



REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

for the year ended 31 December 2022

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Delivering against our vision for thriving, resilient and inclusive rural communities UK-wide through our support for community owned businesses

About Plunkett

Plunkett Foundation is a UK-wide charity with a vision for resilient, thriving and inclusive rural communities. To achieve this, we support people in rural areas to set up and run a wide range of businesses which are genuinely owned by local communities, whereby members have equal and democratic control. Today, we represent approximately 750 such 'community businesses' in rural areas throughout the UK, from shops and pubs through to woodlands, farms and fisheries.

In practical terms, our support for community businesses comes in the form of advice, training, and events and is delivered through a core team of staff and a network of locally based self-employed business advisers across the UK. As a membership organisation, we also represent the interests of rural community businesses through research, policy and public affairs.

Why Plunkett's work matters

Through Plunkett's support for community businesses, we have a specific mission to create innovative, impactful and inclusive spaces. We achieve this by helping community businesses to:

- Provide a wide range of services and amenities that communities value and need
- Stimulate the local economy through localised supply chains
- Create access to employment and training and volunteering opportunities, often supporting people who are excluded from the labour market
- Tackle climate change through delivery of environmentally sustainable initiatives
- Promote equality, diversity and inclusion by creating safe and welcoming spaces for all

As community businesses are run democratically by members of the community in such an inclusive and participatory way, they also address a wide range of issues affecting today's society, including isolation and loneliness, mental health and wellbeing, discrimination, and financial poverty. Once established, a community business rarely fails – of all those supported by Plunkett Foundation, there is a 99% survival rate in their initial five years, and a longer term survival rate of 96%.

Our Values:

Inspiring: we raise awareness of the power of community businesses to drive positive change.

Accessible: we are approachable to all, and tailor our support and services to individual's needs.

Dedicated: we are focused, putting the interests of communities first.

Inclusive: we value equity and diversity and treat everyone with respect, honesty and integrity.

Collaborative: we achieve more when working closely with others.

CHAIR'S FOREWORD



In what was meant to be the year we moved on from the pandemic, no one could have foreseen the depth of the new challenges that faced us in 2022. With the war in Ukraine and the cost of living and energy price crises putting a strain on everyone, it has been nothing short of remarkable to see how our sector has responded. I am so proud of the role Plunkett has played in supporting the resilience of the UK-wide community business movement.

Our community business service of advice, training and events, supported 23 new businesses to open and helped retain the long term survival rate of 96%. At the heart of the operations, our people-centred approach was reflected in feedback from groups, with 97% of groups supported by Plunkett saying it was “easy to access”.

As well as our practical support services for community businesses, 2022 was a year when our Information Hub really found its feet in terms of representing our movement and the Plunkett membership, advocating for a positive funding and policy environment in which our sector could flourish. Utilising robust evidence to support our calls to action, the team completed research which highlights the breadth, diversity and impact of our sector. Our participation in campaigns to push for a UK-wide Community Right to Buy, influencing the use of Dormant Assets to support social action and calling for applicants to the UK Community Ownership Fund to have access to development advice and support are just a few of our notable activities last year.

We cannot do it alone though. Partnership and collaboration have always been at the core of Plunkett's activity and I am grateful to every one of our partners, funders, sponsors and commissioners for enabling Plunkett to work with more community businesses than ever before. As well as continuing established relationships, we were also delighted to renew partnerships with other funders. Most notable was the National Lottery Community Fund, with whom we have a long-standing track record of working. They are now supporting our work for the next three years. Linked to our advocacy work, we were delighted to be appointed in December as one of the key delivery partners for the UK Government's Community Ownership Fund. We look forward to working with the Department of Levelling Up, Housing and Communities and other partners in the consortium, which will be led by our partners Locality, to enable more community groups to benefit from the financial support available.

The engagement team continues to go from strength to strength, securing a diverse range of income in support of our operations. Last year, they led on key fundraising activities, such as our annual Awards, a dinner at Blenheim Palace, an auction at Ditchley Park and the now annual Walk for Plunkett. I am incredibly grateful to a growing number of corporate partners who support our work by utilising our consultancy services and those like Saga who made a generous donation to our community business team to enable us to provide unrestricted business support. All of these activities raised much needed funds, which contribute to our longer term sustainability.



We are a membership organisation and continually strive to maximise the benefits for our members through the supplier's hub, training and networking. Bringing the membership and community business teams together at Plunkett last year ensured our members are central to the delivery of our community business service, the engine room of our organisation. Membership, training and consultancy income remain the bedrock of earned income for Plunkett. We remain grateful to all our members for their support and we will continue to find further ways of engaging and working with our membership.

Plunkett would not be Plunkett without its people. I was pleased to welcome a number of new colleagues in 2022. I'd like to thank the efforts of all staff, including those that left us last year, for their commitment and contributions in support of our movement. I was personally delighted to welcome several new trustees to the board last year, with Alex Begg, Ruth McAreavey, Zanna Patchett and Adrian Smith elected at the AGM, and Alison Jeffers co-opted shortly thereafter. The diverse range of expertise and experience they bring will support our governance and operations moving forward. I am grateful to all my fellow trustees, who contribute so much to Plunkett behind the scenes, and the support of the wider staff body led so ably by James Alcock.

I look forward to Plunkett continuing to support a community business network that makes such a difference: delivering significant social, environmental and economic impact in communities – both small and large – across the UK.

Stephen Nicol

Chair of the Plunkett Foundation

REPORT OF THE TRUSTEES

for the year ended 31 December 2022



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 2021. 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 2019)

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

Trustees serving on the Board at the time the report is approved, including all those who served during the report period

Helen Aldis

(Vice Chair)

Alex Begg

(elected 14 September 2022)

Sue Boer

Chris Coe

Martin Collett

(Chair of Governance and Nominations Committee)

Alison Jeffers

(co-opted by the Board on 14 September 2022)*

Professor Ruth McAreavey

(elected 14 September 2022)

Stephen Nicol

(Chair)

Zanna Patchett

(elected 14 September 2022)

Julian Ross

(Vice Chair)

Adrian Smith OBE

(elected 14 September 2022)
(Chair of Audit and Risk Committee)

Senior Management Team

Personnel to whom the charity trustees delegate day to day management of the charity at the time the report is approved, including all those who served during the report period.

