



REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

for the year ended 31 December 2019

Plunkett
Foundation



CONTENTS

Chair's foreword	4
Report of the Trustees	6
Major projects of 2019	15
Independent Auditor's Report to the Members and Trustees of Plunkett Foundation	18
Group Statement of Financial Activities	21
Group Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24
Trustees, Members, Fellows and Staff	38

OUR ACHIEVEMENTS DURING 2019

**Number of community businesses
trading by end of 2019**

372 community shops

65 community owned land,
woodland and farming
enterprises

116 community pubs

127 other community
businesses

28 community businesses opening
with Plunkett support

416 new groups contacted Plunkett
for support in 2019

402 members at end of 2019

83 new members joined in 2019

CHAIR'S FOREWORD



Looking back on 2019, it can seem like a different world. Last year we were celebrating Plunkett's centenary and the growing success of the rural community business sector, with more and more communities coming together across the UK to address their needs through community ownership and to ensure that rural communities everywhere have access to the services they need.

Since then, of course, we have all been facing an even greater challenge and all our lives have been affected. Covid-19 has meant that the things we take for granted are no longer accessible and even the simple things in life – like seeing our loved ones, meeting friends and neighbours, going shopping or to a restaurant or a pub – have been severely curtailed. Businesses across the country have been shut and we have all been encouraged to stay at home and to protect the most vulnerable in our communities.

Community businesses are not immune to the challenges brought about by the pandemic. Many of them rely on visitor trade and on volunteers, often from those in the more vulnerable groups. Community pubs, cafes and local meeting places have had to close. However, one of the positive things to emerge from the crisis has been how community business has proved itself to be a flexible and adaptable model in responding to those challenges. Community-owned shops have stepped into the breach and served their localities, setting up delivery services for the most vulnerable; community pubs, although their main business may have closed, have started up take-away food services; new people in the community have been attracted to volunteer and help; and all around the country there are examples of innovation and resourcefulness with community businesses doing what they do best – serving their communities.

The impacts of Covid-19 will be with us for some time to come and Plunkett, I am sure, will play its part, wherever possible, in helping the longer term recovery of rural businesses and communities. Meanwhile, it is still appropriate to look back and to celebrate our achievements last year, as they will help to provide the building blocks for the future.

As this report shows, last year we continued to implement our strategy, with some key initiatives beginning to take shape, such as the Information and Training Hubs. We stepped up our advocacy on behalf of the rural community business sector, in particular demonstrating to government not only the important role such businesses play in delivering services to rural communities, but how they also provide the glue in those communities and help to tackle issues such as loneliness and isolation. We launched our Better Business reports at the House of Lords and held key events around the country, including our annual awards presentation at Burlington House in London and events in Leeds, Somerset and with partners in Scotland and Wales.



During the year we commissioned an independent review of the Foundation to consider in particular progress on our strategy; our effectiveness in addressing the needs of rural communities; and the organisation's governance and overall performance. I am delighted that the report by Rose Challies found that Plunkett *"is addressing a significant area of need, important not just to the wellbeing of rural communities but to the benefit of wider UK society"*.

To mark our centenary, we published a short booklet reviewing our history as a springboard for the future. We were honoured that HRH The Prince of Wales wrote the foreword and to have his endorsement for the importance of community business to achieving strong, resilient rural communities in the future.

This is my last report as chair of Plunkett. It has been a pleasure and a privilege to lead the organisation for the last seven years. Over that time, we have faced some challenges together and none more so than now. As I write, we are gradually emerging from the lockdown, but the future post Covid-19 remains uncertain. However, I believe that the crisis has underlined the value of localness and community and has provided the opportunity to think and do things a bit differently. As we begin to recover from the crisis, Plunkett and its members are well placed to build on their shared experiences to carve a new and stronger role for rural community business in the future.

None of us works alone and that is particularly true for Plunkett. Without its funders, partners, supporters and, most especially, its members over its long history, Plunkett would not exist. I should like to thank them all for their support. As I step down, I should also like to pay tribute to all the trustees who have helped me over the years and have given their time freely and contributed so much to the organisation.

At last year's AGM, we said goodbye to Jane Ryall and Richard Anscombe both of whom had made a major contribution to helping reshape Plunkett over the last few years. This year Tom Scanlon steps down as a trustee and his wise counsel to the Board and staff will be much missed. We were pleased that Helen Aldis and Martin Collett were elected formally as Trustees at the AGM and we have already benefited from the experience they have brought to the Board and Plunkett more generally.

Finally, my thanks go to all the staff, both now and in the past, who have always shown tremendous dedication and commitment and have made this a great organisation to lead. I am sure James Alcock and the team will continue to make Plunkett a great place to be part of.

I will leave the last word to Rose Challies in her report on the Foundation: *"Its clear purpose and approach mean the organisation stands out in the sector and, as long as its substantial impact is recognised and supported by funders and other resource holders, there is no reason why the organisation cannot go from strength to strength."*

I wish you all well for the future.

Margaret Clark CBE

Chair, Plunkett Foundation

REPORT OF THE TRUSTEES

for the year ended 31 December 2019



The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

Reference and administrative details

Plunkett Foundation is a registered charity, numbers CC 313743 (England and Wales) and SC 045932 (Scotland). It is a company limited by guarantee, registered number 00213235 (England and Wales).

Registered office

The Quadrangle
Banbury Road
Woodstock
Oxford
Oxfordshire
OX20 1LH

Trustees

Helen Aldis
(elected 19 July 2019)

Richard Anscombe
(Retired July 2019)

Sue Boer

Margaret Clark CBE
(Chair)

Chris Coe
(Treasurer)

Martin Collett
(Chair of Audit and Risk
Committee)
(elected 19 July 2019)

Julian Ross
(Vice Chair)

Jane Ryall
(Retired July 2019)

Tom Scanlon

Helen Boothman
was co-opted by the board
on 11 December 2019*.

Rachel Marshall
was co-opted by the board
on 11 December 2019*.

**Co-opted trustees are appointed to bring additional skills and expertise to the Board but have no formal role or voting rights until proposed and elected by members at an AGM.*

Auditor

David Cadwallader & Co Limited
Chartered Certified Accountants &
Statutory Auditor
Suite 3 Bignell Park Barns
Chesterton
Nr Bicester
Oxon
OX26 1TD

Investment Advisors

JM Finn & Co Ltd
4 Coleman Street
London
EC2R 5TA

Solicitors

Bates Wells Braithwaite
10 Queen Street
London
EC4R 1BE

Bankers

The Co-Operative Bank
13 New Rd
Oxford
OX1 1LG

Overview

As the year that we marked our centenary, 2019 was used as a springboard from which to launch new initiatives from our five-year strategy. These included a rollout of our updated membership categories and pricing; commencing our work on establishing a Training Hub; and sharing plans for our Information Hub which will secure Plunkett's position as the national centre for information, research and intelligence on all matters relating to rural community business. We hosted a range of well attended events around the country during 2019, including a major community business networking event in Somerset; a smaller membership event in Leeds; the launch of our Better Business Reports in the House of Lords; and our annual sponsored awards event in London.

