

**The Persimmon Charitable Foundation**

Trustees' report and audited accounts

1163608

31 December 2018

## Contents

Trustees' report	1
Statement of Trustees' responsibilities	4
Independent auditor's report	5
Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Notes to the accounts	11

## Trustees' report

### Reference and Administrative Details

The trustees of the Persimmon Charitable Foundation (the "Persimmon Foundation"), registered number 1163608, present their report and accounts for the year ended 31 December 2018. The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Persimmon Foundation's constitution, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) "Accounting Reporting by Charities" (FRS 102).

### Trustees

The trustees who held office during the period and to the date of this report were as follows:

R Devlin	(appointed 27 June 2018)
D Jenkinson	(appointed 26 February 2019)
MJ Sears	
MH Killoran	
RP Stenhouse	
J Fairburn	(resigned 31 December 2018)
NHT Wrigley	(resigned 26 February 2018)

### Auditor

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

### Principal office

The charity's principal office is:

Persimmon House  
Fulford  
York  
YO19 4FE

### Objectives and Activities for the Public Benefit

The Persimmon Foundation is a charitable incorporated organisation, whose objectives are set out in its constitution. The objectives of the Persimmon Foundation are for the public benefit to further such charitable purposes as the charity trustees see fit from time to time, in particular (but not limited to) making grants to charities or organisations furthering charitable purposes that promote urban regeneration in areas of economic and social deprivation. The Trustees' aim is to improve local communities in the UK for the public benefit by improving health, relieving poverty, advancing amateur sport, improving the local environment and advancement of the arts and culture. Its strategy is to make donations to charities, particularly small local charities, and community groups whose aims match the Persimmon Foundation's aims.

In the year under review, the trustees continued with their Community Champions campaign and completed its Healthy Communities campaign. The Community Champions campaign is aimed at helping a wide variety of local charity and community groups with donations of up to £1,000 each to over 60 groups each month. The Healthy Communities campaign was completed in 2018, during 2017 and 2018 over £600,000 was donated to local organisations to improve and provide sporting facilities for those under age 21. In 2019, the Trustees launched a new campaign, Building Futures, which donated more than £1 million to charities and organisations who support health, sport, education and the arts for children under 18.

The Persimmon Foundation's two main sources of income during the year under review were donations from independent financial advisers (IFAs) and from the Persimmon Group. The IFAs who made donations were those

companies or firms who gave advice on mortgage products to customers buying a home from Persimmon Homes Limited and Charles Church Developments Limited

Under all of the campaigns, relevant organisations applied online to receive a donation. Over 700 charities, local community groups and sporting organisations received donations in 2018 through the Community Champions and Healthy Communities campaigns.

The Community Champions campaign is aimed at small local charities and community groups who support a variety of good causes that match the Persimmon Foundation's objectives. Under the campaign organisations can apply for funding of up to £1,000 to match funding that they have raised themselves in support of furthering a wide variety of local charitable purposes. Two charities or local community groups are nominated by each of the Persimmon Group's operating businesses (currently there are 31, there were 30 in 2018) and by the Group's holding company Persimmon Plc. In 2018, 62 organisations were nominated each month to receive the funding. The good causes helped by the Persimmon Foundation range from foodbanks to theatre trusts and children's charities to community garden projects. The names of those organisations chosen for a donation are published every month on the Persimmon Homes website at [persimmonhomes.com/community-champions/winners](http://persimmonhomes.com/community-champions/winners)

The trustees' successfully completed their Healthy Communities campaign in 2018. Between May and December 2017, the Persimmon Foundation made 30 donations of £750 per month for sports kit or equipment to various clubs and organisations which provide sporting facilities for those under age 21, and to individual amateur sports people under the age of 21. Applicants needed to demonstrate how any donations made by the Persimmon Foundation would be spent on supporting sport for young people. In addition to the monthly donations, each applicant was entered into a national competition to receive a prize of £200,000 to create a sporting legacy, with two runner-up prizes of £50,000 each and 27 finalist prizes of £5,000. In January 2018, 30 finalists were chosen by the Trustees and were put to a vote by the public. The winner was the organisation which received the most votes from the general public.