James Alcock

(Chief Executive and Company Secretary)

Lewis Bowman

Chris Cowcher

Kathryn Morrison

Harriet English

Claire Spendley

Victoria Smith

Auditor

Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge St
Oxford
OX1 2EP

Investment Advisors

JM Finn & Co Ltd
25 Copthall Avenue
London
EC2R 7AH

Solicitors

Anthony Collins Solicitors
134 Edmund Street
Birmingham
B3 2ES

Bankers

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 6WT

** 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.*

Objectives and activities

Our Purpose:

Our charitable objects as agreed by the Charity Commission and set out in our memorandum of association 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.

Our Aims and Objectives:

In order to deliver against these purposes, our organisational strategy articulates our charitable aims through a vision and mission statement:

Our vision is for resilient, thriving and inclusive rural communities throughout the UK.

Working towards this vision, **our mission is to work with community owned businesses to create innovative, impactful and inclusive spaces.** Being 'innovative' requires Plunkett to inspire communities to reimagine how traditional businesses operate and to adapt and diversify according to their community's needs. To be 'impactful' requires prioritising Plunkett's resources to help those seeking to generate the greatest social, economic, or environmental impact. Becoming 'inclusive' means taking greater efforts to ensure our members take proactive measures to reach, work with and benefit a greater diversity of people.

Our Activities:

We undertake four **main activities** to ensure our work delivers against our aims and objectives and reflects the purpose we were set up to further:

1. Growing a movement of people and organisations who share our values: We encourage community businesses, individuals, and other corporate bodies to become formal members of Plunkett Foundation and deliver events, consultation, and other services to increase their engagement with Plunkett and each other.
2. Providing a 'universal' community business service: This aims to resource the practical support needs of community businesses models, at all stages of their journey from setting up to running and across all areas of the UK. This includes the provision of advice, business support, training, webinars, and toolkits.
3. Delivering a service of information, policy and communications: We deliver this service to better evidence and demonstrate the impact of rural community businesses; and reinforce our role as the voice for rural community businesses.
4. Ensuring the effective and efficient operations of the charity: We are enhancing our existing approach to our regulatory, statutory and legislative responsibilities; strengthening our internal financial systems and controls, and investing in our people. Ultimately, we want to achieve greater resilience and sustainability in order to continue supporting and representing a thriving rural community business network.

The following section of this report (Significant Achievements) reviews our progress against these activities in 2022.

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2022

Our achievements and performance in 2022

Our significant activities and achievements

1. Growing a movement of people and organisations who share our values:

Partnership and collaboration is fundamental to all work completed by Plunkett. Recognising this, we have sought to build a movement of community businesses, representatives of developing projects and supporters of our sector to promote the impact of community-ownership and advocate for an environment in which the sector can flourish. Each of the following areas will set out how Plunkett connects and communicates with the grassroots, and works with partners to offer support to community businesses and represent their interests at a national level. Our membership team and offering underpins this work and we were delighted to grow the number of community business members, as well as supporter members in 2022. At the end of the year we had a total of 529 Plunkett members.

2. Providing a 'universal' community business service:

As the only organisation providing a comprehensive advisory support service to community-owned businesses UK-wide we are proud to have supported continued sector growth in 2022, despite the well documented challenging times faced by businesses. Plunkett's community business team responded to 412 enquiries last year from a range of businesses and projects, including 198 enquiries from communities at the beginning of their community-ownership journey.

Over 2,700 people have now joined our online peer networks for community shops, pubs and woodlands. This is reflective of the growing interest in the community business model as a way of running services and protecting local assets of value. To make sure that groups have access to a range of expertise we also grew our network of business advisers last year to fill gaps in skills and geography. We now provide access to 54 mentors and specialist advisers across the UK.

Clearly a priority for our service was to offer support to those businesses struggling with increasing operating costs. We delivered 12 business health checks, launched an online self-appraisal tool and provided a programme of webinars, training and resources on topics such as "Energy! Tackling the price crisis", "Making the most of your EPOS system to maximise your profits", "Keeping your community pub profitable in 2022" and "Keeping your community shop profitable in 2022". The team delivered a total of 63 training and networking events, which reached 1300 people.

As a membership organisation we are proud to have embedded our member services at the heart of our Community Business Team. Having launched a membership panel in 2021 we are pleased to report that this representative group is now influencing our service delivery and being consulted on a range of matters related to policy, advocacy and public affairs. We have also created a new member hub, which provides exclusive access to range of resources and suppliers, including Clear Brew, Monopoly Insurance, Spencer Hayes Group and Splosh who we welcomed in 2022, growing our network of recommended suppliers to 32. Our Community Business Forum events, which started last year were also positively supported and we facilitated peer learning and networking through our active community pubs networks in Scotland, the North East and Yorkshire and the East of England.

In order that we continue to grow our operational reach, and in line with our commitment to partnership and collaboration Plunkett has worked with a range of organisations to address identified "cold spot" areas as part of our operations last year. These areas, where there are currently a lower number of community businesses that have been supported by Plunkett, include County Durham and the North East of England more widely. We ran a range of awareness events and continue to engage with grassroots organisations looking to explore the community business concept in these areas. We also remain engaged with a range of partners in Scotland to deliver a comprehensive programme of support for community-owned pubs, funded by Scottish Government, which directly led to 4 new pubs opening in the country last year.

