

SURREY DOCKS FARM PROVIDENT SOCIETY LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2022



Registered Society No: 22829R

A registered society under the Co-operative & Community Benefit Societies Act 2014, recognised by HM Revenue & Customs as a tax exempt charity

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Registered Address

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Website www.surreydocksfarm.org.uk

Management Committee

Brett Bennett-Smith, Chair

Matthew White, Secretary

Jolin Holme, Treasurer

Mary Budd; Alan Chadborn; Andrew Tipler; Rosemary Petronis

Bankers

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

Auditors

Price Bailey LLP, 3rd Floor, 24 Old Bond St, Mayfair, London W1S 4AP

MANAGEMENT COMMITTEE REPORT

INTRODUCTION

The Management Committee has pleasure in presenting its report and the audited financial statements of Surrey Docks Farm Provident Society Limited for the year ended 31 March 2022. For detailed information on the Farm's activities, please refer to the accompanying document 'Surrey Docks Farm Provident Society Ltd Annual Report for the Year Ending 31 March 2022'.

Surrey Docks Farm Provident Society Limited is recognised by HM Revenue & Customs as a tax exempt charity, and the financial statements have been prepared in line with the Charities SORP in order to better reflect best practice as a not-for-profit organisation

OBJECTIVES

Surrey Docks Farm is a working community farm in London that engages local people to learn about farming and food provenance.

ACTIVITIES & IMPACT OF COVID-19 PANDEMIC

We faced another unusual year on the Farm with the ongoing impact of Covid-19. We were delighted to start the financial year with all our community projects on site and we welcomed visitors back to the Farm in record numbers after over a year of closures. Local schools also returned for their educational trips, though bookings were once more paused with the Omicron risks in Winter 2021. With our Covid Action Plan in place and having successfully adapted our delivery, we were able to maintain all the community projects on site over Winter, offering a safe, outdoor space for our vulnerable participants.

In response to the increase in reported mental ill health, particularly following the pandemic, we established a new partnership project with Southwark Wellbeing Hub. They referred participants to our weekly 'Gardening for Wellbeing' sessions which have proved hugely popular and beneficial to all involved.

Our Youth Programme has expanded to include a new youth club for 14-18 year olds, that was created following consultation and fundraising input from our Youth Committee and their peers. This project enables an additional 20 young people to attend every Saturday and provides a progression route for our graduating Young Farmers.

We have also delivered a new Forest School offer on Fridays since Autumn 2021, enabling even more children and young people to enjoy the benefits of the Farm environment.

MANAGEMENT COMMITTEE REPORT

ACHIEVEMENTS & PERFORMANCE

We have had another successful year in terms of engagement, working with thousands of people from our local community and beyond.

We were thrilled to be awarded London Youth's City & Guilds accredited Silver Quality Mark recognising the excellence of our Youth Programme, particularly for generating youth-led opportunities and recognising the contribution of our skilled staff and volunteer team.

We were delighted to receive a London in Bloom Silver Gilt Award in the Environmental Challenge category, thanks to the team for all their efforts making the Farm a wildlife-friendly, minimal waste, sustainable space.

We also celebrated gaining our Green Flag Community Award, an international quality mark for parks and green spaces. The Green Flag judges report stated:

"Impressive demonstration of innovation in the management of the site and ways of connecting with communities and offering opportunities. A fascinating and inspiring green space which provides a fantastic range of benefits and opportunities to the communities it serves. All involved should be exceptionally proud."

We have listed a flavour of activities and the numbers of people who have benefitted below, but for full detail please see the accompanying document 'Surrey Docks Farm Provident Society Ltd Annual Report for the Year Ending 31 March 2022'.

- Over 50,000 visitors enjoyed free access to the Farm's site (2021: 50,000 but this just included the Thames path and river gardens due to the Covid-19 pandemic)
- 65 young people aged 8-18 attended weekly youth clubs (2021: 45 aged 8-14)
- 6 young people developed leadership skills in our Youth Committee, informing the direction of the youth programme and delivering social action projects (2021: 6)
- Farm meat, eggs, fruit and vegetables were sold via both our online shop and later through our physical farm shop, providing fresh quality food for over 600 households (2021: 600 households).
- 2 apprenticeship placements enabled local young people to gain a qualification and progress in their careers, including our first ever Horticulture Apprentice (2021: 2)
- 30 weekly training placements for adult students with learning disabilities were delivered onsite (2021: 30)
- 122 local people aged 14+ volunteered on a regular basis, alongside 40 drop in volunteers who attended in the summer months (2020: 131 in total)

MANAGEMENT COMMITTEE REPORT

GOVERNANCE

As a registered society the Farm is accountable to its members, open to anyone over 16 who supports the objects of the Farm and whose membership is approved by it.

