



ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

**COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 MARCH 2023**

**COMPANY REGISTRATION NUMBER 08986929
CHARITY REGISTRATION NUMBER 1163055**

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CITY HARVEST VALUES & IMPACT

MISSION

To reduce food insecurity and protect the planet by diverting quality, nutritious edible surplus food from waste & redistributing it to those facing food poverty.

VISION

Cities where all people have access to fresh, nourishing food and no good food is wasted from within the food supply chain.



Rescuing Food

City Harvest ensures no good food is wasted. Our team redistributes free food for 1.2 million meals a month to people most in need.



Rescuing People

City Harvest believes in the human right to food & that children should thrive, not just survive. We ensure the right food gets to the right people at the right time.



Rescuing Planet

City Harvest helps food partners reach UN 9 Sustainable Development Goals (SDGs) & deliver their Environmental, Social and Governance (ESG) strategies, reducing waste & making huge social impact.

Our Values

Our values sit at the heart of what we do and guide how we do things; they inform our ways of working, the decisions we make, the behaviours we champion and how the organisation should feel. We are proud that they have been shaped collectively by our community – our staff, our volunteers, our trustees and our community partners. To bring our values to life, we move beyond words and into action:

Compassionate

Community focused

Aspiring

Collaborative

Trustworthy





IMPACT IN NUMBERS



13.5M

MEALS
DELIVERED



£0.26

COST TO
DELIVER 1 MEAL



5,690 TONNES

REDISTRIBUTED
FOOD



29

LONDON
BOROUGHES



84,150

RECIPIENTS
PER WEEK



27,000

HOURS
VOLUNTEERED



14,642 TONNES

GREENHOUSE GASES
PREVENTED



£11.90

SOCIAL RETURN
ON INVESTMENT

41% of City Harvest's food is high-quality fresh produce.



EQUALS

With City Harvest, donations that are made EQUALS food for hungry Londoners. Donation impact makes a big difference to fighting hunger & waste.



A LETTER FROM OUR CEO

City Harvest, when founded in 2014, was established to meet the needs of both the most vulnerable in London and to address the volumes of waste food being consigned to landfill, damaging the environment. Every year since, our exponential growth has followed the increasing economic challenges faced in the UK. Today 23% of households with children struggle to afford the food they need, the Child Poverty Action group report that one-third of school-age children in England (900,000), living in poverty, need free school meals, but may not be receiving them.

As I write, we now have a team of 64, in the last year we benefitted from 27,000 hours of volunteer time, our two depots benefit from new systems and procedures and our 19 vehicles are now on new, geographically efficient routes. Our operations team have been focused on service improvement; how we can deliver more, to more people, with less environmental impact. We have reduced our fleet carbon emissions by five tons in the last year; each van travels, on average, ten fewer miles per day whilst we now feed upwards of 84,000 people each week, across 29 London boroughs. We partner with over five hundred food distributors, producers, events, caterers, restaurants, manufacturers, and farmers taking their edible waste lines, delivering to those that help others.

In our first year we delivered 80,000 meals worth of food, in the 22/23 year, we delivered 13.5 million meals, a growth of 15% on the previous year. Our volume of rescued food increased to 5,690 tonnes which delivered an environmental saving of 14,642t of greenhouse gases. By the end of August 2023, we have delivered fifty million meals in total, a staggering achievement, but sadly still not enough.

We are incredibly grateful to our financial and pro-bono supporters, the generosity of compassionate individuals, foundations, trusts, and corporations helps us change lives every day. We are indebted to these essential relationships, some of which date back to our foundation, core support which enables our team to move forward with confidence, determined to help more people and elevate our social impact. We have a solid foundation, created by data driven decision making and a deep understanding of the social impact of what we strive to achieve.

Collaboration with other charities, both close to home, and nationally, has increased in the last year. As part of our commitment that no edible food should go to waste, we have increased our activity sharing large donations with others in our sector.

Collaborative working is part of our future, founded in a common goal to feed the hungry and save edible food from going to waste. We are no longer an emergency food service; we are now part of a long-term recovery service. Food insecurity continues to rise, fueled by wider geopolitical forces that are driving inflationary increases and destabilizing supply chains. People are starving in modern day Britain, Victorian conditions such as rickets and scurvy are a reality. People are flooding into soup kitchens, food banks, social

“

We believe that a hot, nutritious meal shared in the company of others, and with dignity, improves mental and physical health and can be the first step to transforming a life.

”



City Harvest
Company Limited by Guarantee
Year ended 31 March 2023

A LETTER FROM OUR CEO

supermarkets and the newly created discount food cooperatives, holiday hunger projects are more important than ever.

We continue to strengthen our operation, investing in our people and facilities, there is a scoping exercise underway looking at our expansion opportunities, focused on the areas of greatest need and how we can rescue more food to feed the hungry.

We are indebted to all that work, volunteer, and support City Harvest - working together we are capable of remarkable things.

Sarah Calcutt
CEO
11 September 2023

“
***Collaborative
working is part of
our future, founded
in a common goal to
feed the hungry and
save edible food
from going to waste.***”

TRUSTEES' ANNUAL REPORT

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the audited financial statements of the charitable company for the year ended 31st March 2023.

Objectives and activities

The objectives of City Harvest include the prevention and relief of poverty, the advancement of environmental protection and supporting the effective use of resources for charitable purposes by other charities by facilitating the distribution of surplus food.

In furtherance of these objectives, City Harvest collects edible surplus food otherwise destined for landfill or anaerobic digestion from retailers, wholesalers, restaurants, manufacturers and others, and distributes it to community programs that serve meals to vulnerable people.

Achievements and performance

The impact of City Harvest's work

During the past year, City Harvest redistributed 5,690 tonnes of donated nutritious food that would otherwise have gone to waste. This equated to 13.5 million highly nutritious meals.

We increased the number of recipients to which we deliver nutritious surplus food in the past 12 months, and now deliver to over 84,000 recipients each week via over 300 community partners in Greater London.

The recipients of this safe, in-date food delivered weekly included community foodbanks, soup kitchens, school foodbanks and children's clubs, refuges for women fleeing domestic violence, day centres for the elderly and those facing mental illness.

Environmental benefits

City Harvest's impact to society includes the provision of a solution for one of the leading global environmental issues of our time: food waste. When healthy edible food is sent to landfill, it decomposes and releases methane with a global warming potential more than 80 times greater than that of CO₂.

The quantity of food City Harvest delivered this year would have resulted in 14,642 tonnes of greenhouse gases being released if it instead went to landfill. Additionally, all the resources that were utilised to produce the 5,690 tonnes of food City Harvest rescued - energy, land, water - would have been wasted as well.