To contribute to our commitment to support community businesses in being inclusive spaces, we were proud to deliver a programme of business support, training and resources to help businesses to work with young people, through the #iwill programme funded by the Dulverton Trust. The legacy of this work will inform the way Plunkett engages with young people in the future, as well as shaping the design of support services for community businesses across the UK.

Plunkett believes that the continued long-term success rate for community businesses, which remains at 96%, is in part down to the democratic legal structure that these businesses adopt. We continue to provide access to a set of model rules for community benefit societies (CBS), and supported 36 new CBS registrations with the Financial Conduct Authority (FCA) last year, as well as help a further 7 groups to update their legal form.

We remain grateful to all our funders and supporters that have supported Plunkett's community business service in 2022. Whether that is through dedicated programmes of activity such as the Benefact Trust's support for our "community business in places of worship" activities, or long-term supporters of our work such as Esmée Fairbairn. It is only through these partnerships that we are able to continue meeting the needs of groups across England, Scotland, Northern Ireland and Wales.



3. Delivering a service of information, policy and communications:

Plunkett aims to represent the community business movement, via our Information Hub, to advocate for a supportive and engaging policy and funding environment to help our network flourish. We have sought to utilise a combination of robust evidence and research, as well as work with a range of partners, to push for legislative changes and create an opportunity for the experiences of community businesses to be utilised in influencing local and national policy.

As well as publishing our annual state of the sector Better form of Business reports for community shops and pubs in 2022, the Information Hub also led on the publication of new research which considered the barriers and challenges to setting up community businesses in certain locations. This work which included a review of why there are fewer urban community pubs, and also where are the "cold spots" for community businesses have helped to inform Plunkett's new strategy and operations. The evidence gathered articulates a need to find different approaches for nurturing community-ownership ambitions depending on the make-up and location of the community.

In support of the need to find new ways of helping community business projects Plunkett is actively engaged with a number of national campaigns, often acting as the rural representative in order to represent our network. Our work in 2022 included supporting the long-term ambition of utilising Dormant Assets to create Community Wealth Funds, as well as a Community Enterprise Growth Plan. We also advocated for greater support for community shares in relation to social investment initiatives already supported with Dormant Assets funding. The We're Right Here campaign, which calls for a Community Power Act, is also something Plunkett continues to support.

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2022

A central policy ambition for Plunkett is for a Community Right to Buy to be enacted in all 4 UK nations. We believe that where local residents have identified an asset of value to their community, such as a shop, pub, sports facility or green space for example, they should have a right of first refusal to purchase the asset, if it becomes available for sale. We launched a policy position paper about this in 2022 and want to use our Keep it in the Community (KIITC) platform, the most comprehensive database of Assets of Community Value in England, to support our calls for change. KIITC presents an opportunity to review the effectiveness of current legislation and also offers an opportunity for individual councils to engage with a national dataset.

We seek to use the evidence we collate in response to a range of consultations and inquiries, with a few notable examples being the Senedd inquiry in to community assets in Wales, the APPG for Rural Business and Rural Powerhouse and the APPG for left behind communities. Plunkett also attended the Conservative and Labour party conferences in 2022, which provided opportunity to directly engage with politicians, party members and other interested stakeholders and promote the impact of our sector.

To make sure that we are engaging with and building the community business movement Plunkett continues to produce a range of communication material to promote our work and the achievements of community businesses UK-wide. Last year we featured in 197 pieces of printed media, including in the Times and Telegraph, which helped us to reach 550m readers. Furthermore the coverage secured was the equivalent of £5.1m worth of media coverage. Our social media presence also continued to grow in 2022, with our networks across Twitter, Facebook, Instagram and LinkedIn having a collective following of over 19,000.

4. Ensuring the effective and efficient operations of the charity:

2022 was the final year of our previous strategy period, which included an ambition to reduce our operational reliance on traditional grant funded programmes and activities supported by philanthropic trusts and foundations. At the end of last year our income had significantly diversified with around 50% now made up of new income streams, including from our recently launched community and corporate partnerships.

Another income stream that grew in 2022 was our consultancy service, both through direct commissions from community businesses, as well as larger scale projects contracted by corporate organisations. This work has enabled Plunkett to continue promoting the community business model in different settings and work with even more groups UK-wide. Specifically we have continued our work with Thakeham who are looking to create new community businesses at the heart of their developments. We are also working with ABRI housing association to explore the concept of a community business operating within a tower block of flats the manage. We continue to promote our consultancy services as a way of addressing any gaps in traditionally funded support, most often associated with a time-limited programme or project being led by Plunkett.

With the help of our corporate partners, friends and members, our fundraising activities, led by our Engagement Team, have been a particular success story in 2022. It is heartening to see so many of our supporters contributing to Plunkett's fundraising activities as a way of enabling continued sector growth. Alongside our growing membership, uptake of our training and the consultancy commissions we are receiving from community businesses this income is helping to generate funds which enables Plunkett to meet the growing demand for our services, from new groups and existing businesses.

We implemented a number of new policies and procedures as part of an ambition to streamline a number of internal and external operations last year. The intention was to help us be a more accessible organisation. An example of this was the automation of invoices and standing orders, linking our new accounting software with the organisation's CRM. This has helped us to professionalise a services we offer to community businesses and projects UK-wide and strengthen our financial procedures.

In our new strategy, we placed inclusivity at the heart of Plunkett's operations, as well as made it a priority for the impact we want to facilitate within the sector. We recognise the role we need to play in terms of promoting equity, diversity and inclusion in all that we do and in providing leadership and allyship within our sector. To enable our effective operation, Plunkett is committed to an ongoing programme of training for our team and board, and in staff meetings last year, related to the development of our strategy, we facilitated specific conversations about what it means to be "inclusive" and how can we promote the "wellbeing" of others. The outcomes of these kinds of activity were positively reflected in our annual staff survey and appraisals, which showed an understanding and appreciation about what it means to work in an inclusive and equitable workplace.