Currently the Farm has 45 members. At its Annual General Meeting, the membership receives the report and financial statements for the year and elects the Management Committee and the independent auditor for the coming year. The Farm's membership can include not just local individuals, but also groups and community providers.

Members of the Management Committee are unpaid and act in a voluntary capacity. They are selected and approved for the respective contributions each can give to the Farm's development in meeting its objectives and to ensure a balance of the required skills. For further details, please contact the Farm to see an overview of the Committee recruitment process.

The Management Committee meets regularly during the year to oversee the governance of the organisation. The Committee follows an agreed agenda and additional specific items as required, including annual budget, management accounts, business plan, review of operational and financial performance, staffing, annual report and accounts.

Where necessary ad-hoc sub-committees are formed to consider special items referred by the Committee. Members also work with senior staff to ensure a strategic overview for the Farm and its services. Day-to-day responsibility for running the Farm is delegated to the Farm Manager who is also responsible for all staff matters.

RISK MANAGEMENT

The Committee members have reviewed the risks that the Farm faces and looked at the impact of these identified risks. Procedures are in place to address and mitigate them and the Farm has developed a risk register which is reviewed at quarterly Committee meetings.

MANAGEMENT COMMITTEE REPORT

RESERVES POLICY

Following the Covid-19 pandemic, the Management Committee reviewed the Farm's reserves policy and last financial year they increased the necessary free unrestricted reserves required from three to four months running costs. Free unrestricted reserves are defined as 'unrestricted reserves minus fixed assets'.

To ensure the Farm continues to be able to deliver programmes and activities which fulfil its charitable objectives, the Management Committee consider it is prudent as part of its risk management strategy to hold unrestricted cash reserves sufficient to cover a minimum of four months running costs and thereby to:

- Ensure continuity of services and give time to enable the Farm to find alternative income in the event of loss of contracts, grant funds etc.
- Provide sufficient cash flow to cover delays in the receipt of income.
- Provide flexibility and ability to take advantage of opportunities that may arise and to cope with unexpected cost increases which are not covered by ongoing project funding.

The Management Committee may consider reviewing its reserves policy to include cover for any further unmitigated risks which have been identified during reviews of the risk register.

At the end of this financial year, the free unrestricted reserves have increased from £115,699 in 2021 to £145,970 in 2022. This is over three months running costs but hasn't yet reached the target four months, based on a typical turnover of £475,000.

Creating a surplus in subsequent years is essential in order to reach and hold the required four months reserves to ensure the Farm is able to survive any future unforeseen events.

MANAGEMENT COMMITTEE REPORT

FINANCIAL REVIEW

The staff team worked hard to ensure a small surplus was generated in order to build up our unrestricted cash reserves, with the aim of reaching the target 4 months running costs.

The Farm continued to rely on restricted grants more heavily than previous years, due to the uncertainty of Covid-19 risks and potential restrictions still impacting income generating delivery.

OPERATIONAL RESULTS

We received a total income of £396,872 in the financial year (2021: 634,039 significantly higher due to one-off capital projects). This income was made up of 48% restricted grants and 52% unrestricted income. See the full breakdown in the table below.

Donations were gratefully received and totalled £20,212 that were mainly from generous local supporters and visitors. (2021: £76,790 following a donation campaign during the Covid-19 lockdown period)

Before accounting treatments (including depreciation and holiday pay accruals) had been applied, the total expenditure for the financial year was £389,551 resulting in a small surplus of £7,321.

Operating Income

Restricted Grants	£189,442	48%
Personal Budgets	£79,754	20%
Sales & Fees	£54,138	14%
Rent	£24,300	6%
Donations	£20,212	5%
Unrestricted Grants	£18,000	5%
Furlough	£11,027	3%

Total Income £396,872

Operating Expenditure

Salaries	£295,803	76%
Premises	£20,065	5%
Administration	£17,771	5%
Livestock	£29,440	8%
Project Costs	£26,472	7%

Total Expenditure £389,551

MANAGEMENT COMMITTEE REPORT

ACCOUNTING RESULTS

After accounting treatments (including fixed asset depreciation and disposals, holiday pay accruals and a water bill credit) the Farm's financial statements show a total expenditure of £462,769 (2021: £585,333). This results in a subsequent loss of £65,897.

