

ESTABLISHED
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BOROUGH MARKET

REPORT & FINANCIAL STATEMENTS

For the year ended 31 March 2022



Our traders

KUBBA

Self-taught British-Iraqi chef Philip Juma brings traditional Iraqi cuisine to Borough, including his signature handmade 'kubba': fried and braised stuffed dumplings in a variety of textures, shapes and flavours.

KUBBA was a finalist in the 2021 BBC Food and Farming Awards.

REPORT & FINANCIAL STATEMENTS 2021/22

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IMAGERY

RED Agency, Adrian Pope, Orlando Gili, Joseph Fox, Tom Bradley



Our traders

NIBS ETC.

Founded by Chloë Stewart to help combat food waste, nibs etc. sells deliciously upcycled snacks, handmade with food industry by-product ingredients that would otherwise be thrown away, such as fruit and vegetable juice pulp collected from local juice bars.

REFERENCE & ADMINISTRATIVE INFORMATION

CHARITY NUMBER

1076940

REGISTERED OFFICE AND OPERATIONAL ADDRESS

8 Southwark Street, London SE1 1TL

COUNTRY OF REGISTRATION

England & Wales

TRUSTEES

Trustees who served during the year and up to the date of this report were as follows:

- Mr A Bunnis (Chair)
- Mrs A Ball (Vice Chair)
- Miss C Pritchard
- Mr Shawn Anderson
- Ms Daisy Dunlop
- Ms Erica Sibree
- Mr Shane Holland
- Ms Eva George
- Mr Tim Cochrane (appointed 05/10/2021)
- Mr Danny Homan (appointed 05/10/2021)
- Ms Michelle Lam (appointed 01/06/2022)

BANKERS

National Westminster Bank, 10 Southwark Street, London SE1 1TT

SOLICITORS

Russell-Cooke, 2 Putney Hill, London SW15 6AB

AUDITOR

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London EC1Y 0TL

REVIEWS

CHAIR'S REVIEW

ADRIAN BUNNIS, CHAIR OF TRUSTEES

This summer has heralded a return to pre-pandemic levels of activity at Borough Market, a far cry from the misery of the third lockdown in March 2021. In the intervening period, most of us have participated in a mass programme of vaccinations and have experienced the extremes of both record-breaking temperatures and the high winds from storm Eunice, which forced the first ever weather induced closure of the Market earlier this year.

Throughout this period, the Market has kept trading and our working week has been extended to include Sundays. We've continued with the super successful al fresco dining option, which was started during the pandemic, bringing the Market to life on some evenings before it switches to night-time wholesale activity and then back to the day-time retail market again. More people than ever before have been able to enjoy what the Market has to offer.

I am proud that we have continued to serve our community during these challenging times, by providing access to high quality produce, while supporting our traders using our reserve funds to support deferred payments of rent as well as other targeted initiatives. As we recover from the crisis, we continue to rebuild our reserve funds. However, the twin challenges of Covid and Brexit continue to affect our traders, who struggle to find enough staff to meet increasing demand for services, the high cost of living and rapidly rising inflation.

After Borough Market's previous Managing Director Darren Henaghan took the decision to step down from his role, we appointed Jane Swift as Interim CEO in September 2021. She has been working closely with the Board and the team to implement the recommendations from an independent review that was carried out in the summer of 2021. The benefits are starting to be realised with the completion of phase one at the end of March 2022 and continued focus on the implementation of the remaining recommendations in phase two through to the end of September 2022. Our desire to bring more diversity into all we do has started at Board level with our participation in a pilot programme with Southwark Council and Olmec, leading to the appointment of Michelle Lam to the Board in June 2022. As part of our future planning, Shane Holland is now appointed as Vice Chair Elect, working with Ann Ball, our current Vice Chair, in advance of her handover in January 2023.

A Food Policy has been recently approved by the Board of Trustees. Work on the policy was begun back in 2019 with an initial phase of background research, trader surveys and interviews. The adoption of this document, which was drawn up by a working group led by two trustees, Claire Pritchard and Shane Holland, both of whom are highly experienced in the field of food policy, marks an important milestone for the trust. Food is central to everything we do here,



"THROUGHOUT THIS PERIOD, THE MARKET HAS KEPT TRADING AND OUR WEEK HAS BEEN EXTENDED TO INCLUDE SUNDAYS. MORE PEOPLE THAN EVER HAVE BEEN ABLE TO ENJOY WHAT THE MARKET HAS TO OFFER"

but never have we been able to declare clearly and unambiguously what Borough Market food is expected to be. That is what this policy seeks to achieve. The work does not end with the publication of this document. This is not a set of rules and regulations, ready to be applied instantly. Instead, it lays out in simple terms the fundamental principles that will inform the Market's long-term strategy and the breadth of activities to which those principles should apply. Our expectation is that it will take up to five years to refine and fully implement the policy and our traders will be an integral part of this process. In the meantime, we hope that this document clarifies for everyone, both in the Market and far beyond, our intended direction of travel.