13.5M

This year city harvest delivered 13.5m nutritious meals.

84,000

City Harvest delivered to over 84,000 recipients each week via over 300 community partners in greater London.



TRUSTEES' ANNUAL REPORT

Our investment programme

The quantity of food redistributed by City Harvest in the past year increased by 15% from the prior year. To support this growth, we have continued to invest in infrastructure and human resources and ensure operational excellence in our efforts to nourish the community. This included investment in our workforce, purchase of vans, upgrading our food storage and handling areas; and purchase of computers and office furniture.

The large and growing need for our services

The last round of the Food Insecurity Survey performed by the Food Foundation has confirmed what our dedicated and passionate team witnesses each day: there is a massive need for healthy food amongst a growing number of people facing adversity. In the past year food insecurity has increased and 9 million adults (17% of households) currently experience food insecurity, among which 3 million adults reported not eating for the whole day because they couldn't afford it.

In the past year we continued to increase the quantity delivered to each community partner to nourish the large numbers of people that are visiting for community meals. Many partners have indicated that their meal programmes would be greatly diminished or eliminated without continued food donations from City Harvest.

Collaboration with a wide breadth of community partners

City Harvest deeply understands the needs of both the communities in which we operate and the charities and businesses we serve which enhances our responsiveness and heightens our impact. Every effort is made to deliver the quantities and types of food needed by each community programme at the most convenient times. Often our team helps build networks amongst community programmes and connects local businesses with charities.

Serving London's most vulnerable

Our work supports many vulnerable sections of London's population with significant impact on nourishing the homeless, children and families, those on low income, and young people.





TRUSTEES' ANNUAL REPORT

Community Impact

The cost-of-living crisis has had a major impact on City Harvest’s services over the last 12 months. As more and more people have begun to struggle, the demand for food aid has increased exponentially. A large volume of new projects have arisen, driven mostly by local people seeking solutions to the crisis. These are not traditional “referral based” foodbanks. They are community driven and come in a number of shapes and sizes:

- Social supermarkets or community pantries as they are sometimes called, where customers are expected to pay a small weekly membership fee, approx. £4 to £5, and for that go home with a couple of bags of shopping worth about £45.
- Food co-ops, where a group of people club together to buy their essentials in bulk, and supplement this with surplus food.
- School foodbanks, where schools run a free foodbank for parents, usually at the end of the week to supplement the food families have over the weekend.

Organisations that we serve	
Community Foodbank	44%
Supported Housing/Hostel	15%
Community Meal	12%
Soup Kitchen	7%
Children’s project/Youth club	6%
Social Supermarket	4%
School Foodbank	3%
Food Hub	3%
Outreach/Delivery	3%
Drop-in	2%
Community Café	1%
	100%

Against this backdrop of an exponential increase in demand, City Harvest has tailored its service to make the most efficient use of its much need supplies of surplus food. Most importantly, it has rationalised its community partner base. 65 new community partners have been brought onboard whilst services have curtailed to 47 community partners. These net 18 community partners have increased our customer base by over 10,000 unique clients. Examples of newly onboarded charities include The Roehampton Community Box and Co-operation Town.

The Roehampton Community Box

A fantastic example of a very professional social supermarket located in a disused civic building in between three of London’s most challenging schools in Southwest London. The social supermarket used to run one day per week, but with ever rising demand, City Harvest now supports Rackets Cubed to run on a second day. Every week, over 200 people benefit from the four rooms of freshly stocked produce.

Another important step towards improved efficiencies has been the roll out of 14 new routes, designed around postal code areas. Many of our community partners have been helpful in changing their delivery schedules so that we can get round the capital as effectively as possible, getting our stock to as many people as possible.

This year has also seen the introduction of “mini hub and spoke models” whereby typically 4 to 5 charities work together to allow us to deliver a large amount of stock into the “hub community” who then take on full responsibility for storage and onward delivery of stock to the “spoke community partners”. The best example of this is in Lambeth where we deliver two van loads of stock to the Lambeth Hub who combine our stock with



TRUSTEES' ANNUAL REPORT

other supplies they have in their warehouse, which enables them to provide a balanced onward delivery to 4 other local community partners.

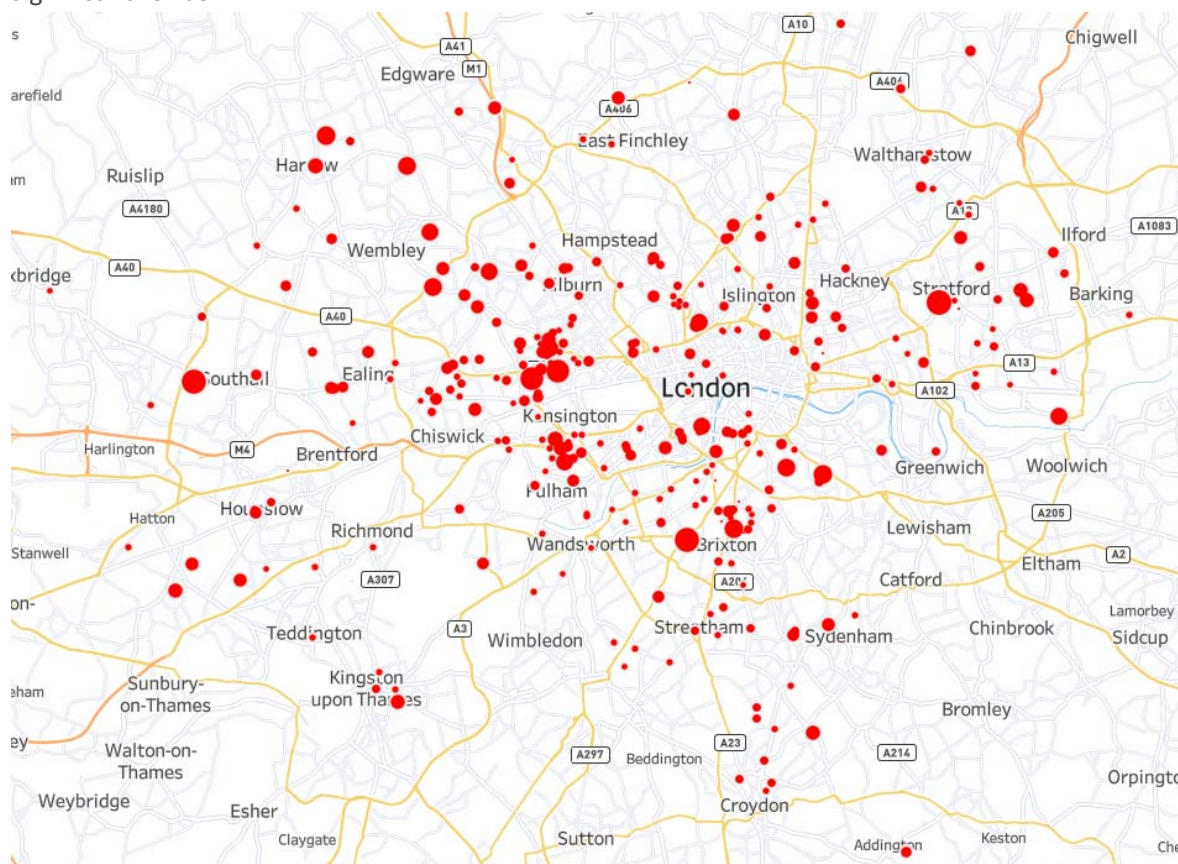
Finally, whilst 2022/23 has been largely about how we have adapted to increases in demand; it has not stopped us from trying to maximise the impact of our service on peoples' quality of lives. Following a successful pilot with 5 LEYF nurseries, we are now supporting 10 LEYF nursery kitchens across London. At each of these, the chefs use our surplus stock to make new and interesting fresh menus for disadvantaged little ones. Importantly, the money saved by not purchasing stock commercially is being used to fund 5 full time nursery places for 12 months for 5 toddlers who otherwise would not have access to full time provision. Food that would have gone to landfill is making a huge difference to life opportunities.