The year saw continued growth of the rural community business sector, following sustained investment in our frontline delivery from long term funders such as Esmée Fairbairn Foundation, Power to Change, The Prince's Countryside Fund and National Lottery Community Fund. The commitment from these and other funders enabled us to respond to over 500 enquiries and deliver 223 allocations of business support to over 200 communities at multiple stages of setting up and running community owned businesses. This was also made possible thanks to our exceptionally dedicated staff and wider network of Plunkett advisers.

Throughout 2019 we accelerated our work on advocacy and policy, in particular, working more closely with Government Departments such as the Ministry of Housing, Communities and Local Government (MHCLG), the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Environment Food & Rural Affairs (Defra). We campaigned for a wide-ranging holistic rural strategy - to support and sustain the delivery of key services in rural areas; we took part in a campaign to ensure community businesses were recognised and supported in the post-Brexit world through the proposed UK Shared Prosperity Fund; we submitted evidence to the Commons Business, Energy and Industrial Strategy Committee's inquiry into the Future of the Post Office Network - urging that the unique needs of individual communities be considered case by case in relation to any closures;

we made the case for strengthening the Localism Act to help more communities take local assets into their control; and we took part in the All Party Parliamentary Group on Loneliness - attending and participating in meetings using our unique perspective to ensure the issue of rural loneliness is highlighted and understood.

As ever partnerships were critical to all our work throughout the UK. This included collaborations, such as those with Power to Change, Co-operatives UK and Locality, with whom we have been working to strengthen the support to community businesses; through to rural-related work with the Rural Coalition and the ACRE network; country-specific work with partners such as the Community Shares Scotland, Wales Co-operative Centre and Development Trust Association Wales.

Our activities and those of our members were widely covered in local, national and international media, including radio, print, online and television - with items on the BBC News Channel and BBC World News amongst others. This coverage gave an opportunity for Plunkett to raise awareness of the community business model and the support available from Plunkett and partners.

We ended the year with a strengthened balance sheet, having made a modest operational surplus and gains on investments. Whilst the investments are always subject to gains and losses outside of our control, the operational surplus was achieved as a result of a thorough financial management processes, savings on core costs made without reductions in staffing, and growth in earned income, including membership and consultancy work. Our achievements in 2019 were possible thanks to the dedication and support of all involved - from our members, funders and partners through to staff, advisers and Trustees. We are grateful for this unwavering support which means that in its centenary year Plunkett continued to deliver much needed support to rural communities and businesses all over the UK.

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2019

Objectives, activities and achievements

Plunkett's vision is for resilient, thriving and inclusive rural communities.

Our mission is to: Inspire and empower rural communities to work together to find solutions to their needs through sustainable community enterprise.

The Plunkett Foundation helps rural communities UK-wide to tackle the issues they face, through promoting and supporting community business. Community businesses are enterprises that are owned and run democratically by members of the community and others, on behalf of the community. They come in many forms, including shops, pubs, woodlands and anything which lends itself to community ownership. In addition to developing and safeguarding valuable assets and services, community businesses address a range of issues including isolation, loneliness, wellbeing, work and training.

Plunkett's role is to advocate and champion the concept of community business to ensure communities throughout the UK are aware of the model and its potential; feel empowered to take action themselves; and operate in a supportive environment. Plunkett provides practical advice, support and training to help communities establish and run successful community businesses with long term survival rates.

Plunkett is proud of its roots; it was founded by the great Irish co-operative pioneer, Sir Horace Plunkett, in 1919. For 100 years, it has supported rural communities to thrive through community business and to improve the quality of life for all. Today, we represent the interests of approximately 1200 rural community businesses – 664 that we have helped to establish and just over 500 in the process of setting up.

Objectives and Aims

The objectives of the charitable company are:

- The relief of rural poverty and social exclusion, both nationally and internationally, by the provision of appropriate assistance to co-operatives and social enterprises directed to that aim;
- To advance education in matters related to co-operatives and social enterprises and their potential to relieve poverty and social exclusion in rural areas, both nationally and internationally.

Significant activities and achievements

Charitable activities

We undertake activity that supports rural communities who are seeking to address local problems through trading activity that is needed, that will be economically viable and sustainable, and that will help alleviate poverty, disadvantage and social exclusion. Thanks to the continued generosity of our supporters, members and our funders, we were able to provide such communities with advice and guidance, giving them the confidence to explore community ownership as a way of addressing the issues their communities were facing.

Significant activities

Our significant activities include:

Operating a comprehensive, UK-wide advice line

We remain unique in providing a free of charge advice line for communities throughout the UK who are seeking guidance on setting up or running community businesses. In 2019, almost 500 new communities contacted us for help by phone or email from across the whole of the UK. The majority of these communities are helped to access further and more specialist advice and support from the many projects we operate either via an online application form or by being signposted to partner organisations.

Hosting a series of tools and resources

We create and publish a wide range of practical tools, resources and case studies that help communities set up and run community businesses. These range from start-up guides to themed guidance on matters such as business planning or marketing. In 2019, we added new research relating to the community woodland sector, and revamped our Better Business reports for both Community Shops and Community Pubs to make them more usable as learning resources for other developing community businesses.

Delivering practical support to community businesses at all stages of their journey

We deliver a range of practical support to community businesses, both those setting up and already trading. We advise on a wide range of topics: from community engagement and consultation; choosing or updating a legal structure; through to business planning, communications and marketing; raising finance (especially through community shares); managing staff and volunteers; and growing the organisation's impact. Support is provided by specialist staff and advisers, either by phone or in person and increasingly via webinars. We also deliver support via experienced community business mentors, who have direct experience in setting up and running community businesses, and via study visits. We use a network of over 60 self-employed advisers and mentors, based throughout the UK, enabling us to maintain a national service. In 2019, we made 223 allocations of support to over 200 new and existing community businesses.

Registering Model Rules for Community Benefit Societies and related governance support

The majority of community businesses are registered as Community Benefit Societies, regulated by the Financial Conduct Authority. For this reason, Plunkett has developed its own Model Rules for this legal structure, and in 2019, registered 51 new societies with the Financial Conduct Authority and supported with related advice.

Health-Checks

Established community businesses have continued to seek on-going support to ensure they remain resilient for the longer term. Plunkett provided 20 health-checks throughout 2019, which reviewed the operations of such organisations and made recommendations for implementation. By far the most popular concerns were governance-related; ensuring there was renewed focus on recruiting new members and new committee members, who would revitalise the community business and enable it to continue to meet community needs.

