed and signed in 2023 to help manage that risk. To that end, the trustees have agreed that there are no uncertainties about the charity’s ability to continue as a going concern.

Reserves are considered in relation to the charity’s approach to risk. With principal operational costs covered by a related party (McCarthy Stone) the trustees have agreed to maintain a small reserve to provide working cashflow or to meet any contractual obligations in the unlikely event of the charity no longer operating. The target amount should be in the range of £25-30,000. The foundation finished the year with freely available unrestricted funds of £65,565. Although this is above the reserves policy, c. £40,000 of this balance is designated for grant making in the first quarter of the following financial year, reflecting the liquidity model of the organisation.

Although uncertainties remain around the macro-economic conditions, with the continued income and support from McCarthy Stone Group, the trustees are optimistic that the charity will continue to deliver on its income and grant making targets in 2024.

“After diagnosis mum lost her self-worth and confidence, she became depressed and fearful of her future, often tearful, but the group funded by the foundation has reduced isolation and improved mood and self-worth. The sessions bring her to life again. She feels present, she knows she can succeed at trying new things and people still care about her. The team at Sydenham Garden are fantastic. Everyone is so inclusive, sensitive and patient. So much effort is put into building confidence and the impact the team and groups has had on mum has been immeasurable.”

QUOTE FROM THE DAUGHTER OF A SERVICE USER AT SYDENHAM GARDEN, SOUTH LONDON
INDEPENDENT EXAMINERS 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 2023.

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 Act and in carrying out my examination, I have followed all applicable Directions (given by the Charity Commission under section 145(5) 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 Fellow of the Association of Chartered Certified 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 accounts did not accord with the accounting records; or
• The accounting records were not kept in accordance with section 130 of the Charities Act; or
• The accounts contained one or more material misstatements; or
• The accounts were not prepared in accordance with the applicable financial reporting framework.

I have no concerns and have come across no other matters in connection with the examination which gives me cause to believe that in any material respect:

• The accounts were not prepared in accordance with 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 of 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:

[Signature]

NAME: Frances Wilde FCCA, Warner Wilde Limited, Chartered Certified Accountants

Date: 06 April 2024

Name: Frances Wilde FCCA, Warner Wilde Limited, Chartered Certified Accountants

Date: 06 April 2024

RELEVANT PROFESSIONAL BODY: Association of Chartered Certified Accountants (ACCA)

20 FINANCIALS

STATEMENT OF FINANCIAL ACTIVITIES

<table>
<thead>
<tr>
<th>Categories of activity</th>
<th>2023 (£)</th>
<th>2022 (£)</th>
<th>Increase/ (decrease) (£)</th>
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<tbody>
<tr>
<td>Income from:</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Donations and legacies</td>
<td>354,415</td>
<td>342,314</td>
<td>12,101</td>
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<tr>
<td>Other trading activities</td>
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<tr>
<td>Total income</td>
<td>548,122</td>
<td>548,122</td>
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</tr>
<tr>
<td>Expenditure on:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Funding from charity</td>
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<td>548,122</td>
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<tr>
<td>Charitable activities</td>
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<tr>
<td>Total expenditure</td>
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<tr>
<td>Net income/(expenditure)</td>
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<td>–20,772</td>
<td>13,916</td>
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<tr>
<td>Net gains/(losses) on investments</td>
<td>–</td>
<td>–</td>
<td>–</td>
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<tr>
<td>Net movement in funds</td>
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<td>–20,772</td>
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<tr>
<td>Total funds carried forward</td>
<td>65,565</td>
<td>65,565</td>
<td>86,337</td>
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BALANCE SHEET

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<tr>
<th>Nature or source</th>
<th>2023 (£)</th>
<th>2022 (£)</th>
<th>Increase/(decrease) (£)</th>
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<tbody>
<tr>
<td>Unrestricted funds</td>
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<tr>
<td>Cash at bank</td>
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<td>67,065</td>
<td>0</td>
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<tr>
<td>Cash at hand</td>
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<td>67,065</td>
<td>0</td>
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<tr>
<td>Cash and cash equivalents at end of year</td>
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<td>67,065</td>
<td>0</td>
</tr>
<tr>
<td>Total unrestricted funds</td>
<td>65,565</td>
<td>65,565</td>
<td>86,337</td>
</tr>
</tbody>
</table>

STATEMENT OF CASHFLOWS

<table>
<thead>
<tr>
<th>Category of activity</th>
<th>2023 (£)</th>
<th>2022 (£)</th>
<th>Increase/(decrease) (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cashflow statement 2023 (£)</td>
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<tr>
<td>Cash flows from operating activities</td>
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<td>Change in debtors</td>
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<tr>
<td>Change in creditors</td>
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<td>400</td>
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<tr>
<td>Net (decrease)/increase in cash and cash equivalents</td>
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<td>14,316</td>
<td></td>
</tr>
<tr>
<td>Cashflows 2022 (£)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cashflows from operating activities</td>
<td>14,316</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Change in debtors</td>
<td>700</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Change in creditors</td>
<td>–400</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Net (decrease)/increase in cash and cash equivalents</td>
<td>14,316</td>
<td>–</td>
<td></td>
</tr>
</tbody>
</table>

NOTES TO THE ACCOUNTS

1. Basis of preparation

• These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated 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 (SORP) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) issued on 16 July 2014, and with the Charities Act 2011.