Co-operation Town

Co-operation Town in Gospel Oak provides support to a number of local resident food co-ops who have decided that "together is better". Every week, residents of each co-op come together and decide what they need, and how much they can afford. Co-operation Town then sources the food more cheaply and supplements it with surplus food from City Harvest. The co-op model means that customers don't just "receive" food, they are active in purchasing it.

Our coverage

We are active in most of the 32 London boroughs, of which Ealing, Hammersmith and Fulham, Newham, Kensington and Chelsea, Lambeth, Camden, Brent and Westminster are the most significant for us.





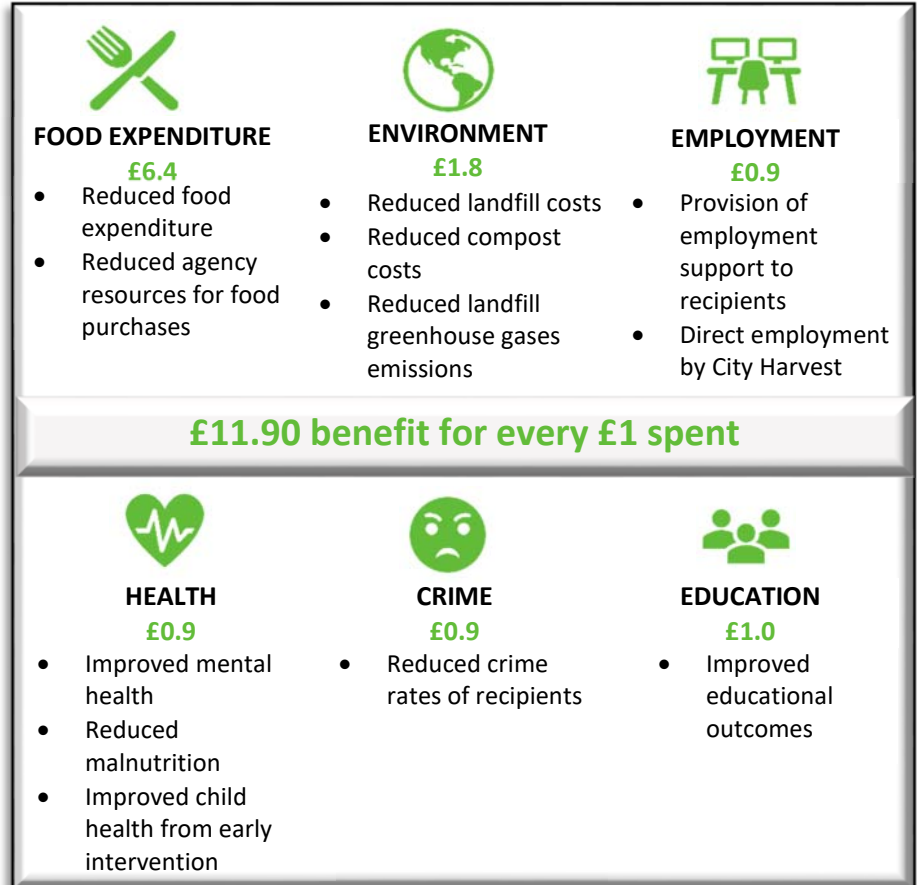
TRUSTEES' ANNUAL REPORT

Social return on investment

City Harvest's Social Return on Investment (SROI) during the year was £11.90 for every £1 of expenditure. Management consultants Bain & Company continued to provide pro-bono support to monitor the impact on society of our food redistribution activities.

£11.90

City Harvest's social return on investment (SROI) during the year was £11.90 for every £1 of expenditure.



Our community partners received City Harvest food donations with a retail value of £20.4 million during the year to 31st March 2023 and were able to redirect their food budget savings towards other vital services provided to vulnerable people in the community. These services include counselling, education, nutrition and cookery programmes, employment guidance, sports, and fitness as well as health and wellness services.

The largest component of our social return is essentially the value we created out of unused but perfectly edible fresh, frozen, and ambient food donated by businesses.



TRUSTEES' ANNUAL REPORT

Food donors

In 2022-23, food donations to City Harvest grew by 15% on the previous year. This was mainly driven by a significant increase in fresh produce which as a category has grown to represent over 40% of our total annual food donations.

We focused on increasing our fresh produce supply last year by running our second Harvest for Hunger campaign from March to October, outreaching and engaging farms and growers across the UK. The ripple effect of these relationships and partnerships as a result, has been huge.

We also saw a significant increase in the food received at our New Spitalfields Market hub, primarily due to the investment in a new chiller and freezer unit.

Last year our Community Impact Team spoke with each of our community partners and found out how much food they require from City Harvest to be able

to support their projects. This means we now have a greater understanding of the volumes and types of food we need to be sourcing to meet the demand.

City Harvest's food distribution	
Fresh Produce	41%
Drinks	12%
Bread/Snacks	11%
Ready meals	10%
Dairy	8%
Meat, fish & eggs	7%
Pantry	7%
Other	4%
	100%

As a result, we significantly grew our donor database in 2022-23, and we hope to do the same during 2023 by adding a significant increase in new donors across the supply chain. We're conscious that being able to provide a well-balanced and nutritious range of food plays a huge part in the mental health and well-being of the people receiving our food.