Managing and delivering projects

Nearly all our practical support is enabled through delivering funded projects. Plunkett is an experienced project manager and we seek to deliver the majority of our projects in partnership with organisations who assist and complement us on geography and expertise. Where possible, we seek to deliver projects which provide financial assistance to community businesses, such as loan and grant finance.

Maintaining membership benefits

We continue to take great pride in growing the membership culture within the organisation and this has helped to add value to the relationships we have with community businesses, partners and wider stakeholders who share our values. We have continued growing the benefits membership offers in 2019 to strengthen and grow our network as well as building further opportunities for membership engagement.

Representing the voice of rural communities and community business at national level

We know that rural communities often struggle for fair representation at a national level, which is why we seek to ensure their voice is heard through dedicated communications, campaigns and via policy influencing activities. We have achieved the latter through participation in alliances, such as the Rural Coalition and Communities Partnership Board, which actively engage with key government departments and influence positive change and by submitting written and oral evidence to relevant committees and consultations. We also apply a national planning approach to our work, to ensure our support activities and services are relevant to rural communities in all parts of the UK and reflective of their needs and challenges.

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2019

Public benefit

We regularly review our aims, objectives and activities to make sure we are achieving what we were established to achieve. This report considers the key activities we undertook in 2019 and reviews their success in supporting the people we were established to support. The Trustees have noted the Charity Commission guidance on public benefit and believe that Plunkett Foundation's activities are in line with that guidance.

Plunkett Foundation did not undertake any fundraising activities with the public during 2019.

Financial Review

Reserves Policy

The reserves policy is reviewed annually and was last approved in March 2020, having been reviewed by the Audit and Risk Committee in January 2020. The policy is next scheduled for review in December 2020. The current policy requires that:

- Reserves be maintained at a level which ensures that the organisation's core activity could continue during a period of unforeseen difficulty;
- A proportion of reserves be maintained in a readily realisable form.

The calculation of the required level of reserves is an integral part of the organisation's planning, budget, risk management and forecast cycle. It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted;
- Planned activity level;
- The organisation's commitments.

The Board has reviewed the major risks likely to threaten the continued delivery of our charitable mission and has modelled the costs on the worst of these scenarios and determined that this should form the basis of the level of reserves. The Board will exercise judgment to determine if funds exceed this level, whether to apply them to current expenditure, hold them to meet future obligations in the short term, or use them in programme-related investment.

The reserve level for 2020 is £883,730.

As at December 2019, the Group held reserves of £1,283,160, of which £1,278,239 are unrestricted. It was agreed in March 2020 to maintain the excess reserves this year, given both the unknown impact of Brexit on our investments, and at the time of reviewing the policy, Plunkett was awaiting the outcome of core infrastructure funding from a long term ongoing supporter: without which, Plunkett would be required to mobilise an alternative funding scenario.

Investment Performance

Subject to the requirements of the Charities Act, the Trustees are authorised by the Memorandum of Association to invest the moneys of Plunkett Foundation not immediately required for its purpose in such a manner as may be thought fit. All funds are managed by J M Finn & Co.

In 2017, following several years of financial losses and a necessary period of operational consolidation, the Board of Trustees took a decision to strengthen its reserves and, recognising market volatility, the Board's approach to investment risk remains cautious. The investment portfolio continues to be highly diversified with a medium risk profile.

Over 2019 as a whole our investment portfolio has generated a total return of +19.4%, out-performing the 70% equities/30% gilts comparator return of +15.5%. We saw a strong return in the FTSE All-Share Index which appreciated +19.2% while the FTSE UK Gilt Index gained +6.9%.

Over the past 14 years our portfolio has generated a total return of +172.7%, whilst the 14 year annualised return now stands at +7.4% per annum. Both returns remain comfortably ahead of the comparator (all returns are in total return, net of fees).

2019 ended with a particularly strong valuation of investments. However, the subsequent month saw a sharp decline in valuation, evidencing the volatility of the markets and reinforcing that valuations are only valid for a snapshot in time. At the time of writing this report, the investments are not significantly changed in value from the year end position.

The Board approved the Investment policy in March 2020, having been reviewed by the Audit and Risk Committee in January 2020. It is next scheduled for review in December 2020.

Our Approach to Pay

We are passionate about what we do, and we believe in recruiting high-calibre people to represent our interests. We also believe in rewarding staff fairly for the jobs that they do, and fostering a positive working environment, and we believe that our salaries and terms and conditions reflect this.

We are a Living Wage-accredited employer, meaning all our staff and contractors are paid at least the Living Wage. People are employed at Plunkett on the basis of the specific skills that they bring to their particular role. For us to run successfully, a wide range of skills and disciplines is required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market where their skills are readily transferable to other organisations. We firmly believe in trying to retain staff for the long term, developing them and benefiting from their growing knowledge. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our staff pay scales are set with this in mind.

In support of this approach to staff retention and the value placed upon Plunkett Foundation's 'staffing asset', the Board has undertaken a review of remuneration and benefits in 2019. The resulting Remuneration policy was approved by the Board in December 2019. This review and policy included reviewing the bands for senior management and these are: SMT £38,000-£48,000 and Chief Executive: £55,000-£65,000.

Plunkett remains focused on delivering against its 2018-22 organisational strategy which seeks to grow and diversify the rural community business sector and enable it to achieve high impact. The specific objectives over the strategy period are to:

- Grow the rural community business sector: Helping more rural communities to succeed in opening community businesses and ensuring those already trading have the support they need to thrive.

- Extend our relevance and reach: Ensuring the community business model and the support available are relevant and accessible to communities in all parts of the UK.
- Increase social impact: Helping prospective and existing community businesses to focus on the social impact they will have on all those living and working in their communities.
- Create an enabling environment: Advocating rural community business throughout the UK and championing their cause to create a supportive policy, funding, and advisory landscape for them to operate within.
- Improve Plunkett's sustainability: Ensuring the long-term survival of our service to ensure it continues to address the needs identified.

The strategy, together with the supporting business plans and Key Performance Indicators, provide us with a clear focus and aim to target our resources and efforts more efficiently and effectively. Key deliverables during 2020 include:

- Launching an Information Hub to develop and share intelligence and expertise on the rural community business sector
- Establishing a training function as part of the community business support offering. The aim will be to deliver face to face training as well as online training to maintain our national reach
- Launching a recruitment campaign for individual supporter members
- Diversifying our income streams through a community fundraising campaign and corporate partnerships
- Continuing investment in our staff through recruitment of new posts, training, and improving the quality of our work environment
- Continuing commitment to good governance and risk management by fully applying the Charity Commission governance code

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2019

Our forward strategy recognises that we cannot achieve these alone. Underpinning the strategy, therefore, is a commitment to work with others, co-operatively and in partnership, and to encourage greater sharing of knowledge and expertise. At the time of preparing this report, Plunkett and the community business sector is standing up well in the unanticipated occurrence of a pandemic, Covid-19. Ultimately, these are unprecedented times, and subsequently, our business plan and strategy will be under continual review to ensure that the Plunkett Foundation is responding to the ever changing needs of its members.