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

• These accounts are prepared on a going concern basis. The trustees confirm that there are no material uncertainties related to events or conditions that could significantly doubt the charity’s ability to continue as a going concern and that the accounts present a true and fair view and that changes have been made to the accounts in accordance with the 2022 SORP.

• No material prior year error have been identified in the reporting period.

2. Accounting policies

• Income from donations is included in the Statement of Financial Activities (SoFA) when:
  • The charity becomes entitled to the resource;
  • It is more likely than not that the resource will be received;
  • The resource is available (in the form of cash or kind) for use by the charity;
  • The donor of the terms of the gift specifies otherwise.

• Donations and legacies are considered as part of an independent examination.

• 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 of the appeal has specified otherwise.

• Donated goods are measured at fair value, unless impracticable 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 the value of the gift to the charity, provided the value of the gift can be measured reliably. Donated services and facilities 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, which are detailed in Note 4.
• Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay a resource 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 area, or per capita, staff costs by time spent, or other costs by usage.
• Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.
• Where there are no conditions attaching to the grant that enables the foundation to reasonably avoid the commitment, a liability for the full funding commitment is recognised.
• No material item of deferred income has been included in the accounts.
• Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The foundation accounts for basic financial instruments on initial recognition as per para 10.7 FRS 102 SORP. Subsequent measurement is as per paras 11.17 – 11.19 of FRS 102 SORP.
• The charity does not hold any tangible or intangible fixed assets, heritage assets or investments.

3. Income

<table>
<thead>
<tr>
<th>Analysis</th>
<th>Total this year (£)</th>
<th>Last year (£)</th>
<th>Prior year (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analysis Total funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td></td>
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<td></td>
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<tr>
<td>Restricted funds</td>
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<td></td>
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<tr>
<td>Total expenditure</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Grants and legacies</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Donations</td>
<td>220,014</td>
<td>274,829</td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>220,014</td>
<td>274,829</td>
<td></td>
</tr>
<tr>
<td>Donations and gifts</td>
<td>220,014</td>
<td>274,829</td>
<td></td>
</tr>
<tr>
<td>Trade discounts</td>
<td>3,072</td>
<td>3,072</td>
<td>300</td>
</tr>
<tr>
<td>Other</td>
<td>57,856</td>
<td>66,330</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>280,942</td>
<td>344,175</td>
<td>340,314</td>
</tr>
</tbody>
</table>

• In line with the Charity SORP, all fundraising event income is now shown separately under ‘Other trading activities’.

4. Donated goods, facilities and services

<table>
<thead>
<tr>
<th>Analysis</th>
<th>Total this year (£)</th>
<th>Last year (£)</th>
<th>Prior year (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analysis</td>
<td>Total funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total expenditure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and legacies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donated goods, facilities and services</td>
<td>133,099</td>
<td>66,505</td>
<td></td>
</tr>
<tr>
<td>Donated goods, facilities and services</td>
<td>133,099</td>
<td>66,505</td>
<td></td>
</tr>
</tbody>
</table>
| Donated goods, facilities and services, which would otherwise have been purchased, are included in the accounts when received, provided the value of the gift can be measured reliably. Measurement is made on the basis of the value of the gift to the charity, defined as the amount that the charity would pay in the open market for an alternative item that would provide a benefit to the charity equivalent to the donated item.

• Throughout the financial year, McCarthy Stone colleagues provided services on a voluntary basis to the foundation e.g., assisting with mailing and administration or providing support at foundation events. Due to the absence of a reliable measurement basis, this contribution is not included as income in the accounts.

• Goods and services donated by McCarthy Stone are detailed, along with any conditions attached, in a Memorandum of Understanding. There are no unfilled conditions or contingencies attached to the donated goods and services.
6. Support costs

<table>
<thead>
<tr>
<th>Category</th>
<th>2023</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>29,431</td>
<td>19,088</td>
<td>48,521</td>
</tr>
<tr>
<td>Employers contributions (NI/pension/medical)</td>
<td>4,791</td>
<td>3,031</td>
<td>7,822</td>
</tr>
<tr>
<td>Governance costs</td>
<td>1,062</td>
<td>2,056</td>
<td>3,118</td>
</tr>
<tr>
<td>Administrative support</td>
<td>-</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>IT and equipment</td>
<td>674</td>
<td>874</td>
<td>1,548</td>
</tr>
<tr>
<td>Facilities and services</td>
<td>4,220</td>
<td>540</td>
<td>4,760</td>
</tr>
<tr>
<td>Expenses</td>
<td>1,850</td>
<td>1,400</td>
<td>3,250</td>
</tr>
<tr>
<td>Total support costs</td>
<td>33,942</td>
<td>23,242</td>
<td>57,184</td>
</tr>
</tbody>
</table>

