

The Macari Foundation
Unaudited Financial Statements
31 March 2021

GENERAL & MEDICAL ACCOUNTANTS LIMITED

Chartered Accountants
The Wedgwood Big House
1 Moorland Road
Stoke on Trent
Staffordshire
ST6 1DJ

The Macari Foundation

Financial Statements

Year ended 31 March 2021

	Page
Trustees' annual report	1
Statement of financial activities	5
Statement of financial position	6
Notes to the financial statements	7
The following pages do not form part of the financial statements	
Chartered accountants report to The Macari Foundation on the unaudited financial information	15

The Macari Foundation

Trustees' Annual Report

Year ended 31 March 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name The Macari Foundation

Charity registration number 1168463

Principal office Unit 4 Regent Road
Hanley
Stoke on Trent
Staffordshire
ST1 3BX

The trustees

A Smith
L Macari
N Hancock
P Macari (Appointed 30 January 2021)
D J Marson (Appointed 1 September 2021)

Accountant General & Medical Accountants Limited
Chartered Accountants
The Wedgwood Big House
1 Moorland Road
Stoke on Trent
Staffordshire
ST6 1DJ

The Macari Foundation
Trustees' Annual Report *(continued)*
Year ended 31 March 2021

Structure, governance and management

The Macari Foundation is a registered charity legally organised in the form of a Charitable Incorporation Organisation (CIO). The Trustees are the members of the CIO and their liability in the event of the CIO being wound up is limited to £1 each.

The charity and its property are managed and administered by its Trustees.

The charity has the following officers:

- (a) A Chair,
- (b) A Secretary,
- (c) A Treasurer.

A Trustee must be a member of the charity or the nominated representative of an organisation that is a member of the charity.

No one may be appointed a Trustee if he or she would be disqualified from acting under the provisions of the charity's constitutions.

The maximum number of Trustees will be eleven and the minimum number will be three (unless otherwise determined by a resolution of the charity in general meeting).

A Trustee may not appoint anyone to act on his or her behalf at meetings of the Trustees.

Objectives and activities

During the year, the charity operated from rented premises, under licence from Stoke on Trent City Council, at Unit 4 Regent Road, Stoke on Trent, ST1 3BX.

The centre aims to relieve poverty of persons who are homeless, at risk of becoming homeless or those who are suffering from associated issues such as substance misuse, mental health problems or crime and anti-social behaviour in North Staffordshire. This is achieved by providing night shelter accommodation, food and support to these persons to help them move on to independent living.

The trustees confirmed that due regard has been paid to the public benefit guidance as published by the Charity Commission.

The Macari Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Achievements and performance

The Macari Foundation continues to be overwhelmed with the number of homeless and vulnerable people it has been able to support and move on to permanent accommodation. It has partnered with like-minded organisations to support people with multiple needs across North Staffordshire.

The Macari Foundation is looking to further develop the Centre to ensure that this invaluable work continues. As part of this development, the Centre is in the process of securing a long term lease for its current premises as well as looking for an additional accommodation facilities in the locality. There is a dedicated team operating the Centre, who are trained to comply with health and safety regulations and quality compliance and also a strong focus to develop the support of the volunteers, with a a real investment on capacity building through community; encouraging local communities to contribute through food gifts and bedding etc.

Partnership working is key to ensuring that people receive the best care and support, so The Macari Foundation continues to work with organisations, attending meetings where necessary and continuing to contribute to the multi-agency work that is carried out across North Staffordshire.

With homelessness on the rise, The Macari Foundation has filled a gap in the current provision for vulnerable people across the City, reducing social isolation and anti-social behaviour and providing people with a lifeline through food, shelter and care.

Financial review

Income

Income for period ended 31 March 2021 was £805,945 (2020: £741,520) comprising mainly of donations and rent received from Housing Benefits.

Expenditure

Expenditure for the period ended 31 March 2021 was £700,415 (2020: £542,500). Charitable activity expenditure accounts for the majority of total expenditure. With the reduction of public sector grants, the Charity has continued to invest in fundraising to ensure an uninterrupted service.

Surplus

The accounts for the period ended 31 March 2021 show a surplus of £105,530 (2020: £199,020).

