



Registered Charity in England and Wales no. 1131333

Annual Report & Accounts 2010

March 2010

Draft - subject to final review

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1. Chair's Foreword

The large numbers of people whose lives were touched by David were determined that we should create something that would do his memory justice. A cheerful, caring, intelligent young man who always championed the underdog David would, we feel, be proud of the Foundation and the huge progress we have made in this, our first year.

The commitment from those volunteering to be Trustees, the generosity of those prepared to give their time, energy and money to support the work we are doing, has been immense.

We are now making a difference to indigenous young peoples' lives in Argentina and that is an accolade to all concerned.

We strongly believe that supporting disadvantaged, bright young people, offering them opportunities to succeed in education and to go on to university will enable them to take up hitherto inaccessible professional roles and to raise the aspiration of their communities.

The parents and families of the young people who have started our programme are not unusual in that they want the best for their children. They have been fighting barriers of class and economics which we are now helping to remove, and these young people are determined to succeed. We are offering them additional tuition in a range of subjects. They have a university mentor to help them bridge the academic and social divide of university life and they can see light at the end of the tunnel.

In partnership with the Fundación David Mather we have employed a Locality Manger, Raul Casanova, who has continued to develop the infrastructure needed to ensure the programme is a success. We have employed additional teachers, updated our website, looked to form strategic partnerships, worked with a range of organisations and developed rigorous procedures.

I would particularly like to express our gratitude to Lydia for the tireless work she has given to ensure we have correct financial procedures in place and in gaining charitable status for the Foundation.

We have moved mountains in this first year! Thank you to you all.

Looking to the future, there is much work to be done, not least in ensuring we have the funds to expand the numbers of young people and families we can help. Let us continue to work together to make David proud!

Ian Mather

Chair

2. Details of the Foundation and its Trustees

Full name	David Mather Foundation
Date of incorporation	Trust Deed signed 15 August 2009
Registered address	5 Railton Avenue, Manchester, M16 8AU
Registration details	Registered as a charity in England and Wales, number 1131333
Founding Trustees	Ian Mather (Chair) Lydia Brown (Treasurer) Allison Redshaw Lucy Wheatley Alan Wilson
New Trustees	Rachel Barlow (appointed by agreement 6 February 2010) Hannah Cross (appointed by agreement 6 February 2010)

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3. The Organisation and Structure of the Foundation

The David Mather Foundation in England

The David Mather Foundation is a charitable trust registered with the Charity Commission in England and Wales, number 1131333. The overarching objective, captured in the Trust Deed of the charity, is to promote the benefit of young people in Argentina through:

- a) the advancement of education and training;
- b) the relief of poverty; and
- c) the relief of financial hardship

The David Mather Foundation in England currently meets its object through working in partnership with its Argentinean partner, the Fundación David Mather.

The David Mather Foundation in Argentina

The Fundación David Mather is a separate legal entity in Argentina and was given formal recognition by the Argentinean authorities after the year end, in May 2010

The aims of the Fundación David Mather are the same as those of the David Mather Foundation.

The Fundación David Mather's only source of income in this period was grants received from the David Mather Foundation. In future periods they will seek their own additional funding.

The David Mather Foundation across the continents

There is no legal name or title which links the two organisations together as a group but they are working together to meet their shared goals. They must each meet their respective legal requirements but both work to advance the whole.

When trustees, friends and other supporters speak of the David Mather Foundation, or just 'the Foundation', they will often be referring to both organisations together, and the goals which have been set to be met in partnership, except in a legal context when the two organisations remain distinct.

On a practical level, the David Mather Foundation in England is primarily concerned with generating funds; the Fundación David Mather in Argentina uses its local knowledge and experience to execute the plans and processes which will ensure the disbursement of funds is carried out in the most effective way to benefit young people in Salta.

4. Operational Review

During the first few months of operation over the Summer of 2009 we worked in the UK to gain charitable status from the Charity Commission and to encourage donations and fundraising from David's family and friends. We developed a governance structure and framework which, whilst it will continually evolve, described the way in which the Foundation would operate.

The Locality Manager in Argentina started employment in September 2009 and began the process of building the links with two schools in the 'barrios' of Salta. In the barrios the homes are a mixture of corrugated iron and breeze block buildings interspersed with a smattering of tents and similar. Electricity and other basic amenities are a luxury that not all of them enjoy. The schools, Fe y Alegria and Doctor Miguel Ragone were keen to work with us to offer some of their brightest, yet often most disadvantaged, students the extra support to help them to achieve their aspirations.