Structure, governance and management

The Board continued their review of governance in 2019, using the Charity Governance Code to inform this work. The Audit and Risk Committee have continued to oversee Plunkett's activities in relation to audit, budgeting and finance, policies and procedures and risk management. The refresh of the Foundation's policies has continued in 2019.

Governing Document

Plunkett Foundation is a charity controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Relationships with Related Parties

The charity owns the whole of the issued share capital of Plunkett Services Limited. The subsidiary does not trade but owns 100% of the voting shares of Rural Partnerships Limited. Rural Partnerships Limited does not trade.

Recruitment and Appointment of New Trustees

Plunkett reviews the mix of skills, knowledge and experience on the Board and seeks new Trustees on this basis. An open Trustee recruitment process is used, including making adverts available through job boards, volunteer and Trustee targeted boards and websites and Plunkett (and other partners) social media platforms. Trustees are interviewed, and a scoring matrix based upon content of candidate's answers is used.

Trustees are elected at the Annual General Meeting on a one member, one vote basis.

Induction and Training of New Trustees

New Trustees undergo orientation with the Chair and Chief Executive to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the strategy and business plan, the Board and decision-making process, the recent financial performance, and the history of the Foundation. During their induction they meet key employees and visit community businesses in membership of the Foundation. New Trustees have an agreed 6-month induction plan, which also identifies any training needs.

Rotation of Trustees

One third of the Trustees retire from office annually at the Annual General Meeting. Any retiring Trustee is eligible for re-election, provided he or she has agreed in writing to stand for re-election at least fourteen days prior to the meeting at which the election will be held.

As agreed at the AGM in 2016 and implemented from 2017, in line with good practice, Trustees are limited to serving a maximum nine-year term (i.e. three terms of three years), unless exceptional circumstances occur.

In addition, the Board has agreed the following terms of office should normally apply for key office-holders:

- A maximum of two three-year terms for the Chair, i.e. a total of six years, plus any part year if joining during the year. Once his/her term of office expires, the Chair should not re-stand as a Trustee and will therefore leave the Board.
- A three-year term for the Vice Chair/s with a maximum of two cycles, being a total of six years plus any part year if joining during the year. The Vice Chair/s could then re-stand as Trustees and remain on the Board, if they so wished, subject to the overall maximum term of office applying
- A three-year term for the Treasurer with a maximum of two cycles being a total of six years plus any part year if joining during the year. The Treasurer could then re-stand as a trustee and remain on the Board if they so wished, subject to the overall maximum term of office applying

Board Assessment

The Board conducts an annual self-assessment which is an opportunity for Board members to review how they and the Board are operating, to raise any concerns and to comment on any areas for improvement. The current appraisal process has been reviewed in 2019 and will be implemented in 2020.

Charity Governance Code

The Board have agreed, in principle, to apply the revised Charity Governance Code, published in July 2017, and continue to use this as a benchmark for reviewing and improving the Governance practices of the Foundation.

Organisational Structure

The Trustees direct the affairs of the Plunkett Foundation. Management on a day-to-day basis has been delegated to the Chief Executive Officer, James Alcock since 2017, supported by a senior management team. The names of Trustees who served during the year are listed at the beginning of this report.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Audit and Risk Committee and the Treasurer meet the auditors in person to receive their report on the systems of financial controls and the performance of those systems and controls during the year.

The Board commenced a review of Risk Management in 2018 harmonising the approach with the direction of the five year strategy. Senior management continue to use the risk framework and register, including regular review of risk, in managing the operations of the Foundation. This approach is overseen by the Audit and Risk Committee with regular Highlight Reporting to the Board.

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2019

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the directors of the charity for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to the auditor

In so far as the Trustees are aware:

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

David Cadwallader & Co Limited were appointed as auditors during the year. A resolution to re-appoint David Cadwallader & Co Limited will be put to the members at the forthcoming Annual General Meeting.


The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption in the Companies Act 2006.

On behalf of the board on:

Date: 13 July 2020



Margaret Clark CBE
Chair

MAJOR PROJECTS OF 2019

The Rose Challies Report

During the year, Plunkett commissioned Rose Challies, an independent consultant to review and assess the applicability of the community business model, our strategy and approach in supporting the needs of rural communities. The review explored every aspect of Plunkett's work and strategic ambition, and we were proud to pass with flying colours. Rose identified that Plunkett is "addressing a significant area of need, important not just to the well-being of rural communities but to the benefit of wider UK society". This review has enabled us to strengthen our approach with the communities we work with both now and in the future, as well as maintaining the confidence of our funders, partners, members and supporters that we will continue to be innovative and responsive in addressing and representing the needs of rural communities through the community business model we so whole-heartedly advocate.



Awards Campaign

Twenty one community-owned businesses from across the UK were finalists for Plunkett's 2019 national Rural Community Business Awards to recognise some of the most inspiring enterprises of their kind. Businesses including two farms, a woodland, a community hub and a number of pubs and shops, along with partner organisations and funders, were all invited to the event at Burlington House in central London.

The awards celebrated and raised awareness of the unique contributions community businesses make to creating resilient, thriving and inclusive rural communities and were generously sponsored and judged by a variety of supportive partner organisations, including the ongoing support from our lead sponsor, Hastoe Housing Association.





More Than a Pub

Across the UK many more community pubs opened their doors for the first time in 2019 – bringing the total to 116. By the end of the year, through the More Than A Pub programme, 46 pubs in England transferred in to community ownership.

The programme is funded by Power to Change Trust and the Ministry for Housing, Communities and Local Government. The original £3.7m package of support for community-owned pubs was launched in 2016.

In 2019 a further £2.2m was added for the project's second phase - continuing vital end-to-end project support for new aspiring groups, through to open and trading businesses.

The MTAP programme continues to do just as its names suggests - it encourages community groups to provide more than a pub, and there has been a kaleidoscope of examples from drama classes and homework clubs to IT skills sessions and dementia cafes.