The accounting treatments that have the biggest impact are the significant depreciation charges of £73,871 as a result of the Riverfront Development which although fully grant funded needed to be capitalised as a fixed asset.

Overall we have had a successful financial year. We were able to increase our free unrestricted reserves in line with the reserves policy, whilst continuing to support and serve many more people from our local community and beyond.

STATEMENT OF MANAGEMENT COMMITTEE RESPONSIBILITIES

The Co-operative and Community Benefit Societies Act 2014 require the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Farm and of the income and expenditure for that period.

In preparing these financial statements, the Management Committee is required to:

- I. select suitable accounting policies and then apply them consistently;
- II. make judgements and estimates that are reasonable and prudent;
- III. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Farm will continue in business.

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Farm and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014.

It has general responsibility for taking reasonable steps to safeguard the assets of the Farm and to prevent and detect fraud and other irregularities.

MANAGEMENT COMMITTEE REPORT

STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS

The members of the Management Committee who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information (information needed by the Farm's auditors in connection with preparing their report) of which the Farm's auditors are unaware, and
- we have taken all the steps that we ought to have taken as committee members in order to make ourselves aware of any relevant audit information and to establish that the Farm's auditors are aware of that information

This report of the Management Committee has been prepared in accordance with the special provisions relating to small entities and was approved on 26th October 2022 and signed on its behalf by:



Brett Bennett-Smith
Chair



Matthew White
Secretary



Jolin Holme
Treasurer

INDEPENDENT AUDITORS REPORT

OPINION

We have audited the financial statements of Surrey Docks Farm Provident Society Limited (the 'Society') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (including income & expenditure account), the Balance Sheet, the Statement of Cash Flows, Net Debt reconciliation and notes to the financial statements, including a summary of 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 Society's affairs as at 31 March 2022, and of 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 Co-operative and Community Benefit Societies Act 2014.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 committee of management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

INDEPENDENT AUDITORS REPORT

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 Society'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 committee of management with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The committee of management are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the Society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or

INDEPENDENT AUDITORS REPORT

- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the Society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

RESPONSIBILITIES OF THE COMMITTEE OF MANAGEMENT

As explained more fully in the committee of management's responsibilities statement (set out on page 6-7), the committee of management is 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 it determines 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 committee of management is responsible for assessing the Society'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 committee of management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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.

INDEPENDENT AUDITORS REPORT

We gained an understanding of the legal and regulatory framework applicable to the Company and the sector in which it operates and considered the risk of the Company not complying with the applicable laws and regulations including fraud; in particular those that could have a material impact on the financial statements, including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Society this included compliance with the Co-operative and Community Benefit Societies Act 2014.

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

- Review of legal fees incurred;
- Reviewing minutes of management committee board meetings;
- Agreeing the financial statement disclosures to underlying supporting documentation;
- Enquiring of management including those charged with governance;
- Reviewing the key accounting policies and estimates

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 Financial Reporting Council'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.

INDEPENDENT AUDITORS REPORT

USE OF OUR REPORT

This report is made solely to the Society's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA
For and on behalf of Price Bailey LLP
24 Old Bond Street
Mayfair
London
W1S 4AP

Date: 27 October 2022

STATEMENT OF FINANCIAL ACTIVITIES

INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income:							
Donations and legacies	3	20,212	-	20,212	76,790	-	76,790
Charitable activities	4	149,071	192,244	341,316	198,327	307,184	505,511
Other trading income	5	35,327	-	35,327	51,712	-	51,712
Investments		17	-	17	26	-	26
Total		204,627	192,244	396,872	326,855	307,184	634,039
Expenditure:							
Charitable activities	6	202,679	260,090	462,769	247,550	337,783	585,333
Total		202,679	260,090	462,769	247,550	337,783	585,333
Net income/ (expenditure)		1,948	(67,845)	(65,897)	79,305	(30,599)	48,706
Total funds brought forward	17	260,206	698,750	958,956	180,901	729,349	910,205
Total funds carried forward	17	262,154	630,905	893,059	260,206	698,750	958,911

All activities are continuing activities.

The notes on page 15 to 33 form part of these financial statements.

The Management Committee wish to draw the attention of the reader to their analysis of operating results as shown in the Management Committee Report on page 05.