It is difficult to measure exactly what impact or success we are having as a result of the work undertaken to date, but there is clearly more awareness of our role to promote equity in all we do amongst the staff team and our adviser network. It was noted that last year we have achieved a much more diverse range of candidates in our recruitment for vacant roles at Plunkett.

There has been a concerted effort to feature greater diversity in all of our work, including our communications output to promote how we, and the community business network support people in communities who are typically excluded and minoritised in some way. This is an ongoing process though, and Plunkett commits to an ongoing process of engagement and learning with our membership to better understand the extent of exclusion and marginalisation in rural communities and the potential for community businesses to respond and advocate for minoritised groups.

Plans for 2023 and beyond

Our strategy, together with the supporting business plans and Key Performance Indicators, provide us with a clear focus and objectives for the period 2022-2025:

1. Grow the rural community business sector – we aim to help more community businesses to open and existing ones to thrive. By the end of 2026 we aim to have grown the sector by at least 20% to 750 rural community businesses.
2. Extend our reach – we aim to build awareness of the community business model and our support for businesses UK-wide. We will target rural areas where community businesses are currently most under-represented, specifically Scotland, North East England and the Midlands.
3. Deepen the sector's impact – by supporting community businesses we will help them to deliver enhanced social, economic and environmental benefits for their communities. We will support 30% of all existing community businesses to identify opportunities for greater impact.
4. Strengthen the legal, policy and support environment – we will nurture a supportive environment for community businesses to establish and thrive. We are committed to listen to and represent community businesses through policy, research, communications and campaigns.
5. Secure Plunkett's financial stability – to ensure our ability to help the wider rural community business movement to grow and thrive we will continue diversifying our income sources aiming to 'break-even' across the strategy period. Any financial surpluses will be re-invested in our mission.

Underpinning the strategy, is a commitment to work with others, and play a greater leadership role in societal issues such as climate change, mental health, and approaches to equity, diversity and inclusion.

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2022

Public benefit

We regularly review our aims, objectives and activities to ensure we accomplish what we were established to achieve. This is presented through our organisational strategy and supporting business plan, the former of which is based on a thorough assessment of our own and member's operating environment and widespread consultation and the latter which follows an annual review of the previous year's outcomes and achievements.

The Trustees have noted the Charity Commission guidance on public benefit and are confident that Plunkett Foundation's activities are in line with that guidance. In particular, the Trustees recognise the benefit to the public in the communities we operate in, and to the wider society at large as a result of a ripple effect. The particular examples of public benefit we measure include:

- Number of services and amenities that are created or safeguarded for the long-term
- Impacts on the local economy through localised supply chains
- Opportunities created for employment, training and volunteering
- Offsetting climate change through commitment to zero carbon values and initiatives
- Contribution to diversity and inclusion by creating a safe and welcoming space for all.

Financial Review

Reserves Policy

Our reserves policy is designed to ensure the long term continuity of support for rural community businesses in the event Plunkett Foundation faced serious funding and/or operational challenges. The policy calculates a reserve value that would be sufficient to:

1. Pay its creditors and fulfil all our other financial obligations;
2. Undertake a scaling back of the organisation and its services in a planned and measured way to limit the adverse impact on our beneficiaries whilst we re-organise and reposition the organisation; and
3. Allow for a future re-launch of Plunkett Foundation to ensure we our important and unique support for rural communities can be continued at a later date.

The reserves policy is reviewed annually and was last approved in December 2022. The policy determined a reserves level requirement of £734,000 for 2023. The calculation of the required level of reserves is an integral part of the organisation's planning, budget, risk management and forecast cycle and takes into account:

- Known gaps between operating income and expenditure;
- Major risks and their associated costs;
- Core costs associated with a re-launch of the Foundation.

As at December 2022, the Foundation had total reserves of £1.053m and free reserves of £1.014m. Whilst this figure is higher than the requirement of our reserve level, the Trustees, agreed in December 2022 to maintain the excess reserves in 2023 due to the ongoing inflationary environment in the United Kingdom where Plunkett Foundation primarily operates and particular uncertainty about the investment market.

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. The investment portfolio of Plunkett Foundation is 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 the last year, the portfolio returned -17.1%, behind the 70% equities/30% gilts comparator return of -6.9%. Over the same period, the ARC Steady Growth Index returned -9.5% and the FTSE All-Share Index +0.3%, while the FTSE UK Gilt Index lost -23.8%. Over the 17 years to 31st December 2022, a return of +169.2% was generated, whilst the 17 year annualised return stood at +6.0% per annum. All figures total return (portfolio figures are net of fees). At 31st December 2022 the portfolio had a gross income yield 3.0%.

Overall 2022 was a difficult period for investors, with a cost of living crisis and the Russian invasion of Ukraine there has been turmoil in the markets globally. A restructuring of the investment portfolio of the Foundation has been undertaken led by the investment manager and it is hoped that 2023 can provide a return to growth for the assets of the Foundation.

The Board approved the Investment Policy in December 2022. Plunkett Foundation's investment policy requires that the relationship with the investment manager is reviewed at least once in each five year period, a review will be undertaken during the coming period.

Fundraising

Plunkett Foundation has been registered with the Fundraising Regulator since 2019 since which time, community fundraising has become an increasingly valued area of our work. Community fundraising is part of Plunkett's broader sustainable income strategy to generate funds from multiple sources including projects, grants, consultancy, membership and corporate partnerships. Our rationale for community fundraising is not just to generate income, but to forge stronger relationships with the communities in which we operate. For example, we delivered a number of fundraising campaigns during 2022 directly through our own staffing, including Walk for Plunkett, a charity auction, and various local events in which our members were at the forefront of generating a collective total of £27,830 during the year.