A gala dinner was held in March 2018 to both raise funds for the Persimmon Foundation and to announce the winners of the public vote. We were pleased to announce that the organisation that raised the most votes was the Heart of England Boxing Club. This Leicestershire club each week helps young people overcome issues such as ADHD, autism, anti-social behaviour and bullying and received a cheque for £200,000. Park Wrekin Gymnastics in Shropshire, and SportsAble in Maidenhead each received a cheque for £50,000.

The Building Futures campaign was launched in 2019. From February to May 2019, donations of £1,000 each were made to 128 local charities and community groups who support health, sport, education and the arts for children under 18. A total of 96 groups were selected to be finalists, the organisations which received donations of £100,000, £50,000 and £20,000 in each of the three categories were decided by a public vote. The remaining 87 finalists received a donation of £5,000. Also, in 2019 the Trustees of the Persimmon Foundation agreed that donations should be made to two charities whose aim is to end homelessness. A total of £600,000 will be made to Crisis, a national charity and to SASH, a York based charity.

The trustees consider that they have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties.

## **Achievements and Performance**

During the year to 31 December 2018 the Persimmon Foundation successfully raised donations of £1,833,992 (2017: £1,431,384). The Trustees have measured the success of their work during the year through the outcomes of the Community Champions and Healthy Communities campaigns. The campaigns resulted in the Persimmon Foundation making donations of £1,265,212 during the year ended 31 December 2018 (2017: £748,842) to over 700 often small, local charities and local community groups throughout the UK to provide relief and support to a range of people; improve local amenities and to encourage and facilitate amateur sport for the under 21s throughout the UK.

## **Financial Review**

During the year under review, the Persimmon Foundation received donations of £1,833,992 (2017: £1,431,384), made donations of £1,265,212 (2017: £748,842), incurred expenditure on charitable activities of £nil (2017: £10,242) and had other expenditure of £685 (2017: £570). At the end of the year the Persimmon Foundation held unrestricted funds of £1,551,840 (2017: £971,098).

The Persimmon Foundation is supported by Persimmon plc, which provides financial and administrative support. The Persimmon Charitable Foundation therefore has low running costs. The Trustees have a policy to maintain sufficient reserves to meet any existing and forecast commitments they have made to make donations under its campaigns and/or commitments to make other donations based on its expected cash flows.

### **Principal Risks**

The Persimmon Foundation's principal risks are reputational and fraud. The Trustees have put in place systems and procedures to monitor how money is raised and how donations are made. The Persimmon Foundation is also supported by Persimmon Plc, which has made resources available to the Trustees, including its head office functions in order that the Trustees have relevant financial controls, monitoring and reporting, to reduce the risk of fraud.

### **Plans for Future Periods**

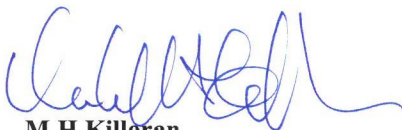
The Trustees will continue with the Community Champions campaign and will also consider potential new campaigns which support the objective of the Persimmon Foundation to improve local communities in the UK for the public benefit by improving health, relieving poverty, advancing amateur sport, improving the local environment and advancement of the arts and culture.

### **Structure, Governance and Management**

The Persimmon Foundation is a charitable incorporated organisation governed by its constitution. The Persimmon Foundation must have a minimum of three trustees. Trustees may be appointed by a resolution of the existing trustees or may be nominated by Persimmon plc.

The Trustees set the strategy for the Persimmon Foundation. They also consider and agree all new campaigns. The Trustees determine how donations are made. They have delegated the selection of the local charities and community groups to receive donations made monthly under the Community Champions campaign and previously under the Healthy Communities and Building Futures campaigns to senior employees of the Persimmon Group.

Appropriate induction and training will be given to new trustees.



**M H Killoran**  
*Trustee*

Persimmon House  
Fulford  
York  
YO19 4FE

24 October 2019

## Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with FRS 102 and the Charities SORP. Under that law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources 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;
- make judgments 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 charitable company will continue in business.

The trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. 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.

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

# **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PERSIMMON CHARITABLE FOUNDATION**

## **Opinion**

We have audited the financial statements of The Persimmon Charitable Foundation for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement Cash Flows and the related notes 1 to 7, including as summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 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 Charities Act 2011.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PERSIMMON CHARITABLE FOUNDATION (CONTINUED)**

### **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.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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



## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PERSIMMON CHARITABLE FOUNDATION (CONTINUED)**

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees 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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

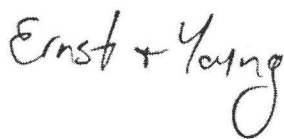
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located 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 Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditors' 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.