BALANCE SHEET FOR YEAR END 31 MARCH 2022

	Notes	2022	2021
		£	£
Tangible Fixed assets	12	747,089	821,760
Current assets			
Stocks	13	4,314	4,060
Debtors	14	78,136	39,890
Cash in hand and in bank		128,465	185,775
		210,915	229,725
Creditors: amounts falling due within one year	15	(64,945)	(92,529)
Net current assets		145,970	131,196
Net assets		893,059	958,956
Share Capital and the Funds of the Farm			
Share capital	17	45	45
Unrestricted fund	17	262,109	260,161
Restricted fund	17	630,905	698,750
Total funds	17, 18	893,059	958,956

The notes on page 15 to 33 form part of these financial statements.

These financial statements were approved and authorised for issue by the Management Committee on 26/10/2021 and signed on their behalf by:



Brett Bennett-Smith
Chair



Matthew White
Secretary



Jolin Holme
Treasurer

CASHFLOW STATEMENT

	Notes	2022 £	2021 £
Cash Flow Statement			
Cash flows from operating activities	19	(58,127)	137,353
Net cash used in operating activities		(58,127)	137,353
Cash flow from investing activities			
Purchase of tangible assets		800	(28,625)
Investment income		17	26
Net cash used in investing activities		817	(28,599)
Change in cash and cash equivalents in the reporting period		(57,310)	108,754
Cash and cash equivalents at the beginning of the reporting period		185,775	77,021
Cash and cash equivalents at the end of the reporting period		128,465	185,775
Analysis of changes in net debt			
Cash and cash equivalents as at 1 April 2021		185,775	77,021
Cash flows		(57,310)	108,754
Cash and cash equivalents as at 31 March 2022		128,465	185,775

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

Surrey Docks Farm Provident Society Limited is registered under the Co-Operative and Community Benefit Societies Act and regulated by the FCA. The Farm is limited by shares and incorporated under the number 22829R in England, within the United Kingdom. The address of the registered office, and place of business, is Surrey Docks Farm, South Wharf, Rotherhithe Street, London, SE16 5ET. The charity is a Public Benefit Entity.

The financial statements have been prepared under the historical cost convention, unless otherwise specified within these accounting policies, and have been voluntarily prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (updated 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are presented in Sterling (£), and are rounded to the nearest £.

Statement on going concern:

As at the balance sheet date the Management Committee consider that there are no material uncertainties about the Farm's ability to continue as a going concern. A forecast has been prepared for a period of more than 12 months from the date of approval of these financial statements. The Management Committee is pleased to report a strong start to the new financial year and is confident that sufficient funds are expected to be generated so as to meet the liabilities of the Farm as they fall due.

NOTES TO THE FINANCIAL STATEMENTS

As part of their review the Management Committee have additionally considered the implications of the current Coronavirus Pandemic on the going concern assumption.

The economic impact on the Farm due to the Coronavirus Pandemic is subject to unprecedented uncertainty with the full range of possible effects unknown. Sensitivity analyses have been applied through to 31 March 2023 to assess a range of potential impacts from the Coronavirus Pandemic. The Management Committee note with thanks the significant confirmed grant funding from key partners through to the end of 31 March 2022 and beyond. Even with limited farm activity on the site for a prolonged period of time, the forecasts show a positive cash position, and flexibility on costs where necessary. The Management Committee are therefore confident of the going concern position for at least 12 months from the date of this financial report.

1.2 INCOME

Income from government and other grants, whether 'capital' grants or 'revenue' grants are recognised when the Farm has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the Farm is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income generated from the Farm consists of farming, animal and farm produce, horticulture, education and training activities.

NOTES TO THE FINANCIAL STATEMENTS

1.3 EXPENDITURE

All expenditure is accounted for on an accruals basis and is inclusive of VAT. Expenditure has been classified under activities which allocate costs related to the activity including the cost of managing and administering the activity.

Governance costs are those incurred with the governance arrangements of the Farm which relate to the statutory running of the Farm as opposed to those costs associated with generating funds or charitable activities.

Costs that can not be allocated directly are apportioned as support costs on a fair, reasonable, accurate and consistent estimate basis, weighted according to the use of the Farm's general resources.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets more than £1,000 other than freehold land and livestock assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

- Leasehold property & leasehold improvements: Straight line basis over 15 years
- Plant and machinery: Straight line over 3 years
- Fixtures, fittings & equipment: Straight line over 4 years
- Motor vehicles: Straight line over 3 years

Assets subject to depreciation are reviewed for impairment whenever events or other changes in circumstances indicate that their carrying value is greater than the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

1.5 STOCK

Finished goods stock is valued at the lower of cost or net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

Agricultural stock is valued at cost less accumulated depreciation.