The Trustees continue to support the excellent work that The Macari Foundation has started and they consider that there is a reasonable expectation that they have adequate resources to continue in operational existence for the foreseeable future and, for this reason, the Charity continues to adopt the 'going concern' basis in preparing the accounts.

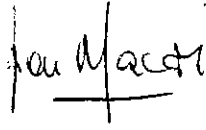
Funds and reserves policy

The Trustees recognise the need to maintain a level of general reserves that enables financial stability, is adequate to meet the requirements of working capital and acts as a cushion against fluctuations in income and expenditure of the Foundation's activities. Such reserves are built up from operating surpluses.

The Trustees' policy is that free reserves should be sufficient to manage the main risks of the Foundation and its working capital requirements. The main risks would be a loss of income from Housing Benefit and changes to government policy. The level of free reserves as at 31 March 2021 was £446,881 which the Trustees considered to be more than adequate for the Foundation's current needs. The Trustees have confirmed that a minimum of £50,000 would be kept as free reserves at any point in time to ensure the short-term needs of the Foundation can be met.

The Macari Foundation
Trustees' Annual Report *(continued)*
Year ended 31 March 2021

The trustees' annual report was approved on 18 January 2022 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, appearing to read 'L Macari', with a horizontal line drawn underneath the name.

L Macari
Trustee

The Macari Foundation
Statement of Financial Activities
Year ended 31 March 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	52,269	–	52,269	44,840
Charitable activities	5	718,486	–	718,486	686,680
Other trading activities	6	10,000	–	10,000	10,000
Other income	7	25,190	–	25,190	–
Total income		<u>805,945</u>	<u>–</u>	<u>805,945</u>	<u>741,520</u>
Expenditure					
Expenditure on charitable activities	8	696,283	4,132	700,415	542,500
Total expenditure		<u>696,283</u>	<u>4,132</u>	<u>700,415</u>	<u>542,500</u>
Net income and net movement in funds		<u>109,662</u>	<u>(4,132)</u>	<u>105,530</u>	<u>199,020</u>
Reconciliation of funds					
Total funds brought forward		337,219	31,742	368,961	169,941
Total funds carried forward		<u>446,881</u>	<u>27,610</u>	<u>474,491</u>	<u>368,961</u>

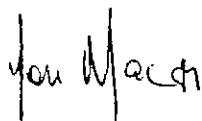
The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 7 to 13 form part of these financial statements.

The Macari Foundation
Statement of Financial Position
31 March 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	11		168,167	56,455
Current assets				
Debtors	12	—		538
Cash at bank and in hand		327,155		333,011
		327,155		333,549
Creditors: amounts falling due within one year	13	9,308		6,909
Net current assets			317,847	326,640
Total assets less current liabilities			486,014	383,095
Creditors: amounts falling due after more than one year	14		11,523	14,134
Net assets			474,491	368,961
Funds of the charity				
Restricted funds			27,610	31,742
Unrestricted funds			446,881	337,219
Total charity funds	16		474,491	368,961

These financial statements were approved by the board of trustees and authorised for issue on 18 January 2022, and are signed on behalf of the board by:



L Macari
Trustee

The notes on pages 7 to 13 form part of these financial statements.

The Macari Foundation
Notes to the Financial Statements
Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Genesis Centre, North Staffs Business Park, Innovation Way, Stoke on Trent, Staffordshire, ST6 4BF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the entity.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

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

Significant judgements

No significant judgements has been made.

Accounting estimates and assumptions

No estimates and assumptions have made.

The Macari Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Macari Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment	- 10% straight line
Motor vehicles	- 20% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
Grants receivable	52,269	—	52,269

The Macari Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grants			
Grants receivable	<u>9,840</u>	<u>35,000</u>	<u>44,840</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rent and donations receivable	<u>718,486</u>	<u>718,486</u>	<u>686,680</u>	<u>686,680</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fundraising events	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

7. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other income	<u>25,190</u>	<u>25,190</u>	<u>—</u>	<u>—</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Support costs	<u>696,283</u>	<u>4,132</u>	<u>700,415</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Support costs	<u>539,242</u>	<u>3,258</u>	<u>542,500</u>

9. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	<u>464,880</u>	<u>369,374</u>

The average head count of employees during the year was 25 (2020: 22).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

The Macari Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Trustee remuneration and expenses

No remuneration or other benefits from employment with the Charity or a related entity were received by the Trustees.

11. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 April 2020	10,000	53,561	63,561
Additions	135,577	—	135,577
At 31 March 2021	145,577	53,561	199,138
Depreciation			
At 1 April 2020	83	7,023	7,106
Charge for the year	14,558	9,307	23,865
At 31 March 2021	14,641	16,330	30,971
Carrying amount			
At 31 March 2021	130,936	37,231	168,167
At 31 March 2020	9,917	46,538	56,455

12. Debtors

	2021 £	2020 £
Other debtors	—	538

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Obligations under finance leases and hire purchase contracts	2,611	2,611
Other creditors	6,697	4,298
	9,308	6,909

14. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Obligations under finance leases and hire purchase contracts	11,523	14,134

The Macari Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

15. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2021	2020
	£	£
Not later than 1 year	2,611	2,611
Later than 1 year and not later than 5 years	11,523	14,134
	<u>14,134</u>	<u>16,745</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
General funds	337,219	805,945	(696,283)	446,881

	At 1 April 2019	Income	Expenditure	At 31 March 2020
	£	£	£	£
General funds	169,941	706,520	(539,242)	337,219

Restricted funds

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
Restricted funds	31,742	—	(4,132)	27,610

	At 1 April 2019	Income	Expenditure	At 31 March 2020
	£	£	£	£
Restricted funds	—	35,000	(3,258)	31,742

The Macari Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	151,638	16,529	168,167
Current assets	327,155	—	327,155
Creditors less than 1 year	(9,308)	—	(9,308)
Creditors greater than 1 year	(11,523)	—	(11,523)
Net assets	457,962	16,529	474,491

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	35,794	20,661	56,455
Current assets	322,468	11,081	333,549
Creditors less than 1 year	(6,909)	—	(6,909)
Creditors greater than 1 year	(14,134)	—	(14,134)
Net assets	337,219	31,742	368,961

The Macari Foundation
Management Information
Year ended 31 March 2021

The following pages do not form part of the financial statements.

The Macari Foundation

Chartered Accountants Report to The Macari Foundation on the Unaudited Financial Information of The Macari Foundation

Year ended 31 March 2021

As described on the statement of financial position, the trustees of the charity are responsible for the preparation of the financial statements for the year ended 31 March 2021, which comprise the statement of financial activities, statement of financial position and the related notes.

You consider that the charity is exempt from an audit under the Charities Act 2011.

In accordance with your instructions I have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to me.

General & Medical Accountants Limited

GENERAL & MEDICAL ACCOUNTANTS LIMITED
Chartered Accountants

The Wedgwood Big House
1 Moorland Road
Stoke on Trent
Staffordshire
ST6 1DJ

26.01.2022

The Macari Foundation

Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Grants receivable	<u>52,269</u>	<u>44,840</u>
 Charitable activities		
Rent and donations receivable	<u>718,486</u>	<u>686,680</u>
 Other trading activities		
Fundraising events	<u>10,000</u>	<u>10,000</u>
 Other income		
Other income	<u>25,190</u>	<u>—</u>
 Total income	<u>805,945</u>	<u>741,520</u>
 Expenditure		
Expenditure on charitable activities		
Food costs and activity expenses	59,175	51,688
Staff costs	464,880	369,374
Rent and rates	30,479	3,314
Donations	33,600	49,401
Light, heat and water	15,094	—
Repairs and renewals	6,371	6,615
Insurance	4,511	2,960
Printing, postage and stationery	143	142
Motor vehicle expenses	2,164	1,223
Travel costs	—	77
Legal, professional and H&S expenses	47,933	38,691
Telephone	3,946	2,216
Staff training	284	4,287
Depreciation	23,865	7,106
Bank charges	481	547
General expenses	2,443	491
Cleaning and laundry	5,046	4,368
	<u>700,415</u>	<u>542,500</u>
 Total expenditure	<u>700,415</u>	<u>542,500</u>
 Net income	<u>105,530</u>	<u>199,020</u>