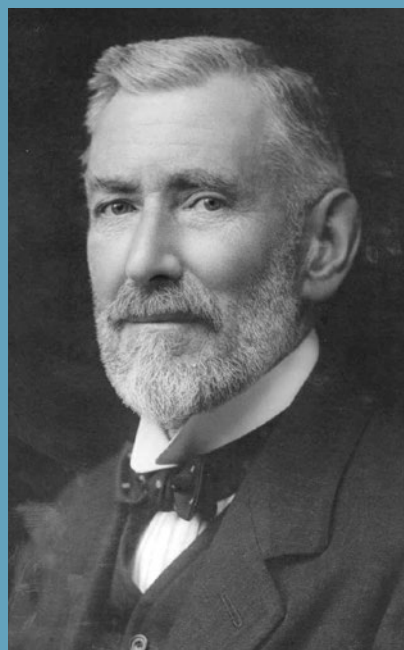


Esmée Fairbairn Inspire

Esmée Inspire was a £1m, four year grant funded programme focused on inspiring and supporting more groups in rural parts of the UK to start community business projects of all models and enterprise types. It ran between 2016 and 2019 and engaged grassroots groups and organisations, putting their needs at the heart of activity - at events, meetings, training or through the delivery of advice and support from a Plunkett Adviser. The programme promoted the benefits of the rural community business approach to provide much needed services as well as address a range of issues including isolation, loneliness, wellbeing, work and training. The work of this Plunkett programme, thanks to Esmée Fairbairn funding, underpinned the organisation's ambition to grow the sector and encourage sustainability amongst projects at a very early stage in their development.

Centenary

Throughout 2019, all Plunkett's activities were imbued with the special significance that they were happening in our one hundredth year. As part of this we were pleased to invite architectural designer and television presenter Charlie Luxton to be our centenary ambassador to help us celebrate the growth and success of the community business sector. Charlie helped spread our centenary message by attending a number of events at community businesses, including a pub quiz community event at The George and Dragon Community Pub in Hudswell on the Yorkshire Dales, as well as being the lively host of our annual awards. Trailblazing Halstock Village Shop in Dorset, which has been community owned since 1991, was named Plunkett's Centenary Community Business at our annual awards. Our Chief Executive James Alcock thanked them for "lighting the way for other rural communities to follow". We also were pleased to round the anniversary year off with the publication of our commemorative booklet Plunkett Foundation: 100 Years of Community Business – which celebrates our past and looks to our future.



Better Business Reports

The 2019 Better Business Reports into the community shops and pubs sectors showed more shops and pubs than ever were in community ownership and bucking the national trend of rural closures. The reports brought community businesses to national attention again, demonstrating that the community business model is resilient as well as flexible and adaptable.

The reports were launched at the House of Lords at an event generously hosted by the Bishop of

St Albans and attended by MPs, peers, representatives of partner organisations, members, stakeholders and many community businesses from across the UK. Widespread media coverage of the publication highlighted, among many headline figures, the 16 new community owned and run shops that had started trading – bringing the national total to over 360 at the end of 2018 and the 100% survival record of community pubs was maintained.



INDEPENDENT AUDITOR'S REPORT



to the Members and Trustees of Plunkett Foundation

Opinion

We have audited the financial statements of Plunkett Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Group and Parent Charity Statement of Financial Activities, the Group and Parent Charity Summary Income and expenditure account, the Group and Parent Charity Balance Sheet, the Group and Parent Charity Cash Flow Statement and related notes, 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and Parent Charitable Company's affairs as at 31 December 2019 and of the Group's and Parent Charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities);
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the companies act 2006

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

- the information given in the Trustees Annual Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT continued

to the Members and Trustees of Plunkett Foundation

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 14], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in 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.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

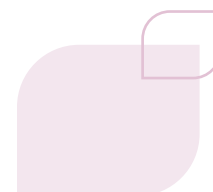
Nicola Jane Cadwallader
(Senior Statutory Auditor)

For and on behalf of David Cadwallader & Co Limited
Chartered Certified Accountants & Statutory Auditors
Suite 3 Bignell Park Barns
Chesterton, Bicester
Oxon
OX26 1TD

Date: 28 July 2020

David Cadwallader & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

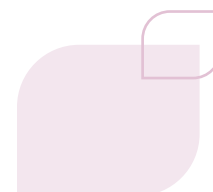
GROUP AND PARENT CHARITY STATEMENT OF FINANCIAL ACTIVITIES



(Incorporating a Group Income and Expenditure Account)
for the year ended 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Income & Endowments from:					
Donations and Legacies	3	56,717	–	56,717	67,382
Investment income	4	49,436	–	49,436	56,752
Charitable activities	5	409,000	651,085	1,060,085	1,305,041
Total income		515,153	651,085	1,166,238	1,429,175
Expenditure on:					
Charitable activities	6	450,454	651,085	1,101,539	1,281,941
Other	7	8,450	–	8,450	8,752
Total expenditure		458,904	651,085	1,109,989	1,290,693
Net income/(expenditure) before gains/ (losses) on investments		56,249	–	56,249	138,482
Net gains/(losses) on investments		232,885	–	232,885	(102,448)
Net income/(expenditure)		289,134	–	289,134	36,034
Transfers between funds		32,989	(32,989)	–	–
Net income/(expenditure) for the year		322,123	(32,989)	289,134	36,034
Other recognised gains/(losses)		–	–	–	–
Net movements in funds		322,123	(32,989)	289,134	36,034
RECONCILIATION OF FUNDS					
Total funds brought forward		956,116	37,910	994,026	957,992
TOTAL FUNDS CARRIED FORWARD		1,278,239	4,921	1,283,160	994,026

GROUP AND PARENT CHARITY BALANCE SHEET



at 31 December 2019

	Notes	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
FIXED ASSETS					
Intangible assets		-	-	-	-
Tangible assets	12	14,322	3,279	14,322	3,279
Investments	13	1,600,345	1,402,054	1,600,348	1,402,057
		1,614,667	1,405,333	1,614,670	1,405,336
CURRENT ASSETS					
Stocks		-	-	-	-
Debtors	14	76,252	78,932	76,125	78,805
Cash at bank		-	22,129	-	21,929
		76,252	101,061	76,125	100,734
CREDITORS					
Amounts falling due within one year	15	(407,759)	(512,368)	(407,509)	(511,918)
NET CURRENT ASSETS/(LIABILITIES)		(331,507)	(411,307)	(331,384)	(411,184)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,283,160	994,026	1,283,286	994,152
TOTAL NET ASSETS		1,283,160	994,026	1,283,286	994,152
FUNDS	18				
Unrestricted funds		1,278,239	956,116	1,278,365	956,242
Restricted funds		4,921	37,910	4,921	37,910
TOTAL CHARITY FUNDS		1,283,160	994,026	1,283,286	994,152

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime

The financial statements were approved by the Board of Trustees on 13 July 2020 and were signed on its behalf by:

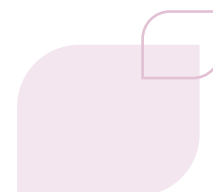
Margaret Clark

Chair

Company registration no. 00213235

STATEMENT OF CASH FLOWS

at 31 December 2019



	Notes	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	21	(177,635)	(101,871)	(177,635)	(101,871)
Cash flows from investing activities:					
Dividends, interest and rents from investments		49,436	56,752	49,436	56,752
Proceeds from the sale of property, plant and equipment		–	–	–	–
Purchase of property, plant and equipment		(12,667)	(1,178)	(12,667)	(1,178)
Proceeds from sale of investments		271,189	100,715	271,189	100,715
Purchase of investments		(212,675)	(167,550)	(212,675)	(167,550)
Net cash provided by/(used in) investing activities		(2,610)	(533)	(2,610)	(533)
Net cash provided by/(used in) financing activities		–	–	–	–
Change in cash and cash equivalents in the reporting period		(84,962)	(113,665)	(84,962)	(113,665)
Cash and cash equivalents at the beginning of the reporting period		36,112	149,777	35,912	149,577
Change in cash and cash equivalents due to exchange rate movements		–	–	–	–
Cash and cash equivalents at the end of the reporting period	22	(48,850)	36,112	(49,050)	35,912

NOTES TO THE FINANCIAL STATEMENTS



for the year ended 31 December 2019

1. Accounting Policies

Accounting convention

The consolidated financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Plunkett Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The accounts have been prepared on a going concern basis, as in the opinion of the Trustees, the charity will continue on operation for the foreseeable future. In making their assessment the Trustees have considered the effect of the COVID-19 pandemic on the Charity's operations and income for 2020 and have adjusted their operational and financial plans accordingly.

Basis of Consolidation

The consolidated accounts incorporate the results of the Plunkett Foundation and its subsidiaries undertaking on a line by line basis. The consolidated entity is referred to as 'the Group'. No separate company Statement of Financial Activities (SOFA) has been prepared for the Charity as permitted by the Companies Act 2006.

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumption and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

- Grant income received in advance is deferred in order to recognise when the associated project costs have been incurred and the work has been done and in accordance with the terms agreed with the grant provider.

Income

All income is included on the Statement of Financial Activities when the charity has entitlement to the funds, any performance attached to the item of income has been met, it is probable that the income will be received and the amount can be measured reliably.

Membership income is recognised upon inception or renewal.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources or staff time spent, as applicable. Where input VAT is irrecoverable the costs are shown inclusive of VAT.

Grants Payable

Grants payable are accounted for on an accruals basis.

Support costs

Support costs are those functions that assist the work of the charity, including personnel costs. These costs are allocated to specific charitable activities based on time spent.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Intangible/ Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 20% on cost or valuation

Fixtures and fittings - 10% on cost

Computer equipment - 33% on cost

The costs of minor additions are not capitalised.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pensions

From 1 October 2008 the employees of the charity were entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end.

Fixed Asset Investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation or constructive obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

The Charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2019

2. Central support costs

	2019 £	2018 £
Staff costs (including project staff)	474,016	450,217
Central and office costs	91,478	65,621
Depreciation	1,624	3,196
Audit costs	8,450	8,752
Other administrative costs	41,993	38,717
Trustee expenses	6,219	5,560
Financial and professional	35,130	40,152
	658,910	612,215

The central support costs of the charity consisted of seven elements as noted above. These costs are allocated across the work of the charity based on time spent.

3. Donations

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £
Membership	16,015	–	16,015	21,582	–	21,582
Members enterprise affiliation fees	40,702	–	40,702	45,800	–	45,800
	56,717	–	56,717	67,382	–	67,382

4. Investment income

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £
Interest	239	–	239	–	–	–
Dividends from Invested funds	49,197	–	49,197	55,456	1,296	56,752
	49,436	–	49,436	55,456	1,296	56,752

5. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £
Income from operations	388,208	–	388,208	466,127	–	466,127
Esmée Fairbairn Foundation	–	–	–	–	19,858	19,858
Prince's Countryside Fund	–	34,170	34,170	–	52,973	52,973
Power to Change Trust	–	153,703	153,703	–	173,423	173,423
National Lottery Community Fund: Making Local Woods Work	–	151,782	151,782	–	373,785	373,785
MHCLG/PtC – More Than A Pub	–	311,430	311,430	–	200,962	200,962
Sponsorship and events	20,792	–	20,792	17,913	–	17,913
	409,000	651,085	1,060,085	484,040	821,001	1,305,041

At the year end the Charity held £550,000 relating to outstanding bursary grants payable from income of £550,000 received from Power to Change. The income and expenditure is not shown in the Charity's Statement of Financial Activities.

6. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £
Operational expenditure	721,928	322,561	1,044,489	460,940	706,916	1,167,856
Bursary Grants paid	–	57,050	57,050	–	114,085	114,085
	721,928	379,611	1,101,539	460,940	821,001	1,281,941

7. Other costs

	2019 Total Funds £	2018 Total Funds £
Audit Fees	8,450	8,752

All expenditure is unrestricted.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2019

8. Net incoming/(outgoing) resources

Net resources are stated after charging/(crediting):

	2019 £	2018 £
Depreciation – owned assets	1,624	4,341
Auditors' remuneration - Audit	8,450	8,752

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Trustees' Expenses

Trustees receive travel expenses for meeting attendance during the year. A total of £6,219 was so paid this year (2018 - £5,560).

10. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	423,418	395,104
Social security costs	31,781	35,578
Pension costs	18,817	19,535
	474,016	450,217

The average monthly number of employees during the year was as follows:

	2019	2018
Professional	11	10
Administrative	2	2
	13	12

There were no employees who received employee benefits excluding (employer pension costs) of more than £60,000.

The number of higher paid employees was:

Taxable emoluments band:	2019 Number	2018 Number
£35,001 - £40,000	1	1
£45,001 - £50,000	1	–
£50,001- £55,000	1	1

11. Intangible fixed assets

COST	Goodwill £
At 1 January 2019 & 31 December 2019	123
AMORTISATION	
At 1 January 2019 & At 31 December 2019	123
NET BOOK VALUE	
At 31 December 2019	–
At 31 December 2018	–

12. Tangible fixed assets – Group and Charity

	Office Equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2019	23,784	32,146	78,788	134,718
Additions	–	1,754	10,913	12,667
Disposals	–	(8,314)	(43,092)	(51,406)
At 31 December 2019	23,784	25,586	46,609	95,979
DEPRECIATION				
At 1 January 2019	23,784	30,344	77,311	131,439
Charge for year	–	742	882	1,624
On Disposals	–	(8,314)	(43,092)	(51,406)
At 31 December 2019	23,784	22,772	35,101	81,657
NET BOOK VALUE				
At 31 December 2019	–	2,814	11,508	14,322
At 31 December 2018	–	1,802	1,477	3,279

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2019

13. Fixed Asset investments – Group

	Listed investments £	Unlisted investments £	Cash and settlements pending £	Totals £
FAIR VALUE				
At 1 January 2018	1,387,574	497	13,983	1,402,054
Additions to investment at cost	212,675	–	(212,675)	–
Disposals at carrying value	(245,675)	–	245,675	–
Net gain/(loss) on revaluation	207,371	–	25,514	232,885
Transfer from/(to) general funds	–	–	(34,594)	(34,594)
At 31 December 2019	1,561,945	497	37,903	1,600,345
NET BOOK VALUE				
At 31 December 2019	1,561,945	497	37,903	1,600,345
At 31 December 2018	1,387,574	497	13,983	1,402,054

All quoted investments are listed UK securities. The historic cost of investments is £1,073,797 (2018: £1,068,008).