1.6 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 discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

1.7 CASH AT HAND AND IN BANK

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.8 CREDITORS

Creditors are recognised where the Farm has a present obligation 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

1.9 FINANCIAL INSTRUMENTS

The Farm only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently at their settlement value. Fixed assets are recorded at depreciated historical cost and all other assets and liabilities are recorded at cost which is their fair value.

NOTES TO THE FINANCIAL STATEMENTS

1.10 FUND ACCOUNTING

Unrestricted funds are available to spend on activities that further any of the purposes of the Farm. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Farm's accounting policies, the members of the Management Committee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

No significant judgements, accounting policies or assumptions have been made by Management in applying the Farm's accounting policies.

3. Income from donations and legacies

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Donations	20,212	-	20,212	76,790
	20,212	-	20,212	76,790

In 2021, all income from donations and legacies was unrestricted.

NOTES TO THE FINANCIAL STATEMENTS

4. Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Southwark Council Grants:						
- Common Purpose Grant	-	40,000	40,000	-	40,000	40,000
- Neighbourhood Fund	-	3,790	3,790	-	7,600	7,600
- Cleaner Greener Safer	-	-	-	-	19,839	19,839
City Bridge Trust	-	44,468	44,468	9,275	30,939	40,214
Lottery Reaching Communities	-	32,038	32,038	-	31,387	31,387
Jack Petchey Foundation	2,496	17,898	20,394	-	1,500	1,500
Small Business RH&L Grant	12,000	-	12,000	40,572	-	40,572
British Land	-	10,500	10,500	-	11,500	11,500
Department of Health & Social Care	-	6,000	6,000	-	-	-
RHS Flourish Fund	-	5,315	5,315	-	-	-
The Farmers Company	-	5,000	5,000	-	5,000	5,000
Amicable Society Rotherhithe	-	5,000	5,000	-	2,000	2,000
London Youth	700	4,955	5655	940	660	1,600
Team London Bridge	-	4,936	4,936	-	-	-
Co-op Local Community Fund	-	3,112	3,112	-	-	-
Lloyd's Market Charity Award	-	2,964	2,964	30,000	-	30,000
Wakefield & Tetley Trust	-	2,143	2,143	-	-	-
United St Saviour's Charity	-	2,080	2,080	-	-	-
Albion Street Community Charity Ltd	-	1,000	1,000	-	-	-
Veolia Southwark Recycling Fund	-	900	900	-	-	-
Tesco Bags of Help	-	146	146	-	1,020	1,020
Lottery Coronavirus Support Fund	-	-	-	-	72,483	72,483
Veolia Environmental Trust	-	-	-	-	25,106	25,106
Greater London Authority	-	-	-	-	20,000	20,000
South East Farmers Fund	-	-	-	-	12,500	12,500
Baily Thomas Charitable Fund	-	-	-	-	10,000	10,000
London Community Response Fund	-	-	-	-	10,000	10,000
Rotherhithe Consolidated Charities	-	-	-	10,000	-	10,000
The Finnis Scott Foundation	-	-	-	-	2,500	2,500
A2Dominion Grant	-	-	-	-	2,500	2,500
Capital Growth	-	-	-	-	650	650
Farming, Education & Training Fees	133,875	-	133,875	107,540	-	107,540
	149,071	192,244	341,315	198,327	307,184	505,511

NOTES TO THE FINANCIAL STATEMENTS

Total income of £43,790 (2021: £67,439) was received from Southwark Council. £40,000 (2021: £48,703) were for other charitable activities to cover certain salary costs. The remaining 2022 and 2021 total contributed to capital and project expenses. There were no unfulfilled conditions or other contingencies attaching to these grants.

5. Other income

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Income from forge	7,500	-	7,500	7,500
Income from café	16,800	-	16,800	8,488
Room hire and classes	-	-	-	-
HMRC Furlough grant	11,027	-	11,027	35,724
	35,327	-	35,327	51,712

The amount relating to restricted funds in 2021 was £nil.