REPORT OF THE TRUSTEES continued

for the year ended 31 December 2022

Structure, governance and management

Governing Document

Plunkett Foundation was founded as a charity in 1919 under a deed of Trust and incorporated as a charitable company limited by guarantee in 1964. The company was established under a Memorandum of Association which state the objects and powers of the charitable company and is governed under its Articles of Association. In the event the company being wound up, members are required to contribute an amount not exceeding five pounds. The Memorandum and Articles were last updated in September 2020.

Relationships with Related Parties

Plunkett no longer owns or holds shares in any trading subsidiaries. Community Retailing Network, a company of which Plunkett received a transfer of assets in 2011 and was named as having 'significant control' was dissolved on 22 March 2022.

Membership

Plunkett Foundation is a membership organisation, whereby members consist of individuals and corporate bodies who have willingly consented to become members, share Plunkett's values and have subscribed to an annual fee set by the Trustees.

Recruitment and Appointment of New Trustees

Our Articles of Association require the membership to elect up to 12 non-executive directors (known as Trustees). All Trustees are elected at the Annual General Meeting on a one member, one vote basis. Trustees can be nominated by any existing members within a specified number of days prior to an AGM.

In line with this procedure, the organisation proactively seeks to attract new Trustees in line with its policy on Equity, Diversity and Inclusion, and in line with identified gaps in skills, knowledge and experience of which is reviewed annually. An open Trustee recruitment process is then used, including making adverts available through job boards, websites and social media platforms. Potential Trustees are interviewed, and those deemed to best meet the identified gaps on the Board, are subsequently nominated by a member for election at the AGM, or co-opted for a period of time up to the subsequent AGM at which they are subject to election by the members.

The name of all Trustees in post during the year and up to the signing of this report are listed in the reference section.

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. Trustees are limited to serving a maximum nine-year term (i.e. 3 terms of 3 years), unless exceptional circumstances occur.

Key roles and Subcommittees

Each year following the AGM, Trustees elect a Chairperson and up to two Vice-Chairs. The Board also operate two subcommittees. The Audit and Risk Committee oversee Plunkett's activities in relation to audit, budgeting and finance, and risk management. The Governance and Nominations Committee oversees Plunkett's non-financial policy development and management, as well matters relating to governance and Trustee recruitment.

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 2023 review noted that no significant areas for improvement had been identified. In addition the Board conducts regular external Governance reviews and the next will take place in 2024. The independent review conducted in 2021 confirmed the organisation:

- 'is a well-run charity operating with a high degree of professionalism and valued within the sector it operates'
- 'is seen as a safe pair of hands consistently delivering on its outcomes'
- 'benefits from a highly skilled board, made up of professionals with a wide range of disciplines and a professional and committed Senior Management Team'
- identified 'a number of models of good practice, not least the total alignment of strategy with operational delivery and monitoring of performance'

The review also highlighted the following areas for further review and development:

- progress its approach to embed equity, diversity and inclusion in all aspects of Plunkett's work
- review and raise awareness of Plunkett's safeguarding policy.

EDI is embedded in our 2022-2026 strategy. Our EDI work has become cross-organisational. It is being sponsored by our Governance and Nominations Committee, which reports on progress to the Board, and is informed by the Chief Executive, Senior Management Team our internal Staff Forum, and our membership. The Board undertook an externally facilitated discussion at the Board away day in December, and as a result of this the Board committed to the development of an in-depth strategy/action plan and EDI monitoring during 2023.

In 2022 all trustees conducted bespoke in-house safeguarding training. In addition tailored training was rolled out to all senior and line managers and all staff received safeguarding policy awareness training.

Organisational Structure

The Trustees direct the strategic affairs of Plunkett Foundation and delegate the day-to-day operations to a Chief Executive. James Alcock has served in the role of Chief Executive since 2017 and also as Company Secretary.

The Chief Executive is supported by a Senior Management Team – a full list of those who served during the year are listed in the reference section. The organisation itself is structured into three operational teams consisting of a Community Business Service, an Information Hub, and an Engagement Team, and is supported by further finance and operations personnel.

Whilst not a formal part of the company structure, Plunkett is supported by a network of self-employed consultants or 'advisers' whom are contracted on a call-off basis to provide business advice and training as part of our core service to community businesses.

We also have a 'Membership Panel' who provide a sounding board of community businesses UK-wide, and inform the development of Plunkett's services, policy and communications in an advisory capacity.

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2022

Our Approach to Staff Pay and Benefits

Plunkett Foundation has an office based culture and aims to create a space that is safe and welcoming. We operate a flexible working policy which enables remote working and amended hours to accommodate a work-life balance. We celebrate our differences and ensure everyone is heard, respected and valued. We have a commitment to EDI as a means to establish a more innovative, inspired impact-focused culture within the organisation.

Our annual staff satisfaction survey was carried out independently during 2022. The key headline results of the survey show that 94% of staff said they are proud to work at Plunkett and 100% felt encouraged to share their thoughts and ideas with their manager. The survey also showed that staff felt the Senior Management Team are approachable and demonstrate a sincere interest in employee wellbeing.

We are a Living Wage accredited employer, but we go beyond this to create a competitive package of pay and related benefits, and regularly invest in our work environment, team-building, and opportunity for personal and professional development. We believe firmly in aiming to retain staff for the long term, developing them and benefiting from their growing knowledge.

In support of this approach to staff retention and the value placed upon Plunkett Foundation's 'staffing asset', the Board decided in 2022 to review the remuneration policy and accompanying salary bands which had been in place since December 2019. A salary and benchmarking exercise was conducted in December 2022 and recommendations, informed by the benchmarking report, were discussed and approved by the Board in February 2023. Additionally, Trustees expressed support for the concept of an enhanced benefits package and requested further research to be conducted with a final report to be presented to the Board in September 2023 for decision. This work remains in progress.