Fixed Asset investments – Charity

The Fixed Asset investments of the charity total £1,600,348 (2018: £1,402,057), being the group investments as detailed above plus a £3 shareholding (shown at cost) in its subsidiary, Plunkett Services Limited.

Subsidiary

Plunkett Services Limited

Nature of business: Dormant

	%			
Class of share:	holding			
Ordinary	100			
			2019	2018
			£	£
Aggregate capital and reserves			3	3

The charity owns the whole of the issued share capital of Plunkett Services Limited, a company registered in England and Wales under company number 02108639. The subsidiary, Plunkett Services Limited does not trade, but owns 100% of the voting shares of Rural Partnerships Limited. Rural Partnerships Limited does not trade and is registered in England and Wales under company number 04208392.

The Charity also holds 100% of the voting rights of Community Retailing Network, a company limited by guarantee incorporated in Scotland under number SC272741. The Company does not trade. The net liabilities as at 31 December 2019 are £(483). The assets and liabilities of the Company have not been consolidated within these

accounts on the basis that they are not material. All other assets and liabilities of the Company have previously been transferred to the Plunkett Foundation, who continues to operate the activities of the company in Scotland as part of its core operations.

14. Debtors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade debtors	48,295	58,226	48,295	58,226
Other debtors	20,073	20,706	19,946	20,579
Work in Progress	7,884	–	7,884	–
	76,252	78,932	76,125	78,805

15. Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Bank Overdraft	86,753	–	86,953	–
Trade creditors	88,124	72,043	87,674	71,593
Taxation and social security	33,352	15,595	33,352	15,595
Accruals & deferred income	183,230	394,394	183,230	394,394
Other creditors	16,300	30,336	16,300	30,336
	407,759	512,368	407,509	511,918

The Charity acts as an intermediary agent for Power to Change, making payments of grants to selected local enterprises. At the year end funds held in respect of these bursary grants was £550,000 (2018: £372,600). The balance is excluded from the above figures and the bank balance held at the year end.

Other creditors includes £16,300 (2018: £28,351) in respect of grant monies held in lieu of distribution to other bodies.

Accruals and deferred income includes £81,343 (2018: £286,803) of income which relates to projects

	£
At 1 January 2019	286,803
Released in 2019	(283,513)
Income deferred in 2019	78,053
At 31 December 2019	81,343

The bank overdraft facility of £150,000 is secured by a fixed and floating charge over the assets of the charity.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2019

16. Commitments under operating leases

At 31 December 2019 the charity has annual commitments under non-cancellable operating leases as set out below:-

	Land & Buildings 2019 £	Land & Buildings 2018 £
Operating leases which expire		
Within 1 year	–	38,774
Within 2-5 years	40,248	–
After more than 5 years	–	–
	40,248	38,774

17. Movement in funds – Group

	At 01.01.19 £	Net movement in funds (before tfers) £	Transfer between funds £	At 31.12.19 £
Unrestricted funds				
Foundation	350,000	–	(350,000)	–
Development	246,903	–	(246,903)	–
Knowledge Development	10,000	–	(10,000)	–
Revenue	288,349	289,134	700,756	1,278,239
Rural Revival Poland	10,876	–	(10,876)	–
Library Development	49,988	–	(49,988)	–
	956,116	289,134	32,989	1,278,239
Restricted funds				
John Morley Bursary Fund	32,989	–	(32,989)	–
National Lottery Community Fund Grant	4,921	–	–	4,921
Esmée Fairbairn Urban Shops Fund	–	–	–	–
Prince's Countryside Fund	–	–	–	–
Power to Change Trust	–	–	–	–
National Lottery Community Fund – Making Local Woods Work	–	–	–	–
MHCLG/PtC – More Than A Pub	–	–	–	–
	37,910	–	(32,989)	4,921
TOTAL FUNDS	994,026	289,134	–	1,283,160

17. Movement in funds – Group continued

	Income £	Expenditure £	Transfer between funds £	Gains and Losses £	Movement in funds £
Unrestricted funds					
Foundation	–	–	(350,000)	–	(350,000)
Development	–	–	(246,903)	–	(246,903)
Knowledge Development	–	–	(10,000)	–	(10,000)
Revenue	515,153	(458,904)	700,756	232,885	989,890
Rural Revival Poland	–	–	(10,876)	–	(10,876)
Library Development	–	–	(49,988)	–	(49,988)
	515,153	(458,904)	32,989	232,885	322,123
Restricted funds					
John Morley Bursary Fund	–	–	(32,989)	–	(32,989)
National Lottery Community Fund Grant	–	–	–	–	–
Esmée Fairbairn Urban Shops Fund	–	–	–	–	–
Prince's Countryside Fund	34,170	(34,170)	–	–	–
Power to Change Trust	153,703	(153,703)	–	–	–
National Lottery Community Fund – Making Local Woods Work	151,782	(151,782)	–	–	–
MHCLG/PtC – More Than A Pub	311,430	(311,430)	–	–	–
	651,085	(651,085)	(32,989)	–	(32,989)
TOTAL FUNDS MOVEMENT	1,166,238	(1,109,989)	–	232,885	289,134

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2019

During the year the Trustees agreed to de-designate the following historical unrestricted funds

- The Foundation Fund
- The Development Fund
- The Knowledge Development Fund
- The Rural Revival – Poland fund
- The Library Development Fund

In addition and in accordance with provisions within the restriction and Charity Commission guidelines the Trustees have also transferred the balance on the following previously restricted fund to unrestricted general reserves:

- The John Morley Bursary Fund: this represents a bequest from John Morley, with further income to be added to the fund by the Trustees based on the annual rate of return of the Foundation's total investments. The purpose of the fund is to grant bursaries to people attending training courses run by the Foundation. These bursaries are to be granted in commemoration of the life and work of John Morley OBE.

The Esmée Fairbairn Urban Shops Fund represents monies received from the Esmée Fairbairn Foundation in relation to grant awards to support community shops setting up in urban locations throughout the UK.