NOTES TO THE FINANCIAL STATEMENTS

6. Expenditure

	Activities undertaken directly	Restricted activities undertaken directly	Support costs*	2022 Total
Activity programme				
1. Core farming activities	132,340	202,245	98,085	432,670
2. Ancillary farm related (forge, café)	3,316	-	18,390	21,706
3. Non farming activities to raise funds for the Farm	2,422	-	5,971	8,393
	138,078	202,245	122,446	462,769

*Analysis of support costs	1. Core farming	2. Ancillary	3. Non farming	2022
Cleaning	-	-	-	-
Depreciation & disposals	18,060	3,386	1,129	22,575
Restricted depreciation	41,677	7,814	2,605	52,096
Finance	19,169	3,594	1,198	23,961
Governance	7,046	1,321	440	8,807
Legal and insurance	5,003	938	313	6,254
Recruitment, DBS, staff maintenance, apprentice	24	5	2	31
Rent, rates, repairs, maintenance	7,106	1,332	284	8,722
	98,085	18,390	5,971	122,446

NOTES TO THE FINANCIAL STATEMENTS

	Activities undertaken directly	Restricted activities undertaken directly	Support costs*	2021 Total
Activity programme				
1. Core farming activities	168,620	288,541	99,374	556,535
2. Ancillary farm related (forge, café)	2,696	-	18,631	21,327
3. Non farming activities to raise funds for the Farm	1,260	-	6,211	7,471
	172,576	288,541	124,216	585,333

*Analysis of support costs	1. Core farming	2. Ancillary	3. Non farming	2021
Cleaning	4,528	849	283	5,660
Depreciation	17,420	3,266	1,089	21,775
Restricted depreciation	41,677	7,814	2,605	52,096
Finance	18,525	3,473	1,158	23,156
Governance	2,773	520	173	3,466
Legal and insurance	4,765	893	298	5,956
Recruitment, DBS, staff maintenance, apprentice	1,846	346	115	2,307
Rent, rates, repairs, maintenance	7,840	1,470	490	9,800
	99,374	18,631	6,211	124,216

£254,341 (2021: £337,783) of the above costs were attributable to restricted funds and £208,588 (2021: £247,550) were attributable to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS

7. Staff Costs

	2022	2021
	£	£
Wages and salaries	270,603	248,726
Social Security costs	15,188	13,590
Pension costs	6,557	5,983
Total	292,348	268,299

The average number of staff employed during the year was as follows:

	2022	2021
Full time	5	5
1-4 days per week	14	11
Total	19	16

No employee earned more than £60,000 during the year (2021: none)

Remuneration to key management personnel for the year was as follows:

	2022	2021
	£	£
Farm Manager Salary (including on costs)	40,068	34,443
Total key management personnel	40,068	34,443

8. Trustees

None of the trustees have been paid any remuneration or received any other benefits from the Farm during the year and no trustee expenses have been incurred for the years ending 31st March 2022 and 31st March 2021.

9. Volunteers

Volunteers are essential to the daily running of the Farm. Throughout 2021/22 over 122 individuals (2020/21: 93) gave their time for free, assisting with animal care, food growing, supporting community project delivery and serving customers in the farm shop. The volunteer team contributed over 12,000 hours within this financial year.

NOTES TO THE FINANCIAL STATEMENTS

10. Auditors remuneration

	2022	2021
	£	£
Auditors remuneration	7,200	5,000

11. Pension commitments

The Farm operates a defined contribution pension scheme. Pension costs for the period have been charged at £6,557 (2021: £5,983) as outlined above. At the period end, £nil was owed to the scheme (2021: £nil).

12. Fixed assets

	Land and Buildings Leasehold	Plant and Machinery	Fixtures, Fittings & Equipment	Motor Vehicles	Livestock Assets	Total
Cost						
At 1 April 2021	1,021,89	31,120	31,616	52,900	800	1,138,265
Disposals	-	11,100	31,616	-	800	43,516
At 31 March 2022	1,021,89	20,020	-	52,900	-	1,094,749
Depreciation						
At 1 April 2021	212,367	19,622	31,616	52,900	-	316,505
Charge for the year	68,122	5,749	-	-	-	73,871
Disposal of depreciation		11,100	31,616	-	-	42,716
At 31 March 2022	280,489	14,271	-	52,900	-	347,660
Net book value						
At 31 March 2022	741,340	5,749	-	-	-	747,089
At 31 March 2021	809,462	11,498	-	-	800	821,760

NOTES TO THE FINANCIAL STATEMENTS

13. Stock

	2022	2021
	£	£
Agricultural stock	3,963	3,965
Finished goods - shop contents	351	95
	4,314	4,060

14. Debtors

	2022	2021
	£	£
Trade debtors	8,973	15,774
Prepayments and accrued income	69,163	24,116
	78,136	39,890

15 . Creditors

	2022	2021
	£	£
Trade creditors	5,407	36,844
Accruals	18,774	21,508
Deferred income (note 15)	40,763	34,177
	64,945	92,529

