

CORE FOUNDATIONS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024

CORE FOUNDATIONS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Gordon Mitchell	(Appointed 13 December 2023)
	Mrs Beverley Anderson	(Appointed 13 December 2023)
	CJ Crawford	(Appointed 13 December 2023)
	Mrs Ruth Foreman	(Appointed 13 December 2023)
Senior management	Philip Crawford	Chief Executive Officer
Charity number	1206173	
Independent examiner	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne Tyne and Wear England NE2 1TJ	

CORE FOUNDATIONS

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 11

CORE FOUNDATIONS

TRUSTEES' REPORT

FOR THE PERIOD ENDED 30 JUNE 2024

The trustees present their annual report and financial statements for the period ended 30 June 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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).

Objectives and activities

The object of the CIO is for the public benefit:

- the relief and/or prevention of financial hardship in the North East of England and such other parts of the United Kingdom as the charity trustees may from time to time decide; and
- the relief of those in need by reason of homelessness in the North East of England and such other parts of the United Kingdom as the charity trustees may from time to time decide through the provision of accommodation, support and self-help services.

Core Foundations is a local franchise of homelessness charity, Hope Into Action UK (Charity number: 1137686) ("HIAUK"). HIAUK partners with Christian churches to enable them to house and support people who are homeless in their local communities.

The charity works with HIAUK and local Christian churches to:

- Provide safe and secure homes for people who are homeless in the North East of England.
- Provide practical, emotional and prayerful support to supported individuals who are provided with accommodation by the CIO.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Safeguarding policy

Core Foundations is committed to ensuring the actions we take, keep children and vulnerable adults safe and protect them from harm in all aspects of their life. The charity is committed to safeguarding and promoting the welfare of all children, young people & vulnerable adults. The actions that we take to prevent harm, to promote wellbeing, to create safe environments, to respond to specific issues and vulnerabilities all form part of the safeguarding responsibilities of the charity. We recognise our moral and statutory responsibility and make every effort to provide a safe environment underpinned by a culture of openness where both children and adults feel secure, able to talk and believe they are being listened to.

- Our Safeguarding Policy is available on request.
- All our policies are reviewed regularly and updated.
- The charity has a clear written process for recording safeguarding instances.

CORE FOUNDATIONS

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2024

Activities

Initially the CIO, in partnership with HIAUK, will identify suitable houses to lease from private landlords as supported accommodation. The terms of these leases will be determined once suitable properties have been found but the trustees will ensure that each property will be able to house 2-4 people and the terms of any lease are appropriate and in the best interests of the CIO. Any lease between the CIO and a private landlord is likely to be for 5 years.

The CIO will be responsible for ensuring the properties are fit for occupation by its beneficiaries/tenants (clean, electricity and water supply, enough space etc). The properties will be refurbished to above the minimum standards of a HMO and appropriate health and safety assessments completed. The CIO and HIAUK will then work with local homelessness charities and local authorities to identify people who are in need of housing and support. An assessment of any potential beneficiary as to their suitability for housing will be carried out by what HIAUK call "Empowerment Workers" who are trained centrally by HIAUK.

The assessment is a thorough process and includes a referral form, a strength and needs assessment and a risk assessment. Each home set up will have a specific target tenant agreed with the Church (this could be those leaving prison, homeless single men, those fleeing domestic abuse, refugees etc.) but the only strict criteria is that the individual is in need of housing and support. The tenants will then be granted the supported accommodation in the CIO's property under a tenancy agreement for a period of up to 2 years.

HIAUK will provide practical and professional support to the CIO (e.g. through assisting with assessments, tenancies, the collection of rent etc.). As a franchise of HIAUK, the CIO will undergo a yearly quality assurance visit to ensure quality and standards are maintained. It is not a registered social landlord.

The CIO will support tenants through an Empowerment Worker who will provide weekly support to tenants alongside a team of volunteer befrienders from the Church who also provide friendship and support on an ongoing basis. Support can be given around claiming benefits, helping to access employment, ensuring tenants are signposted to other professional support services (e.g. drug and alcohol services), and helping tenants to access other local community support.

Achievements and performance

Significant activities and achievements against objectives

For a charity that only obtained charitable status on 13 December 2023 we have really got off to a flying start.

We are lucky to have some dedicated trustees and a group of solid supporters behind us, which has helped us get our fundraising efforts off to a great start.

In February 2024 we were able to hold our inaugural fundraising ball at the Grand Hotel Gosforth Park. Not only was this a fundraising success, but we were able to launch our charity to the local community to explain our aims and objectives and raise our profile in the local area.

We took on our first empowerment worker in January 2024 and have been actively working with partners to secure in July 2024 our first home in Consett. We are working with Karbon Homes, the largest social housing provider in the North East, and took on the lease of our first two homes with them after the year end.

We also thank the Vardy Foundation for the offer of a generous donation to acquire another house in Hexham which should complete in October 2024.

Financial review

Income for the first period of operation amounted to £54,973 including £44,206 in respect of our charity ball and other fundraising events and a generous £6,000 from the Screwfix Foundation.

Our operating costs totalled £21,167 of which £11,324 of costs related to the ball and other fundraising.

Overall in our first six and a half months of operation we generated a surplus of £33,806 which is an incredible result.