Peter McIver (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
28 October 2019

**Statement of financial activities**  
*for the period ended 31 December 2018*

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
<b>Income</b>		
Donations	1,833,992	1,431,384
Income from other trading activities	36,900	-
<b>Total income</b>	<b>1,870,892</b>	<b>1,431,384</b>
<b>Expenditure</b>		
Donations	1,265,212	748,842
Expenditure on raising funds	24,253	-
Expenditure on charitable activities	-	10,242
Other expenditure	685	570
<b>Total expenditure</b>	<b>1,290,150</b>	<b>759,654</b>
<b>Net income for the period</b>	<b>580,742</b>	<b>671,730</b>
<b>Reconciliation of funds: -</b>		
Total funds brought forward	971,098	299,368
<b>Total funds carried forward</b>	<b>1,551,840</b>	<b>971,098</b>

**Balance sheet**  
*at 31 December 2018*

	<i>Note</i>	<b>2018</b> £	2017 £
<b>Current assets</b>			
Cash at bank and in hand		<b>1,551,840</b>	971,098
		<hr/>	<hr/>
<b>Net assets</b>		<b>1,551,840</b>	971,098
		<hr/>	<hr/>
<b>Charity funds:</b>			
Total unrestricted income funds	3	<b>1,551,840</b>	971,098
		<hr/>	<hr/>

These accounts were approved by the board of trustees on 24 October 2019 and were signed on its behalf by:



M H Killoran  
*Trustee*

**Statement of cash flows**  
*for the period ended 31 December 2018*

	<i>Note</i>	<b>Year Ended 31 December 2018</b>	Year Ended 31 December 2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities		<b>580,742</b>	671,730
		<hr/>	<hr/>
<b>Increase in cash and cash equivalents in the period</b>		<b>580,742</b>	671,730
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the period		971,098	299,368
<b>Total cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>1,551,840</b>	971,098
		<hr/>	<hr/>

## Notes

(forming part of the accounts)

### 1 Principal accounting policies

#### *Basis of preparation*

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard FRS 102 (effective 1 January 2015), Charity Law and under the historical cost accounting rules.

This is the organisation's set of accounts which cover the year ended 31 December 2018.

#### *Going concern*

After making due enquiries, the trustees have a reasonable expectation that the foundation has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

#### *Income*

All incoming resources are included in the Statement of financial activities when the charity is legally entitled to the income. All income recognised during the period has come from cash donations.

#### *Expenditure*

All expenditure is accounted for on the accruals basis.

#### *Taxation*

Due to the organisation's charitable status no tax is payable on the charity's income for the period. Value Added Tax is not recoverable by the organisation, consequently all expenditure in these accounts is stated inclusive of VAT where applicable.

#### *Accumulated funds*

Unrestricted funds are general funds which are available at the trustees' discretion in furtherance of the general objectives of the charity.

### 2 Staff numbers and costs

There were no employees employed during the period. The Trustees, who are not remunerated for their services to the Persimmon Foundation are set out in the Trustees Report.

### 3 Reconciliation of funds

	2018 £	2017 £
Charity funds brought forward	971,098	299,368
Movement in funds in the period	580,742	671,730
	<hr/>	<hr/>
Charity funds carried forward	1,551,840	971,098
	<hr/>	<hr/>

## Notes

*(forming part of the accounts)*

### 4 Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	1,551,840	971,098

### 5 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period, and none of them were reimbursed any travelling expenses.

### 6 Related party transactions

The cost of the Independent Auditor's report was borne by Persimmon plc.

### 7 Ultimate controlling party

The Trustees of the Charitable Foundation are nominated by the directors of the Persimmon Plc group, but they act in the independent interest of the Persimmon Foundation to further its charitable aims.

Persimmon plc is the parent company of a large group of companies whose principal activity is that of housebuilding in the United Kingdom. Copies of the financial statements of this company are available from:

The Company Secretary  
 Persimmon plc  
 Persimmon House  
 Fulford  
 York  
 YO19 4FE