By December 2009 the first cohort of 12 young people had been selected to join the Foundation's programme. Those young people were selected with the help of their teachers, and after review of information including current grades, home situation, occupation of guardians and career aspirations.

In January 2010 the Chair of the Foundation, along with representatives of the Fundación David Mather, met the young people and their families in Argentina, and after informal 'interviews' the young people signed an agreement to show their commitment to the programme.

The new academic year started at the end of January and at the same time the Foundation worked with the local university to identify appropriate mentors for the students. They were paired up and are now meeting on a frequent basis.

The Foundation has attracted the support of two educational psychologists and a teacher, all of whom have worked with the young people to assess their needs. They will be able to benefit from workshops in areas such as self-esteem and study techniques and will receive additional tuition in weaker subject areas.

The feedback from the young people so far has shown that they are really encouraged and excited by the interest that has been shown in them and when asked what they thought about the Foundation one of them said that "The Foundation is like a friend that gives you a helping hand, but not just any helping hand."

Meanwhile in the UK we have been approaching organisations with similar objectives to try to form some useful partnerships, which will help us to learn new ways of doing things and may lead to some joint fundraising opportunities. We are mindful that we have the opportunity to support youngsters in the UK as well as in Argentina and as such have also been developing the 'Family of Schools'.

The concept is such that a UK school is paired with an Argentinean school. Using the web the students will be able to communicate, learning more about each others cultures, way of life, and languages. Freebrough Specialist Engineering College is the first member of the family and its students have made exceptional efforts so far to raise money for the Argentinean schools. The first barrier to overcome is that the Argentinean schools do not have internet access so the money raised by Freebrough will be helping towards this as a priority!

Some of the immediate priorities for our work in Argentina include gaining wider support from the local business community, as well as the local government. The Foundation has

already received an endorsement from the local government minister but over the coming months will be working to strengthen that such that we might receive financial support as well as the provision of some support services.

We have already approached a number local businesses but will continue to focus our efforts here. We believe that local people have much to offer the students, and that being able to pair them with a business mentor, or facilitating periods of work experience, would be invaluable. These youngsters face many barriers, not all of which can be resolved by money. The Foundation has the opportunity to play a role in improving the levels of social inclusion which many of these young people, and previous generations of their families, have struggled with.

We hope that you will continue to, or begin to, support the work of the Foundation and encourage you to visit the website www.davidmatherfoundation.org for more information, and to get in touch with us if we can answer any queries or questions at enquiries@davidmatherfoundation.org.

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5. Financial Review

The Foundation has had incoming resources of £25,064 in the period. Of this, £21,352 related directly to our generous sponsors, whether through personal donations, sponsorship monies or fundraising events.

In the period we had relatively low outgoings, with the main spend areas being monies sent to Argentina totalling £5,340, and UK staff costs of £3,465. Of the expenditure in Argentina almost half was incurred on the cost of the only employee, the Locality Manager; and of the £3,456 UK staff costs only £163 of this was borne by the Foundation, with the remainder being covered by grants from Social Pioneers and the Vodafone Foundation.

Whilst we expect that staff costs will remain the highest area of spend, due to the very nature of the work that the charity does, the expenditure incurred in this year has been low all round. As a result of the first cohort of students joining the programme in January 2010 at the start of their school year, these accounts show only three months of direct expenditure in relation to services to them. In addition it should be noted that as at the end of March 2010, the students had been paired with their university mentors and had met with the Locality Manager on a number of occasions but that at that time no costs had been incurred in relation to teaching costs, workshop sessions, or renting of teaching/group working spaces. For the 2010/11 year, a minimum of £14,000 has been committed to the Fundación David Mather.

The ratified policies now in place include Financial Regulations, Grant Expenditure Policy and Safeguarding Policy. Controls are in place to ensure that spend is only made once fully authorised by the Trustees.

At every meeting of the Trustees a Financial Update is presented. The challenge faced in this first year has been the ability to accurately forecast expenditure requirements. This has been due to the nature of being a new organisation, and working with a partner which is also a new organisation. As such we have adopted a very prudent approach to spend, and commitment to spend. This year we have learnt much and are still building up our knowledge surrounding the required costs and as such we will continually improve in this respect.

The Foundation does not currently have a Reserves Policy in place. This has been a deliberately delayed decision as the Trustees consider it imperative to fully understand the cost base prior to agreeing on such a policy. The Trustees do however consider all students already on the programme to be a priority and are committed to ensuring they receive support until the end of their university studies.

6. Public Benefit Statement

The Trustees confirm 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.

