



# THE Severfield FOUNDATION

Report of the Trustees  
For the year ended 30 September 2020

**Fundraising, educating and inspiring.**



# The Severfield Foundation Report of the Trustees

For the year ended 30 September 2020

The trustees present their annual report with the financial statements of the charity for the year ended 30 September 2020. The trustees have adopted the provisions of the Charities SORP (FRS102) (published in October 2019), and with the Foundation's governing document and the Charities Act 2011.

The Severfield Foundation's aim is to raise funding for, and offer practical assistance to, charitable bodies throughout the UK, mainly through the activities of Severfield employees and Severfield companies.

## Reference and administrative details

Registered charity number  
1165361

## Principal address

Severs House  
Dalton Airfield Industrial Estate  
Dalton  
Thirsk  
North Yorkshire  
YO7 3JN

## Independent examiner

Jane Marshall FCA DChA  
BHP LLP  
2 Rutland Park  
Sheffield  
S10 2PD

## Bankers

Virgin Money UK plc  
94-96 Briggate  
Leeds  
LS1 6NP

# Meet the Trustees



Alan Dunsmore (Chair)



Mark Sanderson



Heather Williams



Gemma Mortimer



Andrew Smedley



Mark Staniforth



Kate Starkie



Emma Hutchison

Emma Hutchison was appointed as a trustee on 19th July 2021

## Structure, governance and management

### Governing document

The charity is controlled by its constitution and forms a charitable incorporated organisation. It is managed by its trustees who are all volunteers and employees of the Severfield Group of companies. They met virtually on three occasions during the year. Its reporting date is 30 September.

### Risk management

The trustees are responsible for the management of the risks faced by the Foundation. Risks are identified, assessed and controls established as appropriate.

As a grant-making body, the major risk to the Foundation's ability to deliver its objectives is a failure to secure sufficient income for distribution. In particular this year, trustees have had to consider the risks associated with COVID-19 and subsequent measures to control the pandemic. From the outset of the pandemic, the Severfield Group developed new operating procedures to support safe working in accordance with government guidelines. This included facilitating working from home for all our staff, where appropriate. These measures, together with the temporary closure of the O2 arena will have a significant impact on our ability to fundraise.

### Objectives and activities

The objectives are:

- a) To raise funds for and offer practical assistance to charitable bodies and other qualifying causes throughout the UK, mainly through the activities of Severfield employees in the company's areas of operation. This may include responding to international crises.
- b) To offer support funding for Severfield employees and Severfield Group businesses to assist with their own fundraising aims.

Nothing in its constitution shall authorise an application of the property of the charity for the purposes which are not charitable in accordance with section 2 of the Charities Act 2011.

### Public benefit

The trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Details of how the Foundation has carried out its work for the public benefit are given in the following section.

## Achievements, performance and financial review

The Severfield Foundation has been working closely over the last two-years with its chosen national partner charity, Alzheimer's Society the UK's leading dementia charity. Dementia is the UK's biggest killer, recently overtaking heart disease. There are currently around 850,000 people with dementia in the UK. This is projected to rise to 1.7 million by 2040 and it is estimated that one person every three minutes will develop dementia over the next year, that's 209,600 people.

The Foundation usually partners with a national charity for a period of two-years, committing to work with and support the chosen charity, by raising funds, spreading awareness of the charity and their cause and by taking part in volunteering opportunities. As the ability of the Foundation and its supporters, Severfield's committed and generous employees, to support our partner charity has been severely impacted by the effects of the COVID-19 pandemic, the trustees have agreed that the partnership with the Alzheimer's Society will be extended.

The initial partnership was due to conclude at the end of this financial year in September 2020, however the Foundation recognises the importance of supporting the Alzheimer's Society through the pandemic since the most common pre-existing condition for people dying of COVID-19 in England and Wales is dementia, accounting for one in four deaths. It has been said by some that lockdown made many people feel the kind of isolation and lack of choice that too many people with dementia and carers experience every day. From the high death rate in care homes, to significant cognitive decline for people who live in the community and rising mental health challenges for unpaid carers, the pandemic has significantly increased the number of people looking to the Alzheimer's Society for support and advice through these unprecedented times.

Whilst the numerous lockdowns have restricted our ability to hold the regular charity events across the Severfield sites, the Foundation has continued its fundraising efforts, by turning as many as possible into virtual events, promoted and advertised via the Group's new intranet site, SeverfieldConnect. These events included virtual competitions such as Easter egg raffles, fantasy football, Halloween pumpkin carving and pets of Severfield and participation in the virtual London marathon.