The Prince's Countryside Fund represents monies received from The Prince's Countryside Fund in relation to the direct delivery of support to rural community businesses in the form of business advice and training.

The Power to Change Fund represents monies received from Power to Change in relation to four separate areas of work: developing a pubs membership network; addressing health and wellbeing challenges in rural communities; enabling peer-to-peer networking amongst community businesses; the production of the Better Business Reports and the More than a Pub Bursary Grants.

The Making Local Woods Work fund represents monies received from the National Lottery Community Fund in relation to work to help support and grow woodland-based social enterprises across the UK.

The More than a Pub Fund represents monies received jointly from Ministry for Housing, Communities and Local Government and Power to Change to help support community groups looking to take ownership of their local pub.

18. Analysis of net assets between funds – Group

	Intangible/ Tangible Fixed Assets	Investments	Net Current	Total
	£	£	£	£
Unrestricted funds				
Foundation	–	–	–	–
Development	–	–	–	–
Knowledge Development	–	–	–	–
Revenue	14,322	1,600,345	(336,428)	1,278,239
Rural Revival Poland	–	–	–	–
Library Development	–	–	–	–
	14,322	1,600,345	(336,428)	1,278,239
Restricted funds				
John Morley Bursary Fund	–	–	–	–
National Lottery Community Fund Grant	–	–	4,921	4,921
Esmée Fairbairn Urban Shops Fund	–	–	–	–
Prince's Countryside Fund	–	–	–	–
Power to Change Trust	–	–	–	–
National Lottery Community Fund – Making Local Woods Work	–	–	–	–
MHCLG/PtC – More Than A Pub	–	–	–	–
	–	–	4,921	4,921
TOTAL FUNDS	14,322	1,600,345	(331,507)	1,283,160

19. Related party transactions

The charity paid £8,749 to four of the Trustees, in respect of consultancy services (2018: £472). The transaction was at market value.

Expenditure for the year includes £2,250 payable to a company which is owned and controlled by a member of the Charity's key management personnel (2018: £5,610). The transaction was at arms length and at open market value.

There are no other related party transactions that require disclosure under Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).

20. Ultimate controlling party

The Charity is a Company Limited by Guarantee and has no share capital. There is therefore no ultimate controlling party.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2019

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	289,134	36,034	289,134	36,034
Adjustments for:				
Depreciation charges	1,624	4,341	1,624	4,341
(Gains)/losses on investments	(232,885)	102,448	(232,885)	102,448
Dividends, interest and rents from investments	(49,436)	(56,752)	(49,436)	(56,752)
Interest paid	2,610	533	2,610	533
Loss/(profit) on the sale of fixed assets	-	-	-	-
(Increase)/decrease in stocks	-	200	-	200
(Increase)/decrease in debtors	2,680	37,064	2,680	37,064
Increase/(decrease) in creditors	(191,362)	(225,739)	(191,362)	(225,739)
	(177,635)	(101,871)	(177,635)	(101,871)

22. Analysis of cash and cash equivalents

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Cash in Hand	(86,753)	22,129	(86,953)	21,929
Notice deposits	37,903	13,983	37,903	13,983
	(48,850)	36,112	(49,050)	35,912

23. Analysis of changes in net debt group

	At 1 January 2019 £	Cash-flows £	At 31 December 2019 £
Cash in Hand	22,129	(108,882)	(86,753)
Notice deposits	13,983	23,920	37,903
	36,112	(84,962)	(48,850)

Analysis of changes in net debt charity

	At 1 January 2019 £	Cash-flows £	At 31 December 2019 £
Cash in Hand	21,929	(108,882)	(86,953)
Notice deposits	13,983	23,920	37,903
	35,912	(84,962)	(49,050)

TRUSTEES, MEMBERS, FELLOWS AND STAFF

Trustees serving during 2019

The Trustees are elected by the Plunkett Foundation's members. The following Trustees served during 2019:

Helen Aldis

Richard Anscombe*

Sue Boer

Helen Boothman
(co-opted)

Margaret Clark CBE
Chair

Chris Coe**
Treasurer

Martin Collett**
Chair of Audit and Risk Committee

Rachel Marshall
(co-opted)

Julian Ross**
Vice Chair

Jane Ryall*

Tom Scanlon

** stepped down during the year*

*** Audit and Risk Committee*

Fellows

Charlotte Hollins

David Button

Quintin Fox

Richard Moreton

Prof. Dr Hans-H Muenkner

Edgar Parnell

The Lord Plumb, DL

Dr Rita Rhodes

Kate Targett

John Tyrrell

Staff

The following were employed during 2019:

James Alcock
Chief Executive

Hannah Barrett
Senior Project Manager

Tasha Bevan*
Membership Officer

Chris Cowcher
Head of Community Business

Jenna Crook
Finance Assistant

Monica Dolan
Senior Project Manager

Maurice Edgington
Senior Finance Officer

Harriet English
Head of Engagement

Aimee Evans
Project Manager

Amanda Gibson
Finance and Operations Officer

Lucia Jesus
Community Business Officer

Olivia Lanham
Engagement Officer

Ashley Sellwood*
Communications and Marketing Officer

Sarah Taylor*
Events and Engagement Officer

Louise Turner
Community Business Officer

Donna Smith*
Community Business Manager

Duncan Smith
Communications Manager

Victoria Smith
Compliance Manager

Rachel Severn*
Head of Finance and Operations

Phillip Vincent
Project Manager

** left during the year*

Members

At the end of 2019, Plunkett Foundation had 402 members, 52 of which were individuals, 55 were organisations and 277 were community business members. 4 of these were based outside of the UK.

About Plunkett Foundation

The Plunkett Foundation helps rural communities UK-wide to tackle the issues they face by promoting and supporting community business. Community businesses are enterprises that are owned and run democratically by members of the community and others, on behalf of the community. They come in many forms - including shops, pubs, woodlands and anything which lends itself to community ownership. In addition to developing and safeguarding valuable assets and services, community businesses address a range of issues including isolation, loneliness, wellbeing, work and training. For over 100 years we have provided practical support to help communities establish and run these businesses successfully.

“I imagine a robust future rural economy with local solutions to local needs – utilising opportunities for local food, new technologies and boosting diverse rural employment whilst bringing environmental benefits.”

James Alcock

Chief Executive, Plunkett Foundation,
July 2020

If you share our vision for a vibrant rural economy with rural community businesses at its heart, why not join Plunkett as a member?



**Plunkett
Foundation**

www.plunkett.co.uk

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Plunkett Foundation is a registered charity, numbers CC 313743 (England and Wales) and SC 045932 (Scotland).
It is a company limited by guarantee, registered number 00213235 (England and Wales).