We have also started work on our overall strategy through to 2030, which is built around the key pillars of Food, Place and Voice, heavily interwoven by Sustainability and Equity, Diversity and Inclusion. We started this initiative with a trustee strategy day back in March, several workshops with our staff team and a trader conference dedicated to strategy, all informed by thought-provoking external speakers. We now have a draft document which we are using to consult with key stakeholders and look forward to publishing our plans early in October.

During this year, we have established strong, solid foundations upon which we will continue build. In the future I look forward to sharing with you our 2030 Strategy.

My thanks to everyone who has helped the Market to survive through these tough times, for the hard work, dedication and resilience of our staff and traders, together with the continued support of all those who continue to shop at the Market.

CHIEF EXECUTIVE'S REPORT

JANE SWIFT, INTERIM CEO

While I've been at the Market for over 10 months now, it still feels such a short time in the Market's 1,000 year history and, at the same time, it feels like I've been here a lot longer as I've gradually become part of the Borough Market family. It has been a real pleasure to work with our 140 different traders and tenants, who range from one person on an umbrella stall, to small and large stands, through to our investment properties which comprise restaurants, pubs, bars, office and residential spaces, as we work out how we make the Market the best it can be. With the richness of diversity this brings and all of the other challenges that have presented themselves, there is never a dull moment and I am thoroughly enjoying every minute of it!

I am very proud to share some of our trader portraits throughout this report: small artisan producers and merchants who carefully grow or raise their stock in a sustainable and responsible way. Some of their products are still only available at Borough Market. You can also go around the world with our hot food traders, many of whom are being recognised for the quality of their street food with appearances as judges on MasterChef and other accolades. Increasing numbers of our trader stories are available on our website and more in-depth interviews can be found in our Borough Talks podcast series. We are super excited to be bringing out our second cook book, Borough Market: The Knowledge, later on in October offering many more insights into our traders and the produce they are renowned for. We are hugely grateful for the continued support we receive from many of you through our Cookbook Club and Friends of Borough Market.

At some points during the Covid crisis, we were among the few places open in London, and that meant we had to more heavily manage the amount of people who could safely enter the Market. Demand for our online service also took off. With so much effort needed in running the Market itself, some of our routine work, understandably, took a bit of a back seat. During the year of this report, we began to get ourselves back on track with some of the core activities, starting with some high level and deep cleaning routines, not an insignificant task with the size of the Market and the heritage we have in our glass buildings and decorative iron work. Market Hall has been freed up from our online national delivery service and the beautiful space, with plant adorned columns and planters, has blossomed again as a lovely place to sit and listen to the odd busker or two while having lunch or reflecting on some delicious purchases.

We are also making great progress with the implementation of the Governance Review recommendations, with two thirds of the recommendations completed in phase one. The remainder of the recommendations are on track to complete by the end of September,



"WE ARE ALREADY MAKING A BIG DIFFERENCE WITH THE PRINCIPLES WE HAVE ESTABLISHED AT BOROUGH MARKET. EVEN THOUGH WE CAN'T CHANGE THE WORLD, WE REALLY WANT TO DO OUR BIT FOR A BETTER TOMORROW."

the biggest parts of which are the development of our 2030 Strategy and the establishment of an organisational purpose to build on our charitable objectives for “the provision of a market as a public amenity for the benefit of the public ...”.

Many people still don't realise that Borough Market is a charity and we are keen to build on the community work that has long been a core part of our activities, particularly in the community around the Market. This includes our links into Southwark Young Entrepreneurs and our partnership with School Food Matters. Both programmes enable young people from our local schools to grow food and make soup and other products for selling in the market. This brings what they are learning in theory alive as they learn how to run their own businesses for a day and get a taste of all that entails. It's been great to see young people experiencing the Market, hearing the trader's stories and their top tips directly from them and then using all their experience to sell their produce to our customers. We also partner with Plan Zheroes for twice-weekly food collections and the equivalent of nearly 20,000 meals have been provided through the 20 charities they work with.

Our 2030 Strategy will form the backdrop to all future decisions about where we focus our resources. As you will see from this Annual Report, we have already started to think about our emerging key pillars as we reflect on what we've accomplished last year and set our plans for this year. We are already making a big difference with the principles we have established at Borough Market and, even though we can't change the world, we really want to do our bit for a better tomorrow. I do hope you will join us on this journey!