NOTES TO THE FINANCIAL STATEMENTS

16. Deferred income

	2022	2021
	£	£
The Mercers' Company	£28,000	-
Wakefield & Tetley Trust	6,063	8,206
The Farmers Company	5,000	5,000
United St Saviour's Charity	1,200	2,400
London Youth	500	-
Amicable Society Rotherhithe	-	5,000
Jack Petchey Foundation	-	4,886
Lloyds Market Charity	-	2,964
Vitol Services Ltd	-	2,000
Co-op Local Community Fund	-	1,957
Other items deferred	-	1,764
	40,763	34,177

Reconciliation of deferred income

	2022	2021
	£	£
Deferred income brought forward	34,177	32,447
Income deferred in year	28,000	20,607
Released in year	(21,414)	(18,877)
	40,763	34,177

All deferred income in 2021 was received prior to the year end but was not considered earned until the 2021/2022 financial year. This was due to the Farm having to close prior to the year end due to lockdown measures. The Farm will be in a position to undertake the activities as designated by the grants once the Farm can reopen again.

NOTES TO THE FINANCIAL STATEMENTS

17. Reserves

Restricted Funds	Brought Forward 01-Apr-21	Income	Expenditure	Transfer from Unrestricted Fund	Carried Forward 31-Mar-22
Southwark Council Grants:					
- Community Infrastructure Levy	442,845	-	(34,065)	-	408,780
- Section 106 Funding	139,047	-	(10,698)	-	128,376
- Common Purpose Grant	-	40,000	(40,000)	-	-
- Neighbourhood Fund	-	3,790	(3,790)	-	-
United St Saviour's Charity	30,334	2,080	(4,413)	-	28,001
Veolia Environmental Trust	65,000	-	(5,000)	-	60,000
South East Farmers Fund	8,140	-	(4,167)	-	3,973
The Farmers Company	3,357	5,000	(6,582)	-	1,775
London Community Response Fund	10,000	-	(10,000)	-	-
City Bridge Trust	-	44,468	(44,468)	-	-
Lottery Reaching Communities	-	32,038	(32,038)	-	-
Jack Petchey Foundation	-	17,899	(17,899)	-	-
British Land	-	10,500	(10,500)	-	-
Department of Health & Social Care	-	6,000	(6,000)	-	-
RHS Flourish Fund	-	5,315	(5,315)	-	-
Amicable Society Rotherhithe	-	5,000	(5,000)	-	-
London Youth	-	4,955	(4,955)	-	-
Team London Bridge	-	4,936	(4,936)	-	-
Co-op Local Community Fund	-	3,112	(3,112)	-	-
Lloyd's Market Charity Award	-	2,964	(2,964)	-	-
Wakefield & Tetley Trust	-	2,143	(2,143)	-	-
Albion Street Community Charity Ltd	-	1,000	(1,000)	-	-
Veolia Southwark Recycling Fund	-	900	(900)	-	-
Tesco Bags of Help	-	146	(146)	-	-
Total Restricted Funds	698,750	192,245	(260,090)	-	630,905
Unrestricted Funds					
General Fund	260,161	204,627	(202,679)	-	262,109
Share Capital	45	-	-	-	45
Total Unrestricted Funds	260,206	204,627	(202,679)	-	262,154
Total Funds	958,956	396,872	(462,769)	-	893,059

NOTES TO THE FINANCIAL STATEMENTS

Restricted Funds	Brought Forward 01-Apr-20	Income	Expenditure	Transfer from Unrestricted Fund	Carried Forward 31-Mar-21
Southwark Council Grants:					
- Community Infrastructure Levy	476,910	-	(34,065)	-	442,845
- Section 106 Funding	149,772	-	(10,698)	-	139,074
- Common Purpose Grant	-	40,000	(40,000)	-	-
- Cleaner Greener Safer 2019-20	-	2,039	(2,039)	-	-
- Cleaner Greener Safer 2020-21	-	17,800	(17,800)	-	-
- Neighbourhood Fund	-	7,600	(7,600)	-	-
Lottery Coronavirus Support Fund	-	72,483	(72,483)	-	-
United St Saviour's Charity	32,667	-	(2,333)	-	30,334
Lottery Reaching Communities	-	31,387	(31,387)	-	-
City Bridge Trust	-	30,939	(30,939)	-	-
Veolia Environmental Trust	70,000	25,106	(30,106)	-	65,000
Greater London Authority	-	20,000	(20,000)	-	-
South East Farmers Fund	-	12,500	(4,360)	-	8,140
British Land	-	11,500	(11,500)	-	-
Baily Thomas Charitable Fund	-	10,000	(10,000)	-	-
London Community Response Fund	-	10,000	-	-	10,000
The Farmers Company	-	5,000	(1,643)	-	3,357
The Finnis Scott Foundation	-	2,500	(2,500)	-	-
A2 Dominion Grant	-	2,500	(2,500)	-	-
Amicable Society Rotherhithe	-	2,000	(2,000)	-	-
Jack Petchey Foundation	-	1,500	(1,500)	-	-
Tesco Bags of Help	-	1,020	(1,020)	-	-
London Youth	-	660	(660)	-	-
Capital Growth Grant	-	650	(650)	-	-
Total Restricted Funds	729,349	307,184	(337,783)	-	698,750
Unrestricted Funds					
General Fund	180,856	326,855	(247,550)	-	260,161
Share Capital	45	-	-	-	45
Total Unrestricted Funds	180,901	326,855	(247,550)	-	260,206
Total Funds	910,250	634,039	(585,333)	-	958,956