We now have ambitious plans. With the investment we've made in our Acton warehouse, our fleet of vehicles and the relationships we have with our donors, present and future, we hope to be delivering significantly more meals by the end of this financial year.

We're so grateful to the donors who have continued to support City Harvest by donating their surplus food for many years now, such as Amazon, New Spitalfields Market, The Ethical Food Company, Wholegood and Brakes.

We're thankful too for the lasting support of some iconic London events: Wimbledon Tennis Association, Queens Park Rangers Football Club, London Lions Basketball Team and Royal Ascot.

“
Our Community Impact Team spoke with each of our charities and found out how much food they require...we now have a greater understanding of the volumes and types of food we need to be sourcing.
 ”



TRUSTEES' ANNUAL REPORT

Other partners

We are also grateful to organisations that have contributed pro-bono services, including significant time commitments by Allen & Overy LLP, Bain & Company, Social Business Trust and Acrobat Vehicle Rental Ltd.

“

One of our goals at Ethical Food Company is to reduce food waste and help people in need. City Harvest plays a big role in helping us achieve those things. Ben is always a phone call away and ready to help sort the logistics for us.

”

Andrejs Gorbunovs,
Senior Product Manager



TRUSTEES' ANNUAL REPORT

Our workforce

Our workforce comprises a mix of full and part-time employees, contract staff and volunteers. Our paid workforce at year-end is made of 63 full-time equivalent employees. All employees are paid at least the London Living Wage, and almost all are enrolled in the contributory pension scheme.

Our volunteers

City Harvest volunteers are central to our fast paced food distribution, and we massively appreciate our regular community and corporate volunteers giving their time.

In total during the year, we benefitted from more than 27,000 hours of volunteer time, which is equivalent to almost 15 full-time staff.

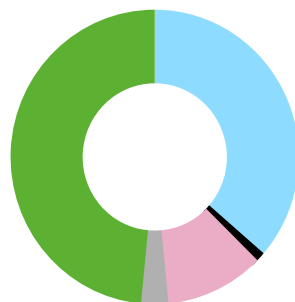
603 regular community volunteers gave up 20,530 hours of their time to assist us, either as drivers' mates, warehouse staff, or in administrative and advisory capacities. Our community volunteers included people who needed to gain work experience or help rebuilding their lives. For example, people with disabilities, those who have been homeless and ex-offenders transitioning back into productive lives.

In addition, a total of 924 corporate volunteers from 98 businesses gave up 6,515 hours of their time, mostly as small teams as part of their companies volunteering programmes. At City Harvest, corporate volunteers make a valuable contribution on a weekly basis.

For every one hour of volunteer time given, City Harvest can provide 530 meals to Londoners in need. Thank you!

Fundraising

Last year City Harvest raised £3.7 million to continue our vital mission in rescuing food and redistributing it to people in need. Our work has been made possible by the generous support from Trust & Foundations, Companies including Corporate Partnerships, and Individuals.



Trust & Foundations 48%
Corporate 36%
Individuals 11%
Online giving 3%
Gift Aid 1%



27,000 Hours

In total during the year, we benefitted from more than 27,000 hours of volunteer time, which is equivalent to almost 15 full-time staff.



TRUSTEES' ANNUAL REPORT

£3.7M

City Harvest raised £3.7m by rescuing food and redistributing it to people in need.

Thank You

We thank all our dedicated supporters who make a difference and help us keep our vans rolling across London feeding people.

We received support in the year from many dedicated donors and would like to give special thanks to the donors below who made significant financial contributions to fund our vital work.

Artemis Group	Rabobank
Bregal Investments	Sainsbury's
City Bridge Trust	Social Bite
Clayton Dubilier & Rice Foundation	The Kepler Cheuvreux Foundation
G3	The Jongen Charitable Trust
ICG	The Livery Food Initiative
IGY Foundation	The Livery Kitchen Initiative
Julia and Hans Rausing	The Permira Foundation
Kusuma Trust	The Vintners' Company
Marguerite Foundation	The Wimbledon Foundation Trust
MarketAxess	Uber Eats

We are also grateful for everyone who donated and raised funds for City Harvest this year by donating through our website, regularly giving each month, participating in challenge events, and hosting fundraising activities like bake sales and quizzes.

We are registered with the Fundraising Regulator and follow their code of practice. This means we are transparent about how we raise funds and treat donors and supporters respectfully and fairly. We adhere to data protection laws and appropriately use, store, and secure personal details, taking reasonable steps to protect vulnerable people from requests to donate.

We rely entirely on charitable donations to rescue food, people, and the planet, and have policies and processes to ensure we raise money in a considerate and responsible way. City Harvest do not work with third-party fundraising suppliers. City Harvest's fundraising team conducts all fundraising activities and does not do door-to-door fundraising, telephone fundraising, or face-to-face donor acquisition.

Our fundraising complaints procedure includes safeguarding and follow-up action from our Head of Fundraising and HR Team. We respond quickly and efficiently to resolve complaints. In 2023 we received no fundraising complaints (2022 – nil).

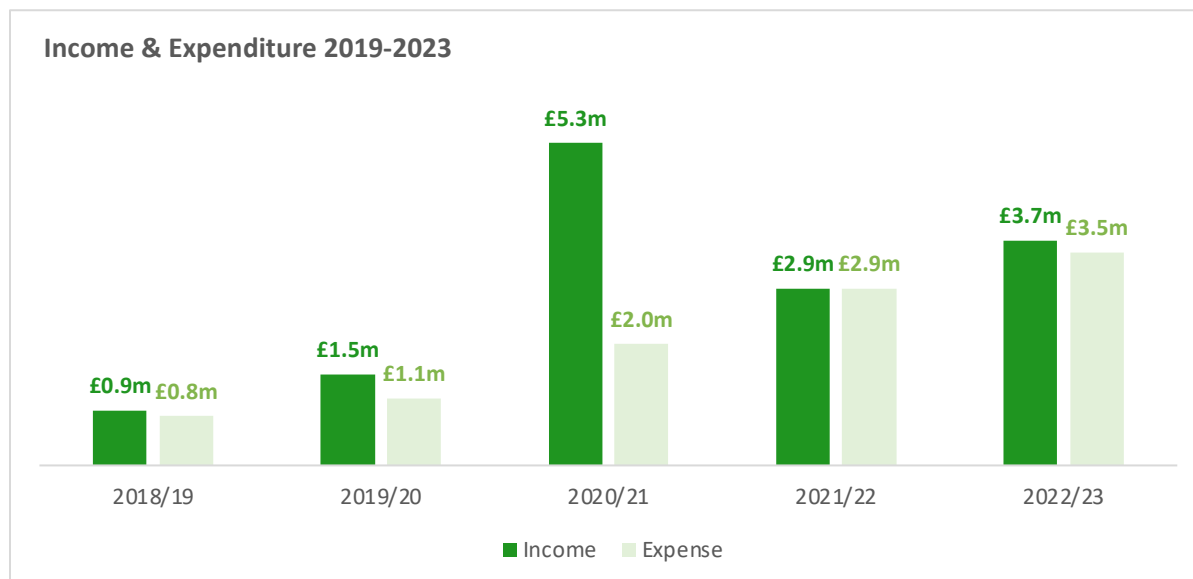


TRUSTEES' ANNUAL REPORT

Financial review

The charity funds are controlled by the board of trustees, which acts to carefully and strategically allocate resources to properly grow the organisation. The attached financial statements show the current state of finances, which the trustees consider to be sound. The financial statements conform to statutory requirements and comply with the charity's governing documents.