Pay bands approved by the Board in April 2023 are as follows:

■ Administration	£18,200 - £28,536
■ Project and Finance Officers	£25,000 - £34,243
■ Project and Finance Managers	£28,000 - £43,374
■ Senior Management Team	£40,000 - £60,000
■ Chief Executive	£65,000 - £85,000

Charity Governance Code

The Plunkett Foundation has adopted the Charity Code of Governance and undertakes an annual self-assessment against the Code. The most recent self-assessment completed during 2023 provided assurance of continued compliance with the Code.

Risk Management

We recognise that we are working in a volatile environment and risk management is a critical activity. The Trustees recognise that the effective management of risks is central to Plunkett's ability to achieve its objectives, and aims to anticipate and, where possible, manage risks rather than dealing with their unforeseen consequences. The Board ensures that the controls and systems of risk management are robust and defensible.

The Senior Management Team has the primary responsibility for identifying the key risks to the business. Each risk is allocated an owner and scored in terms of its likelihood and impact, before and after mitigating actions, which are documented in the risk register.

The Audit and Risk Committee, as a sub-committee of the Board, reviews the risk register and the adequacy of mitigating actions on a regular basis; the Committee reports to the Board quarterly. A comprehensive annual planning and budgeting process is approved by the Board, during which a thorough assessment of key external and internal risks is undertaken. The Board also receives risk evaluations on major new areas of activity. Our risk identification and risk management process is well established and to support the new strategy, we developed this further by reviewing our risk appetite in 2022 in key areas to help inform strategic choices.

The risk management framework and register is reviewed on an annual basis was reviewed in January 2023 by the Audit and Risk Committee.

The top three risks and their mitigations are:

Risk	Mitigation
<p>External operating environment causes community business closures - impacting the reputation of the model which Plunkett promotes</p>	<ul style="list-style-type: none"> ■ Closely monitor Better Business data and data secured from Community Business annual returns ■ Make regular contact with community businesses UK-wide asking how they are and reminding them of Plunkett’s advice and support ■ Revise and launch our community business self-appraisal tool and associated resources ■ Evolve our business support to respond to the COL crisis and increase the availability on online training and webinars ■ Signpost members to support available from our partners and our membership suppliers
<p>Funding insufficient to support Plunkett’s Business Strategy</p>	<ul style="list-style-type: none"> ■ The annual budget is scrutinised by the Board’s audit and risk committee prior to being signed off by the full board ■ The Board approve annual budgets based on the level of income already secured and the certainty of unsecured income ■ Resource has been allocated to diversify Plunkett’s income streams and KPIs are in place to monitor progress ■ The Head of Finance undertakes continuous monitoring of financial performance and reports to the CEO and Board regularly ■ The Board can withdraw funds from our investment managers as a contingency, and in line with our investment policy being mindful not to fall below our reserve requirement
<p>Major staffing or capacity issues</p>	<ul style="list-style-type: none"> ■ Plunkett practices an open and equitable recruitment policy, and provides a strong induction process ■ There is continuous investment in staff training, personal development and wellbeing measures to balance staff development and avoid burn out ■ Plunkett maintains an up to date set of staff policies and procedures, and regularly reviews these in line with legislation, best practice and with support from retained HR advisers ■ There is a regular review staff remuneration, benefits, terms and conditions ■ There is a regular staff survey including pulse surveys to assess and respond to the overall satisfaction and wellbeing of staff

REPORT OF THE TRUSTEES continued

for the year ended 31 December 2022

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 2019 (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.

Following a retendering process, Critchleys were appointed as auditors at the 2021 AGM.

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: 7 June 2023



Stephen Nicol
Chair

INDEPENDENT AUDITOR'S REPORT



to the Trustees of Plunkett Foundation

Opinion

We have audited the financial statements of Plunkett Foundation (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT continued

to the Trustees of Plunkett Foundation

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity'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 charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 4 August 2023



Robert Kirtland
(Senior Statutory Auditor)
for and on behalf of Critchleys Audit LLP

Chartered Accountants
Statutory Auditor

Beaver House
23-38 Hythe Bridge Street
Oxford
Oxfordshire
OX1 2EP

Critchleys Audit LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income & endowments from:							
Donations and legacies	3	120,364	–	120,364	31,328	–	31,328
Charitable activities	4	566,524	269,981	836,505	474,312	431,935	906,247
Investments	5	39,794	–	39,794	41,617	–	41,617
Other income	6	55,599	–	55,599	27,052	–	27,052
Total income		782,281	269,981	1,052,262	574,309	431,935	1,006,244
Expenditure on:							
Charitable activities	7	780,762	310,846	1,091,608	699,251	391,070	1,090,321
Net gains/ (losses) on investments	11	(317,573)	–	(317,573)	171,890	–	171,890
Net movement in funds		(316,054)	(40,865)	(356,919)	46,948	40,865	87,813
Fund balances at 1 January 2022		1,363,691	45,786	1,409,477	1,316,743	4,921	1,321,664
Fund balances at 31 December 2022		1,047,637	4,921	1,052,558	1,363,691	45,786	1,409,477

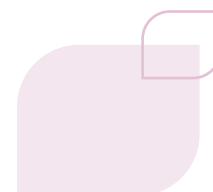
The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BALANCE SHEET

at 31 December 2022



	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	12		34,043		42,395
Investments	13		1,349,722		1,770,811
			1,383,765		1,813,206
Current assets					
Debtors	14	53,771		81,773	
Cash at bank and in hand		-		99,366	
		53,771		181,139	
Creditors: amounts falling due within one year					
Net current liabilities	16	(384,978)		(584,868)	
			(331,207)		(403,729)
Total assets less current liabilities			1,052,558		1,409,477
Income funds					
Restricted funds	18		4,921		45,786
Unrestricted funds					
Designated funds	19	-		250,000	
General unrestricted funds		1,047,637		1,113,691	
			1,047,637		1,363,691
			1,052,558		1,409,477

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 7 June 2023.