7. Acknowledgements

To all those of you reading this report who have supported the David Mather Foundation in some way, we wish to offer our extreme gratitude for your help. You have supported the Foundation by offering your time and advice, your money, and your energy and enthusiasm in carrying out events to raise money.

To all of you we are so very grateful – thank you.

We did not think it appropriate to list all of you here but rather to highlight just some of the people and the great things they have done.

Thank you to those who helped with the fundamentals:

Bill Mather for his charity set-up advice and donation of staff time; Richard Williams and Jody Hockley for the immense time spent developing and updating the website; James Dawson for designing the logo; Simon Brown for support with policy and procedure development; Adam Oskwarek, Kalpan Patel and Renato Peral for their support in developing the three year plan; Marianne Wilson for feeding and watering the trustees at all meetings; those who attended the Round Table meeting for their advice: Mark Wood, Peter Vardigans, Paul Clark, Jane Clark, Roger Hibbitt, Jo Hibbitt, Bill Mather and Karen McHugh,

Thank you to those who have organised/taken part in a fundraising event:

Bill Millar for running the London Marathon; Paul Blackledge and Stuart Baron for running the Manchester 10k; Richard Williams for cycling the South Downs Way; Larisa Brown, Rachel Cadwallader, Sophia Coles, Rachael Hughes and Lucy McHale for cycling 25 miles in Preston; Jim and Judy Spicer for organising the charity rock gig; Alastair and Carrie Simson for hosting a food fest; James Hardy, Jody Hockley, Tim McMahon, Nikesh Patel, James Venus and Katie Wright for running half marathons; Anna Bracewell, Lydia Brown, Marie Hamilton, James Pearce, Andy White and Nick Wilson for cycling from York to Leeds; John Goodchild and Chris Redfern for cycling Edinburgh to Brighton; and Jo Hibbitt for her birthday party donations.

We also look forward to seeing Angela Billington completing her marathon; Howard Bailey, Cathy Lea and Hollie Saxon completing their runs; Lance Whitfield doing his bike ride; James Pearce and yet to be confirmed numerous others undertaking the Three Peak Challenge; and Astrid Harrisson and Kirsty Noble and their photographic work with the young people.

Thank you to those organisations who have supported us:

Social Pioneers for donating two days of Sophie's time per week; the Vodafone Foundation for paying for us to employ Jasper for two months; and PricewaterhouseCoopers for your matched giving and volunteer recognition schemes.

Thank you to our family of schools and in particular our 'guinea pig school' Freebrough Specialist Engineering College who have organised numerous wonderful fundraising events; and to University Partners.

Finally to David, in whose name our efforts are.

Accounts - Statement of Financial Activities (SoFA)

	Note	Unrestricted funds	Restricted income funds	Total this year
Incoming Resources				
Donations, sponsorship and events	3	21,352	-	21,352
Grant funding	3	-	2,500	2,500
Donated services	3	-	1,213	1,213
Total Incoming Resources		21,352	3,713	25,064
Resources Expended				
Fundraising costs	4	259	250	509
Staff costs UK	4	163	3,303	3,456
Charitable activities in Argentina	4	5,340	-	5,340
Governance costs	4	-	-	-
Other costs	4	116	160	276
Total Resources Expended		5,878	3,713	9,590
Net Movement in Funds		15,474	-	15,474
Total Funds Brought Forward		-	-	-
Total Funds Carried Forward		15,474	-	15,474

No prior year comparatives have been included in the SoFA as this is the first accounting period for the Charity, having received its status on 15 August 2009.

There were no transfers between funds, and no recognised gains or losses.

Accounts – Balance Sheet

	Note	Total this year
Fixed Assets		
Tangible assets		-
Investment		-
Total Fixed Assets		-
Current Assets		
Stock – T-shirts		132
Debtors	8	1,649
Cash at bank		13,783
Total Current Assets		15,564
Creditors: Amounts falling due within one year		90
Net current assets		15,574
Total assets less current liabilities		15,574
Creditors: Amounts falling due after one year		-
Provisions for liabilities and charges		-
Net Assets		15,474
Funds of the Charity		
Unrestricted funds		15,474
Restricted income funds		-
Total funds		15,474

No prior year comparatives have been included in the Balance Sheet as this is the first accounting period for the Charity, having received its status on 15 August 2009.

All amounts included on the balance sheet are unrestricted funds.

Accounts – Note 1: Basis of accounting

1.1 Basis of accounting

These accounts have been prepared on the basis of historic cost (except that investments are shown at market value) in accordance with:

- Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005);
- Financial Reporting Standards for Smaller Enterprises (FRSSE); and
- Charities Act 1993.