Financial growth



Our income increased in the year by 30% to £3.7m (2022 - £2.9m), and we increased the tonnage of food distributed by 15% over the prior year to 5,690 tonnes (2022 – 4,964 tonnes).

Restricted income was £1.2m in the year (2022 - £0.7m) which represented 33% of our total income (2022 – 23%).

Our expenses increased by 21% to £3.5m (2022 - £2.9m) reflecting increased operating expenditure to service the increased output and impact. We also made capital investments of £346,000 (2022 - £202,000) reflecting continued investment in our vehicle fleet and food storage.

The expenditure on raising funds was £249,000 (2021 - £148,000) which as a percentage of income amounted to 6.7% (2022- 5.2%).

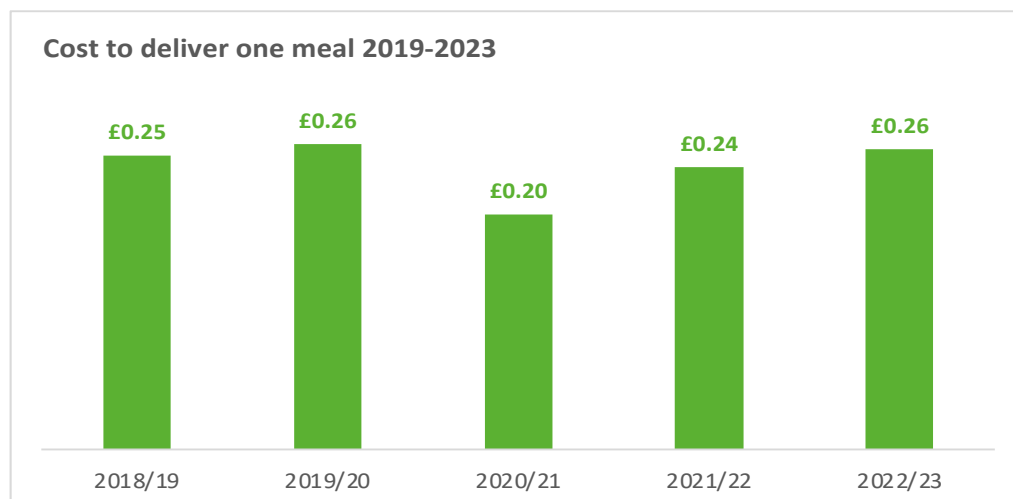
Overall, we achieved a small surplus for the year of £241,000 (2022 – deficit £14,000) with net assets increasing to £4.7m at the end of the year (2022 - £4.5m). Restricted funds amounted to £1.0m (2022 – £0.6m) representing 22% of total net assets (2022 – 13%).

The trustees monitor the ratio of available funds to future expenditures and donation income, in order to avoid over-committing the charity's resources.



TRUSTEES' ANNUAL REPORT

Cost per meal



City Harvest carefully monitors all expenditures, with a focus on the cost to redistribute one meal. For the year ended 31 March 2023 our cost to deliver one meal increased incrementally to £0.26p, remaining below the target level set by the trustees.

Reserves policy

To ensure sufficient funds are available, the trustees have determined that 6 months of budgeted expenditure should be held at any given time.

The charity also designates funds for investment in key elements of its work. For this purpose, the trustees introduced an 'Impact and Investment Fund'. This fund is used to invest in projects which strengthen its operations and infrastructure, expand food supplies, volumes and beneficiaries, and in general invest in ways of increasing the charity's overall impact.

Going concern

The trustees have prepared an income and expenditure budget and cash flow forecast and have concluded that the charity continues to be a going concern for the foreseeable future. On that basis they have continued to adopt the going concern basis when preparing the financial statements.

TRUSTEES' ANNUAL REPORT

Reference and administrative details

Registered Charity Name	City Harvest
Charity Registration Number	1163055
Company Registration Number	08986929
Registered Office	Unit 8, Acton Park Estate The Vale, London W3 7QE
Website	www.cityharvest.org.uk

Trustees

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

Stephen Winningham (Chair)	Alice Avis MBE (resigned Oct 2022)
Ben Clarke (resigned Oct 2022)	Victoria Heffer
Todd Benjamin	Ben Malbon (resigned Dec 2022)
Kathy Street	Frank Bandura
Patrick Street	David Hirschmann
Emma Gerald (appointed May 2023)	Shaun Browne (appointed Jul 2023)
Michelle Butler (appointed July 2023)	Rajesh Makwana (appointed Aug 2023)

Key management personnel

Sarah Calcutt	Chief Executive
Indy Agnihotri	Head of Finance and Performance
Dean Bernard	Head of Operations
Donna Beetham	Head of Fundraising
Mary Parsons	Head of Food
Fiona Hollis	Head of Communications
Marco Torquati	Head of Community Impact

During the year, Steve Winningham acted as interim-CEO before being replaced by our new CEO, Sarah Calcutt in October 2022. In addition, Abi Jesson, Dan McAlpine and Lindsey Cape departed City Harvest.

At the end of 2022, Laura Winningham stood down from active involvement in the day to day operations of City Harvest. We continue to build on her vision, delivering change using the model that she began to build 9 years ago.

We thank them all for their contributions.

Auditors

Price Bailey
24 Old Bond Street
London
W1S 4AP

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

Solicitors

Allen & Overy
Bishops Square
London E1 6AD



TRUSTEES' ANNUAL REPORT

Structure, governance and management

City Harvest is limited by guarantee and its governing document is its Memorandum and Articles of Association dated 4th August 2015. The members of the trustee board hold no shares in the charitable company, but each member is a guarantor to an amount not exceeding £1, in the event of the winding up of the charitable company.

Trustee recruitment and appointment

Under the Articles of Association of the company, all trustees/directors hold their appointment until the third Annual Retirement Meeting following the commencement of his or her term of office. The Annual Retirement Meeting is the meeting of the Trustees at which the accounts of the Charity are adopted. If the retirement of a trustee causes the number of trustees to fall below 3, then the retiring trustee shall remain in office until a new appointment is made.