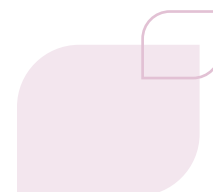
Stephen Nicol

Trustee

Company registration no. 00213235

STATEMENT OF CASH FLOWS

at 31 December 2022



	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash absorbed by operations	23		(342,822)		(112,586)
Investing activities					
Purchase of tangible fixed assets		(2,022)		(5,872)	
Purchase of other investments		(89,687)		(140,863)	
Proceeds from disposal of other investments		89,000		281,595	
Investment income received		39,794		41,617	
Net cash generated from investing activities			37,085		176,477
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(305,737)		63,891
Cash and cash equivalents at beginning of year			210,577		146,686
Cash and cash equivalents at end of year			(95,160)		210,577
Relating to:					
Cash at bank and in hand			-		99,366
Short term deposits included in current asset investments			7,009		111,211
Bank overdrafts included in creditors payable within one year			(102,169)		-

NOTES TO THE FINANCIAL STATEMENTS



for the year ended 31 December 2022

1. Accounting Policies

Charity information

Plunkett Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Quadrangle, Banbury Road, Woodstock, Oxfordshire, OX20 1LH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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.

Membership income is recognised over the period to which it relates.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2022

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% on cost
Computer Equipment	33% on cost
Office Equipment	20% on cost or valuation

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Grant income

Grant income received in advance is deferred in order to recognize income 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.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2022

3. Donations and legacies

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Donations and gifts	120,364	31,328

4. Charitable activities

	Charitable Income 2022 £	Restricted Income 2022 £	Total 2022 £	Charitable Income 2021 £	Restricted Income 2021 £	Total 2021 £
Project Income	277,823	269,981	547,804	345,178	431,935	777,113
Sponsorship and events	61,485	-	61,485	54,888	-	54,888
Membership fees	77,220	-	77,220	74,246	-	74,246
Other income	149,996	-	149,996	-	-	-
	566,524	269,981	836,505	474,312	431,935	906,247
Analysis by fund						
Unrestricted funds	566,524	-	566,524	474,312	-	474,312
Restricted funds	-	269,981	269,981	-	431,935	431,935
	566,524	269,981	836,505	474,312	431,935	906,247

5. Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from listed investments	39,794	41,617

6. Other income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Rental income	9,367	8,435
Other income	46,232	18,617
	55,599	27,052

7. Charitable activities

	Expenditure 2022 £	Expenditure 2021 £
Direct Costs	216,449	301,568
Share of support costs (see note 8)	866,909	780,253
Share of governance costs (see note 8)	8,250	8,500
	1,091,608	1,090,321
Analysis by fund		
Unrestricted funds	780,762	699,251
Restricted funds	310,846	391,070
	1,091,608	1,090,321

8. Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Staff costs	652,270	-	652,270	621,012	-	621,012
Depreciation	10,375	-	10,375	10,308	-	10,308
Central and office costs	125,384	-	125,384	75,556	-	75,556
Other administrative costs	37,397	-	37,397	30,684	-	30,684
Trustee meetings and costs	6,417	-	6,417	7,105	-	7,105
Financial and professional	19,345	-	19,345	20,788	-	20,788
Bad Debt	3,000	-	3,000	2,219	-	2,219
Irrecoverable VAT	12,721	-	12,721	12,581	-	12,581
Audit fees	-	8,250	8,250	-	8,500	8,500
	866,909	8,250	875,159	780,253	8,500	788,753
Analysed between Charitable activities	866,909	8,250	875,159	780,253	8,500	788,753

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2022

9. Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' Expenses

Trustees receive expense reimbursements during the year. A total of £1,592 was paid this year (2021 - £7,105)

10. Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Professional	16	15
Administrative	2	2
Total	18	17

Employment costs

	2022 £	2021 £
Wages and salaries	569,692	547,856
Social security costs	55,877	49,107
Other pension costs	26,701	24,049
	652,270	621,012

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,001 - £70,000	1	1

11. Net gains/(losses) on investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Revaluation of investments	(317,573)	171,890

12. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Office equipment £	Total £
Cost				
At 1 January 2022	61,799	30,022	2,041	93,862
Additions	-	2,022	-	2,022
At 31 December 2022	61,799	32,044	2,041	95,884
Depreciation and impairment				
At 1 January 2022	23,349	26,076	2,041	51,466
Depreciation charged in the year	6,387	3,988	-	10,375
At 31 December 2022	29,736	30,064	2,041	61,841
Carrying amount				
At 31 December 2022	32,063	1,980	-	34,043
At 31 December 2021	38,449	3,946	-	42,395

13. Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 1 January 2022	1,659,600	111,211	1,770,811
Additions	89,686	-	89,686
Valuation changes	(317,573)	(104,202)	(421,775)
Disposals	(89,000)	-	(89,000)
At 31 December 2022	1,342,713	7,009	1,349,722
Carrying amount			
At 31 December 2022	1,342,713	7,009	1,349,722
At 31 December 2021	1,659,600	111,211	1,770,811

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2022

14. Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	35,745	66,154
Prepayments and accrued income	18,026	15,619
	53,771	81,773

15. Loans and overdrafts

	2022 £	2021 £
Bank overdrafts	102,169	-
Payable within one year	102,169	-

16. Creditors

	Notes	2022 £	2021 £
Amounts falling due within one year:			
Bank overdrafts	15	102,169	-
Other taxation and social security		16,964	53,521
Deferred income	17	224,279	427,651
Trade creditors		24,678	27,711
Other creditors		5,609	63,017
Accruals		11,279	12,968
		384,978	584,868

The Charity acts as an intermediary agent for Power to Change, making payments of grants to selected local enterprises. The balance is excluded from the above figures and the bank balance held at the year end.

Other creditors includes £NIL (2021: £52,727) in respect of grant monies held in lieu of distribution to other bodies.

Accruals and deferred income includes £190,241 (2021: £427,651) of income which relates to projects.