Along with supporting our national partner, the Foundation also worked with several nominated local charities for each of the Severfield Group's subsidiaries including Bolton Hospice, Air Ambulance Northern Ireland, Young Lives v Cancer, St Catherine's and Yorkshire Air Ambulance.

## Achievements, performance and financial review (continued)

Severfield plc has agreed to donate up to £50,000 per annum by way of match funding. Furthermore, Severfield plc may also make additional donations to the Foundation in exceptional circumstances. For the year ended 30 September 2020, in light of the impact on the Foundation's fundraising activities from COVID-19 and the resulting government restrictions, Severfield plc kindly made an additional donation of £30,000.

In the current year, the Foundation received income of £50,131 (2019: £100,770) of which £35,800 (2019: £43,000) was from Severfield plc by way of match funding. The Foundation committed donations of £49,900 (2019: £101,000) to its national and local partners.

The COVID-19 pandemic had a significant impact on the operational activities of the Foundation and as a result minimal fundraising activities were able to be undertaken in the year. The majority of the income of the Foundation during the year therefore came from donations from Severfield plc, however, plans are already in place to recommence fundraising events as soon as the pandemic-related governmental restrictions are lifted. Planned fundraising activities for 2021 and beyond include a virtual fitness challenge available to all the Severfield Group's employees, a Group-wide cycle event, further online baking and photographic competitions as well as receiving donations for tickets to events at the O2 arena.

### Going Concern

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern for 12 months from the date of signing these financial statements. Due consideration for the effects of the COVID-19 outbreak, has been taken. The charity is largely sheltered from the expected effects of COVID-19 due to all of its reserves being unrestricted and there is no non-discretionary spend in the charity. Accordingly, they continue to adopt a going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

### Reserves policy

During the year, the trustees agreed that the surplus should be distributed to the national partner charity and local partner charities (with approximately 50 per cent of funds raised to be donated to the national partner charity, the remainder being split between local partner charities). Other distributions may be made during the year where trustees collectively agree to support a charity with an ad hoc donation. At the discretion of the trustees, an amount will be held in reserves at the end of each financial year to allow any such donations to be made.

The Severfield Foundation does not incur any significant monthly expenses and no trustees' remuneration or expenses are charged to The Foundation. On this basis, the amount of funds required to be held in reserves is not a significant factor and funding headroom is only maintained for possible future ad hoc donations. At 30 September 2020, the Foundation had free reserves of £19,228 (2019: £20,513). The trustees consider it prudent to hold income reserves of this order so that grants in the immediate future can be sustained in the event of unforeseen falls in income.

### Outlook

As discussed above, the fundraising landscape has been impacted by the COVID-19 pandemic. The net impact of the reduction in income is likely to be offset in part by a reduction in grant-making by the Foundation. The Foundation is proud to be supported by Severfield plc, whose activities have largely been unaffected by the pandemic and as a result the Group and its employees continue to support the Foundation.

We are extending our partnership with our national partner charity, Alzheimer's Society. The Foundation recognises that living with dementia at any time brings everyday challenges for the individual and those around them, and the current COVID-19 crisis has made daily life for those living with dementia much harder.

## Trustees

Details of the trustees who served during the period are set out on page 3 of these financial statements. Alan Dunsmore has maintained the position as chair of the trustees.

### Statement of trustees' responsibilities

The trustees are responsible for preparing the report of the trustees and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 together with the provisions of the constitution require the trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charities (SORP 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;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of its constitution.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 19 July 2021 and signed on their behalf by:



Mark Sanderson,  
Trustee

## How the Foundation's partnership with its national charity is helping people affected by dementia

COVID-19 is a dementia issue. Older, more vulnerable people are at a significantly increased risk from the virus. With the support from donors, including the Foundation, the Alzheimer's Society have been able to adapt quickly to ensure that people affected by dementia have the support they need.

The fundraising the Foundation has been involved in during the year has enabled the Alzheimer's Society to support dementia sufferers and their families in the following ways:

### Responding to COVID-19

Dementia advisers are providing support in communities all over the country to help people affected by dementia survive the pandemic. During lockdown, dementia advisors are even more crucial than ever as people struggle to get the basic necessities they need to live.

### Emergency appeal

Early in the pandemic, the Alzheimer's Society launched an emergency appeal to ensure that people affected by dementia could continue to access the essential support they needed during this frightening time. This appeal has raised an incredible £8.5 million, of which the Foundation were able to contribute £10,000 to.

Since lockdown began, the Foundation's donations have helped the Alzheimer's Society to:

- a) Make 200,000 welfare calls to people affected by dementia. Over 57,000 people have received calls from Alzheimer's Society's specialist dementia advisers who check in regularly to make sure people can access food, medication, and appropriate support.
- b) Receive over 50,000 calls to the Dementia Connect Support Line, with over a quarter of calls received relating to concerns about COVID-19.
- c) Help over 3,000 people combat loneliness through the new companion calls service.
- d) Push the UK government to respond to the growing crisis in care homes, severely impacted by the pandemic since people with dementia make up 70% of care home residents.