Recruitment of a new trustee/director can be made on the instructions of current members of the board, and trustees are elected by existing members of the board.

Trustee induction and training

The trustees are familiar with the practical work and objectives of the charitable company and bring their own relevant and unique skills. Trustees are actively encouraged to attend board meetings to ensure that they are always up to date with the latest activities of the charitable company.

Financial governance

The Finance and Audit Committee supports the City Harvest Trustee Board in discharging its responsibility for the financial oversight of the Charity. It comprises three trustees who meet at least quarterly with the CEO and Head of Finance.

Trustee oversight

The board of trustees administers the charity, and normally meets every 2 months. In addition, steering groups and committees comprising selected trustees and members of the management team meet to focus on the charity's operation. These steering groups translate agreed strategies into actionable plans, oversee programme delivery and mentor executive team members.

Delegation of authority

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and has delegated authority from the Board of Trustees for operational matters including finance, employment, and operational activity.

TRUSTEES' ANNUAL REPORT

Pay policy for senior staff

The trustees review the pay of the senior management team on an annual basis, taking into account earnings in comparable charities.

Risk review

The board of trustees has examined the major strategic, business, and operational risks which the charitable company faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Investment powers and policy

The trustees, having regard for the present and future liquidity requirements of operating the charity, have diversified a portion of available funds in a range of interest-bearing bank deposit accounts with a term typically of between 3 and 12 months, to generate a return on funds while benefitting from the FSCS deposit protection scheme of £85,000 per bank. The selection of banks and the management of the deposits is overseen by the Finance and Audit Committee.



TRUSTEES' ANNUAL REPORT

Trustees' responsibilities in relation to the financial statements

The charity's trustees (who are also the directors for the purposes of company law) are responsible for preparing a trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the charitable company and incoming resources and application of those resources, including the income and expenditure of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company 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 corporate 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.

Statement as to disclosure to our auditor

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the trustees having made enquiries of fellow directors and the charity's auditor that they ought to have individually made, have each taken all steps that he/she is obliged to take as a director to make themselves aware of any relevant information and to establish that the auditor is aware of that information.



TRUSTEES' ANNUAL REPORT

Auditors

Price Bailey were appointed as new auditors during the year. A resolution to re-appoint Price Bailey for the ensuing year will be proposed to the board of trustees.

Small Company Exemptions

This report has been prepared taking advantage of the small companies' exemption of section 41SA of the Companies Act 2006.

By order of the board of trustees

Stephen Winningham

Chair

11 September 2023



INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of City Harvest

Opinion

We have audited the financial statements of City Harvest (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of the charity's incoming resources and application of resources including its income and expenditure 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 Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charitable company and the sector in which it operates and considered the risk of the Charitable company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting and tax legislation. In relation to the operations of the Charitable company this included compliance with the Companies Act 2006, Charities Act 2011, and SORP 2019.

The risks were discussed with the audit team, and we remained alert to any indications of non-compliance through the audit. We carried out specific procedures to address the risks identified. These included the following:

- Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charitable company. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.
- Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk.

INDEPENDENT AUDITOR'S REPORT

We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

For and on behalf of:

Price Bailey LLP

Chartered Accountants
Statutory Auditors
8th Floor, Dashwood House
69 Old Broad Street
London
EC2M 1QS

Date: 3 October 2023

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income:					
Donations and legacies	3	1,755,593	288,818	2,044,411	1,460,277
Charitable activities	4	679,354	951,656	1,631,010	1,389,323
Investment income	5	32,345	-	32,345	10,453
<i>Other trading activities</i>					
Food waste disposal service income		12,172	-	12,172	9,906
Total income		2,479,464	1,240,474	3,719,938	2,869,959
Expenditure:					
<i>Raising funds:</i>					
Fees and other fundraising expenses		(248,528)	-	(248,528)	(148,048)
<i>Charitable activities</i>					
Food rescue delivery	6	(2,442,386)	(787,577)	(3,229,963)	(2,736,065)
Total expenditure		(2,690,914)	(787,577)	(3,478,491)	(2,884,113)
Net income and movement in funds for the year		(211,450)	452,897	241,447	(14,154)
Reconciliation of funds:					
Total funds brought forward		3,906,525	587,927	4,494,452	4,508,606
Total funds carried forward		3,695,075	1,040,824	4,735,899	4,494,452

The Statement of Financial Activities includes all gains and losses in the year. All income and expenditures derive from continuing activities.

The notes on pages 29 to 41 form part of these financial statements.

BALANCE SHEET

	Notes	2023 £	2022 £
Fixed assets:			
Tangible assets	10	779,606	673,787
Total fixed assets		779,606	673,787
Current assets			
Debtors	11	214,950	129,588
Investment in short term deposits	12	2,806,087	2,844,221
Cash at bank and in hand		1,072,369	911,926
Total current assets		4,093,406	3,885,735
Liabilities:			
Creditors falling due within one year	13	(137,113)	(65,070)
Net current assets		3,956,293	3,820,665
Total assets less current liabilities		4,735,899	4,494,452
Net assets		4,735,899	4,494,452
The funds of the charity			
Unrestricted income funds			
General funds	14	445,075	656,525
Designated fund	14	3,250,000	3,250,000
Restricted income funds	15	1,040,824	587,927
Total charity funds		4,735,899	4,494,452

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

The notes on pages 29 to 41 form part of these financial statements.

These financial statements were approved by the trustees on 11 September and are signed on their behalf by:



Stephen Winningham
Chair
11 September 2023

STATEMENT OF CASH FLOWS

	Notes	2023 £	2022 £
Cash provided by operating activities	19	446,138	143,242
Cash flows from investing activities			
Withdrawals from short term deposits		38,134	84,293
Purchase of tangible fixed assets	10	(346,329)	(202,046)
Proceeds from disposal of fixed assets		22,500	22,500
Cash used in investing activities		(285,695)	(95,253)
Increase in cash and cash equivalents in the year		160,443	47,989
Cash and cash equivalents at the beginning of the year		911,926	863,937
Total cash and cash equivalents at the end of the year		1,072,369	911,926

Analysis of cash and cash equivalents

	2023 £	2022 £
Cash and cash equivalents at start of year	911,926	863,937
Change in cash and cash equivalents	160,443	47,989
Cash and cash equivalents at end of year	1,072,369	911,926

Analysis of changes in net debt

	2023 £	2022 £
Cash and cash equivalents at start of year	911,926	863,937
Change in cash and cash equivalents	160,443	47,989
Cash and cash equivalents at end of year	1,072,369	911,926

The notes on pages 29 to 41 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102 -effective October 2019) – (Charities SORP FRS 102) and the Companies Act 2006.