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

17. Deferred income

	2022 £	2021 £
Other deferred income	224,279	427,651

18. Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 December 2022
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	
	£	£	£	£	£	£	£
The National Lottery Community Fund	4,921	-	-	4,921	-	-	4,921
Power to Change Trust	-	120,844	(120,844)	-	122,800	(122,800)	-
MHCLG/PtC - More Than A Pub	-	192,098	(192,098)	-	-	-	-
Hopkins Homes	-	33,678	(33,678)	-	26,322	(26,322)	-
Benefact Trust	-	44,300	(44,300)	-	80,089	(80,089)	-
MTAP II Capital repayments	-	41,015	(150)	40,865	40,770	(81,635)	
	4,921	431,935	(391,070)	45,786	269,981	(310,846)	4,921

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 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.

The Hopkins Plunkett Communities Scheme represents monies that were provided by Hopkins Homes (now Denbury Homes) to support Community Businesses in the East of England with enhanced business support to adapt to new Covid-19 trading rules and regulations.

The Benefact Trust funding has facilitated a two year project that is seeing the creation of bespoke business advice, supported by a small feasibility grants programme, to help more community businesses set up in Christian Places of Worship.

MTAP II Capital repayments represents loan monies recycled from the More Than a Pub programme to be utilised to support the community pub sector in the UK.

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 December 2022

19. Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Transfers	Balance at 1 January 2022	Transfers	Balance at 31 December 2022
	£	£	£	£
Rural Community Business Fund	250,000	250,000	(250,000)	-
	250,000	250,000	(250,000)	-

During 2022, £250,000 was transferred from designated to unrestricted funds because separate designation of this amount is no longer considered necessary.

20. Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
are represented by:	£	£	£	£	£	£
Tangible assets	34,043	-	34,043	42,395	-	42,395
Investments	1,349,722	-	1,349,722	1,770,811	-	1,770,811
Current assets/ (liabilities)	(336,128)	4,921	(331,207)	(449,515)	45,786	(403,729)
	1,047,637	4,921	1,052,558	1,363,691	45,786	1,409,477

21. Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	59,159	50,786
Between two and five years	193,190	195,264
In over five years	92,570	140,868
	344,919	386,918

22. Related party transactions

The charity did not pay any amounts to Trustees in respect of services provided (2021: £200).

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)).

23. Cash generated from operations

	2022	2021
	£	£
(Deficit)/surplus for the year	(356,919)	87,813
Adjustments for:		
Investment income recognised in statement of financial activities	(39,794)	(41,617)
Fair value gains and losses on investments	317,573	(171,890)
Depreciation and impairment of tangible fixed assets	10,375	10,308
Movements in working capital:		
Decrease/(increase) in debtors	28,002	(25,461)
(Decrease)/increase in creditors	(98,687)	28,261
(Decrease) in deferred income	(203,372)	-
Cash absorbed by operations	(342,822)	(112,586)

TRUSTEES, MEMBERS, FELLOWS AND STAFF

Trustees serving during 2022

The Trustees are elected by the Plunkett Foundation's members. The following Trustees served during 2022:

Helen Aldis
(Vice Chair)

Alex Begg
(elected 14 September 2022) ***

Sue Boer ****

Chris Coe

Martin Collett
(Chair of Governance and Nominations Committee) ****

Alison Jeffers
(co-opted by the Board on 14 September 2022)*(***)

Professor Ruth McAreavey
(elected 14 September 2022)

Stephen Nicol
(Chair)

Zanna Patchett
(elected 14 September 2022) ****

Julian Ross
(Vice Chair) ***

Adrian Smith OBE
(elected 14 September 2022)
(Chair of Audit and Risk Committee) ***

* *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.*

** *stepped down during the year*

*** *Audit and Risk Committee*

**** *Governance & Nominations Committee*

Members

At the end of 2022 Plunkett Foundation had 529 members, 138 of which were individuals, 37 were supporter organisations and 354 were community business members.

Fellows

David Button

Quintin Fox

Charlotte Hollins

Richard Moreton

Prof. Dr Hans-H Muenkner

Edgar Parnell

Dr Rita Rhodes

Kate Targett

John Tyrrell

Staff

The following were employed during 2022:

James Alcock, Chief Executive

Hannah Barrett, Senior Project Manager

Sarah Benn, Membership & Training Manager

Lewis Bowman, Head of Finance

Diane Cameron, Project Manager

Chris Cowcher, Head of Policy & Communications

Georgina Edwards, Policy & Research Manager

Harriet English, Head of Engagement

Joe Hesketh, Data Manager *

Claire Hewitt, Office Administrator *

Lucia Jesus, Community Business Officer

Becky McMullen, Fundraising Officer *

Alison Macklin, Community Business Manager

Becky Mew, Communications Manager

Susie Middleton, Project Manager

Kathryn Morrison, Head of Compliance and Internal Operations

Laura Olver, Membership & Training Manager

Gemma Sills, Engagement Manager

Victoria Smith, Head of Compliance and Internal Operations *

Claire Spendley, Head of Community Business

Denise Winkworth, Membership & Training Officer

Liz Woznicki, Communications Manager *

* *left during the year*

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.

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

www.plunkett.co.uk/become-a-member

“Setting up and running a community business is far from easy, and is a rollercoaster of challenges as well as a celebration. That is why it is so important to all of us here at Plunkett to always be available to each community business group whenever they may need us. But we can't do that without our much valued funders, supporters and partners that support us so that we can always have a member of the team on hand to help. Whether you are a long standing supporter of Plunkett, or finding out about the work we do for the first time, I ask you to get in touch and explore the role you can play in helping the community business network grow and thrive. Everyone can play their part – big or small – from joining as a member, to helping financially resource our central community business service. We need the support and expertise of everyone that shares our values, and together, we can continue to create inclusive, impactful and innovative UK communities through community ownership”

James Alcock

Chief Executive, Plunkett Foundation,
July 2023



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).