CORE FOUNDATIONS

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2024

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the period.

As the charity has just began work a specific target level of reserves will be set out in the next annual report once housing commitments are taken on and the charity is in full operation.

Structure, governance and management

The charity is a charitable incorporated organisation governed by its constitution adopted by the trustees on 13 December 2023

The trustees who served during the period and up to the date of signature of the financial statements were:

Mr Gordon Mitchell	(Appointed 13 December 2023)
Mrs Beverley Anderson	(Appointed 13 December 2023)
CJ Crawford	(Appointed 13 December 2023)
Mrs Ruth Foreman	(Appointed 13 December 2023)

Recruitment and appointment of trustees

The initial trustees were appointed as subscribers to the constitution in December 2023 and are all appointed for fixed terms between 1 and 3 years. All the initial trustees were required to review the charity commission guidance on working with vulnerable adults as part of their induction as a trustee.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the CIO and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The charity is managed by its board of trustees who meet monthly to discuss all aspects of the charity's affairs. The trustee monthly meetings are formally minuted.

In line with the constitution there is an annual AGM where the chair of trustees is elected and the annual report and accounts of the charity is received.

Core Foundations has its own internal governance document which works in tandem with the constitution. This document is reviewed formally at the AGM, but as a working document can be amended as required.

All policies are reviewed as per the review period.

The trustees' report was approved by the Board of Trustees.

CJ Crawford
Trustee

4 October 2024

CORE FOUNDATIONS

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CORE FOUNDATIONS

I report to the trustees on my examination of the financial statements of Core Foundations (the charity) for the period ended 30 June 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Michael Moran
Robson Laidler Accountants Limited

Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ
England

Dated: 4 October 2024

CORE FOUNDATIONS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 30 JUNE 2024

	Notes	Unrestricted funds 2024 £
Income from:		
Donations and legacies	3	10,767
Other trading activities	4	44,206
		<hr/>
Total income		54,973
		<hr/>
Expenditure on:		
Raising funds	5	11,324
Charitable activities	6	9,843
		<hr/>
Total expenditure		21,167
		<hr/>
Net income and movement in funds		33,806
		<hr/>
Reconciliation of funds:		
Fund balances at 13 December 2023		-
		<hr/>
Fund balances at 30 June 2024		33,806
		<hr/>

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

CORE FOUNDATIONS

BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	2024 £	£
Fixed assets			
Tangible assets	11		380
Current assets			
Cash at bank and in hand		33,426	
		<hr/>	
Net current assets			33,426
			<hr/>
Total assets less current liabilities			33,806
			<hr/>
Net assets			33,806
			<hr/> <hr/>
The funds of the charity			
Unrestricted funds			33,806
			<hr/>
			33,806
			<hr/> <hr/>

The financial statements were approved by the trustees on 4 October 2024

CJ Crawford
Trustee

CORE FOUNDATIONS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2024

1 Accounting policies

Charity information

Core Foundations is a charitable incorporated organisation.

1.1 Reporting period

As this is the first period of operation the financial statements are presented for the period 13 December 2023 to 31 March 2024. Future financial statements will be produced annually to 31 March.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, 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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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.

1.3 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.

1.4 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 or grantors 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.

1.5 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.

CORE FOUNDATIONS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

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.

1.6 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.

1.7 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:

Computers

Depreciated over 3 years

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.

1.8 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 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.

CORE FOUNDATIONS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

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.

3 Income from donations and legacies

	Unrestricted funds 2024 £
Donations and gifts	4,767
Screwfix Foundation grant	6,000
	<u>10,767</u>

4 Income from other trading activities

	Unrestricted funds 2024 £
Fundraising events	<u>44,206</u>

5 Expenditure on raising funds

	Unrestricted funds 2024 £
Fundraising and publicity	
Staging fundraising events	<u>11,324</u>

CORE FOUNDATIONS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

6 Expenditure on charitable activities

	Charitable activities 2024 £
Direct costs	
Staff costs	5,508
Insurance	523
Property expenses	2,618
Staff training	430
Other costs	764
	<u>9,843</u>
Analysis by fund	
Unrestricted funds	<u>9,843</u>

7 Net movement in funds

	2024 £
The net movement in funds is stated after charging/(crediting):	
Fees payable for the independent examination of the charity's financial statements	-
Depreciation of owned tangible fixed assets	-
	<u>-</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

9 Employees

The average monthly number of employees during the period was:

	2024 Number
	<u>1</u>
Employment costs	2024 £
Wages and salaries	<u>5,508</u>

There were no employees whose annual remuneration was more than £60,000.

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

CORE FOUNDATIONS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2024

11 Tangible fixed assets

	Computers £
Cost	
Additions	380
At 30 June 2024	380
Carrying amount	
At 30 June 2024	380

12 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 13 December 2023 £	Incoming resources £	Resources expended £	At 30 June 2024 £
General funds	-	54,973	(21,167)	33,806

13 Events after the reporting date

Since the year end the charity has taken on the lease of two homes with the help of Karbon Homes. The charity has also been given interest free loans amounting to £150,000 from two supporters of the charity for a fixed term, to allow the purchase of another property. In addition the charity has been offered a gift from the Vardy Foundation to purchase a further house.

14 Related party transactions

There were no disclosable related party transactions during the period.