## Case study

### A race to remember

After losing her nan to Alzheimer's disease, Sara Halliday Severfield plc's Sustainability Manager, decided to raise as much money as possible so that more people could be taught about the impact of the disease. Spurred on by competitive friends, Sara set herself her first challenge of the Budapest marathon, but soon faced her first setback along her journey – having spent a long and gruelling five-and-a-half hours running, Sara was told she was too slow and had exceeded the official cut-off time of the race. Despite this disappointment, Sara was even more determined to complete a marathon in aid of the Alzheimer's Society and soon signed up for the London Marathon.

Once she'd begun training however, Sara faced twin obstacles: a knee injury and the postponement of the event due to the COVID-19 pandemic. Once it was announced that the London Marathon would be a purely virtual event, Sara approached the challenge with renewed enthusiasm. She ran her own route, using an official app to track her distance and time.

"As I approached my own little finish line, I was met by family, friends, and locals. They'd put a group together to cheer me on over the final mile. I also rang my friends that I'd run the Budapest Marathon with. It's safe to say it was a little emotional."

In fact, thanks to a glitch with the official app, Sara discovered that she'd truly gone the extra mile for her cause, completing 27.6 miles instead of the required 26.2 miles.

Sara continues to be committed to raising funds to support the Alzheimer's Society and has already started training for her next challenge, conquering the 2021 London and Budapest marathons on consecutive weekends, showing her characteristic dedication and desire to not let setbacks get the better of her in pursuit of her goal of greater dementia awareness.





## Independent Examiner's Report to the Trustees of The Severfield Foundation

I report to the trustees on my examination of the accounts of The Severfield Foundation for the year ended 30 September 2020 which are set out on pages 14 to 21.

### Responsibilities and basis of report

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

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

### Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

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

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

Jane Marshall FCA DChA  
BHP LLP  
2 Rutland Park  
Sheffield  
S10 2PD

Approved by BHP on 28 July 2021



## Statement of financial activities

For the year ended 30 September 2020

		Unrestricted funds	
		Year ended 30 September 2020 £	Year ended 30 September 2019 £
	Notes		
<b>INCOME &amp; ENDOWMENTS FROM</b>			
Donations and legacies		4,567	42,321
Charitable activities		35,800	43,000
Other trading activities		9,764	15,449
<b>Total income</b>	<b>2</b>	<b>50,131</b>	<b>100,770</b>
<b>EXPENDITURE ON</b>			
Raising funds		216	2,776
Charitable activities		51,200	102,500
<b>Total expenditure</b>	<b>3</b>	<b>51,416</b>	<b>105,276</b>
<b>NET (EXPENDITURE) / INCOME</b>		<b>(1,285)</b>	<b>(4,506)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		20,513	25,019
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>19,228</b>	<b>20,513</b>

### Continuing operations

All income and expenditure arise from continuing activities.

## Balance sheet

At 30 September 2020

		2020 £	2019 £
	Notes		
<b>CURRENT ASSETS</b>			
Debtors	6	35,800	51,107
Cash at bank		24,920	60,970
		<b>60,720</b>	<b>112,077</b>
<b>CREDITORS</b>			
Amounts falling due within one year	7	(41,492)	(91,564)
<b>NET CURRENT ASSETS</b>		<b>19,228</b>	<b>20,513</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>19,228</b>	<b>20,513</b>
<b>NET ASSETS</b>		<b>19,228</b>	<b>20,513</b>
<b>FUNDS</b>			
Unrestricted funds	8	19,228	20,513
<b>TOTAL FUNDS</b>		<b>19,228</b>	<b>20,513</b>

The financial statements were approved by the Board of Trustees on 19 July 2021 and signed on their behalf by:



Mark Sanderson,  
Trustee

The notes on page 16 to 21 form part of these financial statements.



## Notes to the financial statements

For the year ended 30 September 2020

### 1. Accounting Policies

#### Accounting convention

The financial statements have been prepared under the historical cost convention, the Charities Act 2011 and the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102) (issued in October 2019). The Severfield Foundation constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

#### Income

All income is included on the Statement of financial activities when the charity is legally entitled to the income, it is probable the income will be received and the amount can be quantified with reasonable accuracy. 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 is recognised at the time of the donation.