- Direct costs attributable to a single activity have been allocated directly to that activity. Shared costs have been apportioned across activities based on objective criteria wherever possible e.g., staff costs are apportioned through an estimation of time spent raising funds, charitable activities and governance work.
- Where a related party has donated services or facilities, these have been accounted for on the basis of the value of the gifted services or facilities to the charity.
- Support costs related to grant making include staff costs for the management of the grant programmes, applicant communications, association decision-making processes and monitoring.
- Governance costs are those costs associated with the governance of the charity, including costs associated with constitutional and statutory requirements and any costs associated with strategic management of the charity’s activities.

7. Fees for examination of the accounts

- Fees for independent examination of the charity’s accounts for the accounting period were £1,500. Fees for FY22 were £700.

8. Staff costs

- Foundation staff are employed and paid directly by McCarthy Stone and on permanent secondment to the charity. The average headcount of the charity for 2023 was 1.6 FTE (2022: 1.0 FTE), with the Head of Foundation employed full-time and the Foundation Coordinator on a part-time basis.
- No member of staff received employee benefits of more than £60,000. There were no ex-gratia or redundancy payments made during the accounting period.

9. Grant making

- The Foundation made 171 grants during the reporting period, with an average grant size of £1,983. 47% of grants were made to directly fund project costs on a cost recovery basis; 53% of grants made were made to directly fund core costs. Further details on all grants made by this Foundation can be found at www.mccarthystonefoundation.org.

- The foundation ran 2 grants during the reporting period, with an average grant size of £435. 47% of grants were made to directly fund project costs on a cost recovery basis; 53% of grants were made to directly fund core costs.
In the past two years, the foundation has enabled Wag to match, deploy and support 30 volunteer Wag Teams befriending 30 older people isolated and alone in their own homes; these 30 teams have made over 900 visits in that period. We are very grateful to everyone at the Foundation for helping us to provide this very special befriending service safely and happily for everyone involved.

DIANE MORTON, CHAIR OF TRUSTEES, WAG & CO, NORTHUMBERLAND

12. Creditors and accruals

<table>
<thead>
<tr>
<th>Analysis</th>
<th>Amounts falling due within one year</th>
<th>Amounts falling due after more than one year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total this year (£)</td>
<td>Last year (£)</td>
</tr>
<tr>
<td>Other creditors</td>
<td>2,014</td>
<td>763</td>
</tr>
<tr>
<td>Total funds</td>
<td>2,014</td>
<td>763</td>
</tr>
</tbody>
</table>

13. Transactions with Trasmo and related parties

- No trances received any remuneration or benefits during the accounting period. Expenses were paid to three trustees during the accounting period for travel costs, totalling £250.00 (2022: £86.40).
- McCarthy Stone Retirement Lifestyles Ltd is a related party and provide funding and support costs to the charity as outlined in the notes above. This includes a cash donation of £135,306 made under the matched funding agreement outlined in a Memorandum of Understanding between the company and the charity.

“In the past two years, the foundation has enabled Wag to match, deploy and support 30 volunteer Wag Teams befriending 30 older people isolated and alone in their own homes; these 30 teams have made over 900 visits in that period. We are very grateful to everyone at the Foundation for helping us to provide this very special befriending service safely and happily for everyone involved.”

DIANE MORTON, CHAIR OF TRUSTEES, WAG & CO, NORTHUMBERLAND
There are some clear challenges to face in 2024 for grassroots charities and community groups supporting older people, with the cost-of-living crisis impacting the poorest the hardest, as well as affecting fundraising across the charity sector. The housing market conditions continue to be a challenge for our colleagues at McCarthy Stone, however, their resilience and commitment to support our foundation remains high.

Our vision, mission and values remain unchanged for the year ahead. We remain resolute and determined to continue delivering funding targeted at those who need it the most – the local, volunteer led organisations that provide invaluable outreach, support, companionship and signposting for older people in their community. Reflecting this, our grants will be more focused on identifying areas where deprivation and loneliness are most acutely felt by those in later life.

We will continue to fund unrestricted wherever possible, keeping volunteers and invaluable local support in place by supporting core costs through a flexible funding approach built on trust with the organisations we work with. We will continue to adopt a light touch approach to reporting, ensuring we are accessible, communicative, and collaborative in all we do.

We are very grateful for the support of the McCarthy Stone group, people, customers, and supplier partners, who continue to make our work possible. We have a committed board and staff team and continue to invest in our organisational development to ensure we can deliver an even better service to the charitable causes we support. We continue to reflect on our own practices and approaches and have set challenging, but achievable, objectives for 2024.
Help us make a difference to the later life community across the UK by giving your support. For more information, please get in touch.