City Harvest meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note. All amounts are shown in pounds sterling.

b) Preparation of the accounts on a going concern basis

The trustees have prepared budgets and a forecast which gives them adequate comfort that the charitable company is a going concern. Therefore, the trustees are of the view that the charitable company has sufficient resources for at least the next 12 months (from the date of approving the financial statements) and that there are no material uncertainties regarding going concern. As a result, the charitable company's financial statements have been prepared on a going concern basis.

c) Income

Income is recognised where there is entitlement, sufficient probability of receipt and the amount can be measured with sufficient reliability.

If a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

d) Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the interest paid and payable by the bank.

e) Donated goods and services

Donated goods and services, including vehicles, are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity is probable and the economic benefit of can be measured reliably.

The value of food collected and distributed is excluded from the statement of financial activities, reflecting the Charity's function as a distribution agent rather than a principal.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised in the accounts, but the trustees' annual report provides information about their contribution.



NOTES TO THE FINANCIAL STATEMENTS

On receipt, donated professional services and donated assets are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or assets of equivalent economic benefit in the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Fund accounting

Restricted funds are maintained in accordance with the restrictions placed by the donor upon funds donated.

Unrestricted funds are the free funds of the charity to use at the discretion of the trustees in the furtherance of the charity's objectives. Unrestricted funds may include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

g) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

h) Allocation of support and governance costs

Support costs are incurred by functions that assist the work of the charity but do not directly undertake charitable activities. General support costs include office administration, finance, IT and payroll activities. Governance costs comprise expenses involving the public accountability of the charity and its compliance with regulation and good practice and comprise the cost of the independent audit. The basis on which support costs have been allocated are set out in Note 6 - Analysis of Support Costs.

i) Operating Leases

The charity classifies its warehouse rental agreement as an operating lease, and rent is accrued on a straight line over the term of the lease. With regard to the delivery vans made available to the charity free of charge, the cost of renting equivalent vehicles is used as the basis for assigning the donation income and rental expense.

j) Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The charity is registered for VAT on its trading activities, which consist of fees charged to certain donors for sorting and disposing of out-of-date food on their behalf.

NOTES TO THE FINANCIAL STATEMENTS

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Fixed assets

The threshold for capitalisation of fixed assets is £500. Purchased fixed assets are capitalised at cost. Donated fixed assets are capitalised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or assets of equivalent economic benefit in the open market.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation is calculated to write off the cost of an asset over the useful economic life of that asset as follows:

Plant, machinery & vehicles	20% straight line
Office furniture & IT equipment	20% straight line

l) Debtors

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

m) Cash at bank and in hand

Cash at bank and in hand represents funds which are readily available on demand at less than 24 hours' notice.

n) Investments in short term deposits

Investments in short term deposits are interest-bearing bank deposits with notice terms of between 1 and 12 months.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts allowed.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS

q) Pensions

All employees of the charity are automatically enrolled into a defined contribution pension scheme unless they exercise their right to opt out of scheme membership.

r) Key judgements and estimates policy

No significant judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The Trustees make estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

2. Legal status of company

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association.

Each member is a guarantor of the company, to an amount not exceeding £1, in the event of the winding up of the company.

3. Donations and grants

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Donations and gifts	1,755,593	288,818	2,044,411	1,460,277
Donations of goods & services	-	-	-	-
	<u>1,755,593</u>	<u>288,818</u>	<u>2,044,411</u>	<u>1,460,277</u>

In the year ended 31 March 2022, restricted income funds from donations and grants amounted to £247,989.

4. Income from charitable activities

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
Grants	646,800	951,656	1,598,456	1,384,076
Other	32,554	-	32,554	5,247
	<u>679,354</u>	<u>951,656</u>	<u>1,631,010</u>	<u>1,389,323</u>

In the year ended 31 March 2022, restricted income funds from charitable activities amounted to £405,758.

5. Investment income

	2023 £	2022 £
Interest received from bank accounts	4,920	589
Interest received on investment income	27,324	9,864
Other interest received	101	-
	<u>32,345</u>	<u>10,453</u>

Most of the charity's investment income arises from deposits held on an investment platform managed by Flagstone Investments Ltd, which provides online access to fixed term deposits offered by a wide range of banks. Platform management fees were incurred totaling £5,444 (2022: £5,678).



6. Analysis of expenditure on charitable activities

Current year	Unrestricted funds	Restricted funds	Total funds 2023
	£	£	£
Charitable activities			
Drivers and logistics personnel	1,162,704	412,891	1,575,595
Operational expenditures	695,510	336,981	1,032,491
Total charitable activities	1,858,214	749,872	2,608,086
Support costs (Note 7)	584,172	37,705	621,877
	2,442,386	787,577	3,229,963

Prior year	Unrestricted funds	Restricted funds	Total funds 2022
	£	£	£
Charitable activities			
Drivers and logistics personnel	1,223,060	246,480	1,469,540
Operational expenditures	568,964	205,759	774,723
Total charitable activities	1,792,024	452,239	2,244,263
Support costs (Note 7)	492,952	(1,150)	491,802
	2,284,976	451,089	2,736,065

7. Analysis of support costs

Current year	Support costs	Governance	Total 2023
	£	£	£
Support staff costs	173,217	-	173,217
Legal and other professional fees	47,541	-	47,541
Administrative overheads	372,752	-	372,752
Accountancy services	-	10,667	10,667
Audit fee	-	17,700	17,700
	593,510	28,367	621,877

The charity allocates costs directly to charitable activities as far as possible, and then apportions the remaining costs between general support and the governance function based on the nature of the expense.



Prior year	Support costs	Governance	Total 2022
	£	£	£
Support staff costs	208,011	-	208,011
Legal and other professional fees	71,991	-	71,991
Administrative overheads	197,930	-	197,930
Accountancy services	-	7,270	7,270
Audit fee	-	6,600	6,600
	<u>477,932</u>	<u>13,870</u>	<u>491,802</u>

8. Net income and expenditure for the year

	2023	2022
	£	£
This is stated after charging:		
Operating leases	143,058	138,152
Depreciation	218,963	189,063
Audit fee	17,700	6,600
Accountancy	10,667	7,270
	<u>390,388</u>	<u>347,148</u>



9. Staff costs and emoluments

	2023	2022
	£	£
Wages	1,910,545	1,671,025
Social security costs	195,839	160,996
Contractors	24,717	50,204
Pension costs	35,467	28,099
	2,166,568	1,910,324

The average number of employees during the year was 63 (2022: 52).