NOTES TO THE FINANCIAL STATEMENTS

Restricted funds represent funds donated for a specific project and are allocated as shown above.

Southwark Council

- Community Infrastructure Levy	Capital grant for the Riverfront Development
- Section 106 Funding	Capital grant for the Riverfront Development
- Common Purpose Grant	Revenue grant contributing to the Manager and Livestock Manager salaries

Veolia Environmental Trust Capital grant for the Riverfront Development in 2019-20 and for the upgrade to the Farm's toilet and handwashing facilities in 2020-21

United St Saviour's Charity Capital grant for the Riverfront Development

City Bridge Trust Revenue grant to deliver the Farm's community growing project 'Putting Down Roots in Rotherhithe'.

British Land Match-funding to support the delivery of the Farm's weekly Young Farmers Club for local children aged 8-13 years.

Lottery Reaching Communities Revenue grant from the National Lottery for five years starting October 2019 to fund the Farm's full time Youth Manager.

South East Farmers Fund & The Farmers Company Capital grants to contribute to the purchase of a new electric machine to manage the muck heaps in 2020-21. Cont. to the Livestock Apprentice Salary in 2021-22

London Community Response Fund One-off grant to help in the pandemic
Lottery Coronavirus Community Support Fund “

RHS Flourish Fund Match-funding grant for the Horticulture Apprentice

Amicable Society Rotherhithe Grants to deliver the Youth Programme including Apprenticeships

Jack Petchey Foundation “

Tesco Bags of Help “

London Youth “

Lloyd's Market Charity Award Delivery of English-language classes for Asylum Seekers & Refugees

Wakefield & Tetley Trust “

NOTES TO THE FINANCIAL STATEMENTS

18. Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	116,184	630,905	747,089
Current assets stocks and debtors	82,450	-	82,450
Current assets cash in hand and at bank	128,465	-	128,465
Current liabilities	(64,945)	-	(64,945)
Net assets at 31 March 2022	262,154	630,905	893,059

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	144,507	677,253	821,760
Current assets stocks and debtors	22,453	21,497	43,950
Current assets cash in hand and at bank	185,775	-	185,775
Current liabilities	(92,529)	-	(92,529)
Net assets at 31 March 2021	260,206	698,750	958,956

19. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net movement in funds	(65,897)	48,706
Depreciation charge	73,871	73,871
(Increase)/decrease in debtors	(38,247)	(20,517)
Increase in short term creditors	(27,584)	32,998
Decrease/(increase) in stock	(253)	2,321
Investment income	(17)	(26)
	(58,127)	137,353

NOTES TO THE FINANCIAL STATEMENTS

20. Non-equity share capital:

Allotted, issued and fully paid:

1 April 2021 - 31 March 2022

45

Each member holds one share of £1 each in the Farm. The shares provide members with the right to vote at the general meeting. Shares do not provide any right to dividends or distributions on a winding up. The shares can neither be transferred nor withdrawn and on cessation of membership the share value is forfeited and shares are cancelled.

21. Related party transactions

One member of the Management Committee (2021: one member) provided donations of approximately £500 to the organisation during the year ending 31 March 2022 (2021: £500).

There were no further related party transactions in the year to 31 March 2022 (2021: none)

22. Commitments under operating leases

	Land and buildings	
	2022	2021
	£	£
Within one year	10,000	10,000
Within two to 5 years	15,000	25,000

FURTHER INFORMATION

For information on the Farm's activities during the year, please see the accompanying document: 'Surrey Docks Farm Provident Society Ltd Annual Report for the Year Ending 31 March 2022'.

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