#### 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.

#### Taxation

The charity is considered to pass the tests set out in Schedule 6 paragraph 1 of the Finance Act 2010 and therefore it meets the definition of a charity for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by the Income Tax Act 2007, part 10 s521 - s537 or s256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Fund accounting

Designated funds represent amounts of unpaid match funding where the outcome of events is known but payment had not been made at 30 September. All remaining funds are considered to be unrestricted funds which the trustees are free to use in accordance with the trust's objects.

#### Debtors

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

#### Cash at bank

Cash at bank and 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

Creditors are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### Departure from Charities Regulations 2008

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### Going concern

The trustees have considered the impact of COVID-19 on the charity's activities, as well as the wider economy. The trustees are confident that they have in place plans to deal with any financial losses and cash deficits that may arise. In committing to grant making activity over the next 12 months, cashflow will be closely monitored. The charity has sufficient reserves to enable it to continue for the foreseeable future. The trustees therefore continue to adopt the going concern basis of preparation for these financial statements.

## Notes to the financial statements

For the year ended 30 September 2020

### 2. Income

Fundraising events were as follows:

	Year ended 30 September 2020 £	Year ended 30 September 2019 £
Severfield (UK)	1,167	10,117
Severfield (D&B)	870	1,455
Severfield (NI)	-	26,722
Severfield plc*	2,530	4,027
	4,567	42,321
Funding from Severfield plc	35,800	43,000
Donations for use of AnSCO Arena (02):	9,605	15,160
Bank interest received	159	289
	50,131	100,770

\* Includes event costs borne by the Severfield Group on behalf of the Foundation of Enil (2019: £1,867)

Income is recorded when received into the bank account, or for banking, and is not based on amounts pledged as these may never materialise. All funds are considered to be unrestricted funds, which are available for use at the discretion of the trustees in furtherance of their charitable objectives.

### 3. Expenditure

	Year ended 30 September 2020 £	Year ended 30 September 2019 £
<b>Donations</b>		
<b>Raising funds:</b>		
Just Giving subscription	216	909
Event costs borne by Severfield plc	-	1,867
<b>Charitable activities:</b>		
Grants (note 4)	49,900	101,000
Independent examiner's fees	1,300	1,500
	51,416	105,276

## Notes to the financial statements

For the year ended 30 September 2020

### 4. Grants

	Year ended 30 September 2020 £	Year ended 30 September 2019 £
Alzheimer's Society	25,000	47,000
St Catherines	8,300	4,000
Young Lives v Cancer	4,150	12,000
Bolton Hospice	4,150	6,500
Yorkshire Air Ambulance	4,150	3,250
Air Ambulance Northern Ireland	4,150	-
Kidney Research Fund Northern Ireland	-	6,000
Aisling Centre	-	12,000
Northern Ireland Kidney Patients Association	-	6,000
York Mind	-	3,250
Freddie's Flight	-	1,000
	49,900	101,000

All £49,900 (2019: £101,000) was granted to institutions.

### 5. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits or expenses paid for the year ended 30 September 2020 (2019: £nil).

### 6. Debtors: amounts falling due within one year

	2020 £	2019 £
Severfield plc matching funding	35,800	43,000
Funds held in Severfield (NI) Ltd	-	8,107
	35,800	51,107

## Notes to the financial statements

For the year ended 30 September 2020

### 7. Creditors amounts falling due within one year

	2020 £	2019 £
Grant commitments	39,900	90,000
Independent examiner's fee	1,592	1,564
	41,492	91,564

### 8. Movement in funds

#### Current year

	2019 £	Net movement in funds £	2020 £
<b>Unrestricted funds</b>			
General fund	20,513	(1,285)	19,228
Designated fund	-	-	-
<b>TOTAL FUNDS</b>	<b>20,513</b>	<b>(1,285)</b>	<b>19,228</b>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	50,131	(51,416)	(1,285)
Designated fund	-	-	-
<b>TOTAL FUNDS</b>	<b>50,131</b>	<b>(51,416)</b>	<b>(1,285)</b>

## Notes to the financial statements

For the period ended 30 September 2020

### Previous year

	2018 £	Net movement in funds £	2019 £
<b>Unrestricted funds</b>			
General fund	25,019	(4,506)	20,513
Designated fund	-	-	-
<b>TOTAL FUNDS</b>	<b>25,019</b>	<b>(4,506)</b>	<b>20,513</b>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	100,770	(105,275)	(4,506)
Designated fund	-	-	-
<b>TOTAL FUNDS</b>	<b>100,770</b>	<b>(105,275)</b>	<b>(4,506)</b>

### 9. Related party disclosures

All the Trustees are employees of Severfield Group companies.

During the year, Severfield plc subsidiaries bore event costs on behalf of the Severfield Foundation of Enil (2019: £1,867).



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