None of the employees or contractors is a trustee. No trustee expenses were incurred during the year (2022: £Nil). All employees are paid at least the London Living Wage, and the majority are enrolled in the Government-backed auto-enrolment pension scheme.

Redundancy and termination costs during the year totaled £5,804 (2022 - £44,163).

The number of employees who received total emoluments of more than £60,000 (excluding pension contributions) during the year was as follows:

Salary band	2023	2022
£70,001-£80,000	1	2
£60,001-£70,000	1	-

Pension contributions of £550 (2022: £881) were paid to a defined contribution scheme in respect of the highest paid employee.

The total emoluments of the Key Management Personnel were £578,938 (2022: £362,695).

There have been 603 regular volunteers during the year (2022: 532) helping to sort food in the warehouse and assisting our drivers. In addition, 924 (2022 - 454) unique corporate volunteers from 98 employers (2022 – 50) were released to spend a day volunteering at City Harvest.



10. Fixed assets

	Plant, machinery & vehicles	Office furniture & IT equipment	Total
	£	£	£
COST			
As at 1 April 2022	954,064	56,136	1,010,200
Additions	338,212	8,117	346,329
Disposals	(111,161)	(9,564)	(120,725)
As at 31 March 2023	1,181,115	54,689	1,235,804
DEPRECIATION			
As at 1 April 2022	320,316	16,097	336,413
Charge for the year	208,065	10,899	218,964
Disposals	(92,767)	(6,412)	(99,179)
As at 31 March 2023	435,614	20,584	456,198
NET BOOK VALUE			
As at 31 March 2023	745,501	34,105	779,606
As at 31 March 2022	633,748	40,039	673,787

11. Debtors

	2023	2022
	£	£
Trade debtors	15,551	2,274
Payroll funding	28,780	27,989
Other debtors	5,836	8,590
Prepayments	128,432	83,965
Accrued income	19,373	-
Interest receivable	16,978	6,770
	214,950	129,588

Prepayments are principally in respect of rent and insurance.

Payroll funding represents cash held by the outsourced payroll service provider in respect of employee wages.



12. Investments in short term deposits

Investments in short term deposits totaling £2,806,087 (2022: £2,844,221) are interest-bearing bank deposits with notice terms of between one and twelve months.

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	95,765	23,314
Taxation and pensions	8,284	7,623
Accruals	33,064	34,133
	137,113	65,070

14. Analysis of unrestricted charitable funds

Current year	1 April 2022 £	Incoming resources £	Transfers between funds £	Outgoing resources £	31 March 2023 £
General funds	656,525	2,479,464	-	(2,690,914)	445,075
Designated reserve fund	3,250,000	-	-	-	3,250,000
	3,906,525	2,479,464	-	(2,690,914)	3,695,075

The general funds are the 'free reserves' after allowing for all designated funds.

Prior year	1 April 2021 £	Incoming resources £	Transfers between funds £	Outgoing resources £	31 March 2022 £
General funds	373,337	2,216,212	500,000	(2,433,024)	656,525
Designated reserve fund	3,750,000	-	(500,000)	-	3,250,000
	4,123,337	2,216,212	-	(2,433,024)	3,906,525



Analysis of designated funds

The trustees have designated the following reserve funds to ensure the charity's continued expansion:

	2023	2022
	£	£
Liquidity reserve – six months committed operating costs	2,000,000	1,800,000
Fixed assets (see note 16)	523,326	273,730
Impact & Investment fund	726,674	1,176,270
	3,250,000	3,250,000

To ensure sufficient funds are available, the trustees have determined that 6 months of budgeted expenditure should be held at any given time.

A fund is maintained that represents the net book value of unrestricted fixed assets.

The charity also designates funds for investment in key elements of its work. For this purpose, the trustees have introduced an 'Impact and Investment Fund'. This fund will be used to invest in projects which will strengthen its operations and infrastructure, expand food supplies, volumes and beneficiaries, and in general invest in ways of increasing the charity's overall impact.

15. Analysis of restricted charitable funds

Current year	1 April 2022	Incoming resources	Outgoing resources	31 March 2023
	£	£	£	£
Fleet operations fund	187,870	1,232,474	(643,800)	776,544
Main depot fund	82,205	8,000	(21,119)	69,086
Satellite depot fund	29,968	-	(24,672)	5,296
Vehicle purchase fund	287,884	-	(97,986)	189,898
	587,927	1,240,474	(787,577)	1,040,824

Purposes of restricted funds:

Fleet operations fund: funding provided to support the operating costs of delivering food, including costs incurred in relation to warehouse, vehicles, food sourcing and community impact.

Main depot fund: funding provided to support the capital investment costs at the main Acton depot.

Satellite depot fund: funding provided to support the capital investment costs at New Spitalfields Market.

Vehicle purchase funds: funding provided to purchase vehicles that deliver food.



Prior year	1 April 2021	Incoming resources	Outgoing resources	31 March 2022
	£	£	£	£
Fleet operations fund	34,200	478,172	(324,502)	187,870
Main depot fund	92,980	10,344	(21,119)	82,205
Satellite depot fund	19,494	30,591	(20,117)	29,968
Vehicle purchase fund	238,595	134,640	(85,351)	287,884
	<u>385,269</u>	<u>653,747</u>	<u>(451,089)</u>	<u>587,927</u>

16. Analysis of net assets between funds

Current year	General funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	-	523,326	256,280	779,606
Net current assets	445,075	2,726,674	784,544	3,956,293
At 31 March 2023	<u>445,075</u>	<u>3,250,000</u>	<u>1,040,824</u>	<u>4,735,899</u>

Prior year	General funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	-	273,730	400,057	673,787
Net current assets	656,525	2,976,270	187,870	3,820,665
At 31 March 2022	<u>656,525</u>	<u>3,250,000</u>	<u>587,927</u>	<u>4,494,452</u>

17. Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
Within 1 year	107,953	107,953
Between 1 and 5 years	184,260	292,213
At 31 March	<u>292,213</u>	<u>400,166</u>

The charity has a five-year lease agreement for its distribution center in Acton which expires in December 2025.

The trustees have confirmed that there were no capital commitments at 31 March 2023.



18. Related party transactions

There were no related party transactions during the year (2022 – nil).

19. Reconciliation of net movement in funds to net cash flow from operating activities

	Notes	2023 £	2022 £
Net movement in funds		241,447	(14,154)
Add back depreciation charge	10	218,963	189,063
Add/subtract loss/profit on disposal of fixed assets		(953)	44
Increase in debtors	11	(85,362)	(24,855)
Increase/(decrease) in creditors	13	72,043	(6,856)
Cash provided by operating activities		<u>446,138</u>	<u>143,242</u>