1.2 Change in basis of accounting

These are first year accounts and as such there has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.3 Changes to previous accounts

These are first year accounts and as such no changes have been made to accounts for previous years.

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Accounts – Note 2: Accounting policies

2.1 Accounting policies - Incoming Resources

Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Incoming resources with related expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA

Grants and donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

Contractual income and performance related grants

This is only included in the SoFA once the related goods or services have been delivered.

Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.

Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity.

Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

Donated services and facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income

This is included in the accounts when receivable.

2.1 Accounting policies – Expenditure and Liabilities

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance costs

Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

Grants with performance conditions

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

Grants payable without performance conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

2.1 Accounting policies – Assets

Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

Stocks and work in progress

These are valued at the lower of cost or market value.

Accounts – Note 3: Incoming resources

3. Analysis of incoming resources

	Total this year
Donations, sponsorship and events	
Individual donations	8,792
Standing orders	2,632
Sponsorship and events	8,461
Gift Aid	<u>1,467</u>
	21,352
Grant funding	
Grant for two months Development Officer salary	<u>2,500</u>
	2,500
Donated services	
Part time employee from Social Pioneers	803
Use of London office space from Social Pioneers	160
Printing services from PricewaterhouseCoopers	<u>250</u>
	1,213

Accounts – Note 4: Resources expended

4. Analysis of resources expended

	Total this year
Fundraising costs	
T-shirts for events and fundraising	141
Set-up fee for online donation site - www.virginmonygiving.co.uk/charities/davidmatherfoundation	118
Printing for leaflets and posters (services donated)	<u>250</u>
	509
Staff costs – UK	
Salary costs (full amount funded by third parties)	3,306
Expenses	<u>160</u>
	3,465
Charitable activities in Argentina	
Staff costs	2,426
Legal expenses for set-up	342
Transport costs	1,312
Marketing expenses	85
Direct expenditure	178
Cash bond legally required to be held by all charities	862
Cash balance as at 31 March 2010	<u>135</u>
	5,340
Governance costs	
Our trustees have not claimed for the costs incurred by them during the year.	-
Other costs	
Use of office space (donated by Social Pioneers)	160
Insurance	36
Bank transfer fees	60
CRB checks	<u>20</u>
	276

Accounts - Note 5: Details of certain expenditure

5. Details of certain types of expenditure

5.1 Trustee expenses

No trustees were paid for any expenses during the period.

5.2 Fees for examination of the accounts

The accounts have been prepared by, and subsequently independently examined by, current and practicing members of the ICAEW (ACA) both of whom kindly donated their time and expertise. As such no fees have been included in the accounts for these services.

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Accounts – Note 6: Paid employees

6. Paid employees

6.1 Staff costs

	Total this year
Analysis of staff costs	
Gross wages, salaries and benefits in kind	3,061
Employer's National Insurance costs	245
Pension costs	-
Total staff costs	3,306

6.2 Average number of full-time equivalent (FTE) employees in the year

The Foundation has been very fortunate to receive a donation in kind from Social Pioneers. They have committed to donate two days staff time per week from March to August. As such the accounts for 2009/10 include the March cost for one person at 0.2 FTE.

The Foundation was also fortunate to receive grant funding from the Vodafone Foundation which paid for one full time member of staff in the UK for two months during the year. Annual FTE is therefore 0.17.

Accounts – Note 7: Grant making

7. Grant Making

The David Mather Foundation works with its partner organisation, the Fundación David Mather in Argentina. As such all grant making during 09/10 has been to the Fundación, and the Foundation has agreed to grant a minimum of £14k to the Fundación in 10/11.

The David Mather Foundation has not incurred any support costs in making grant payments to the Fundación David Mather in Argentina.

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Accounts – Note 8: Debtors and Prepayments

8. Debtors and Prepayments

	Total this year
Analysis of debtors and prepayments	
Trade debtors	-
Other debtors – HMRC Gift Aid	1,468
Prepayments - insurance	<u>181</u>
Total debtors and prepayments	1,649

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Accounts – Note 9: Related party transactions

9. Related Party Transactions

The David Mather Foundation works with its partner organisation in Argentina, the Fundación David Mather. All charitable expenditure incurred has been via the Fundación.

Various members of David's family and friends serve as trustees and fulfil operational roles of both the David Mather Foundation in the UK and the Fundación David Mather in Argentina. None of these people receive remuneration or any other benefits.

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