Our traders

THE GATED GARDEN

Sharon Crane left her previous life in the corporate world to turn her love for plants and flowers into a business, teaching herself new skills and learning from other florists along the way. Her stall, The Gated Garden, has been at the Market since 2013, brightening Three Crown Square with its colourful blooms.



TRUSTEES' ANNUAL REPORT

INTRODUCTION

The trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

PURPOSES & AIMS

Borough Market is an unincorporated trust (charity registration no. 1076940) governed by several Acts of Parliament, passed between 1754 and 1930, a Charity Commission order dated 2005 and a Charity Commission scheme dated 2007, amended in 2012, 2021 and January 2022. Its charitable objects are:

"The provision of a market as a public amenity for the benefit of the public and the relief of the rates for the benefit of the inhabitants of the Parish of St Saviours, Southwark."

Borough Market carries out its charitable objects by seeking to provide an accessible, welcoming and inclusive destination for all our visitors, whether they are local residents purchasing their weekly shop, local workers visiting to buy their lunch, groups of schoolchildren coming to learn about fresh produce, or members of the restaurant trade coming to discover and be inspired by new products. We communicate with our target audience through many channels, whether face to face, in print or online, ensuring that our message reaches a diverse audience in an increasingly online and socially active society.

Everything we do at Borough Market is guided by our core values:

1. Borough Market is more than a place to buy or sell food. It is unique. We are a charitable trust that exists to provide a market for the public benefit. As a source of quality British and international produce, we uphold a reputation as Britain's most renowned food market. The Market is a place where people come to connect, to share food and to awaken their senses.
2. We celebrate the diversity of food; food that is honestly priced and carefully sourced with pride. People come to discover taste, aroma, texture, colour and seasonality. Our traders are innovators. Primary producers – people who grow, rear or create the food they sell – or importers, possessing intimate knowledge of the produce they source. All are dedicated to maintaining the highest standards.
3. Through these traders, the Market has a wealth of artisan skills and specialist expertise. We share knowledge and work together to forge partnerships that inspire people about food, creativity and sustainability.
4. We work with small businesses and social enterprises, providing them with guidance and support. We seek higher values in food production. The Market is a place to find inspiration, to meet people and to learn something new.
5. Throughout its rich history, the Market has adapted to meet the needs of London and will continue to do so, but always staying true to its unique identity.

The trustees and executive team review the aims, objectives and activities of the charity each year. This



Our traders

SHELLSEEKERS FISH & GAME

Darren Brown started experimenting with scallop diving to earn extra cash while he was in the Royal Navy. As well as the scallops he and his team collect by hand off the Devon coast, his stall also sells other sustainably caught fish, shellfish, crustaceans and an impressive selection of game, much of it shot by Darren.



Our traders

RAYA

One of 2021's most welcome arrivals at the Market was Raya, a Southeast Asian produce stall headed up by Bangkok native Worawan Kamann.

Offering the highest quality ingredients and store cupboard essentials, Raya is committed to eco-friendly, community-focused sourcing.

report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people it is set up to serve. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Our hope is that the pandemic has now passed and our focus is very much on recovery and the future. A strategy is currently being developed to guide our journey to 2030 and beyond. Despite the lessening impact of Covid-19, significant challenges remain with the ongoing impact of Brexit, high inflation and the ongoing crisis in the Ukraine.

PUBLIC BENEFIT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities.

The trustees value Borough Market's position as an important resource for the local community and will continue to nurture relationships with local stakeholders, social enterprises, schools, our neighbours and other charities.

During the year the Trust started a project to set out its strategy for the next eight years to 2030. This is planned to complete in Q3 2022/23 and will include a review of our charitable purpose. Our key stakeholders are being consulted and involved as part of this process including our traders, the local community, our customers and staff.

Since the year end, in August 2022, we have also published our new Food Policy which is an integral part of the Food pillar of our strategy. We will continue to engage with the public on subjects such as sustainability, provenance, seasonality, food quality, personal connection and the pleasures of cooking and eating.

Our partnerships with other local charities continue. Our work with School Food Matters, which connects the Market with local schoolchildren has returned to a pre pandemic normal. Regular collections from Plan Zheroes, which gathers surplus food from the Market and distributes it to vulnerable members of the community, continued throughout the year.

ACHIEVEMENTS & PERFORMANCE

Borough Market's main activities and the beneficiaries whom it strives to support are described below. All its charitable activities focus on running the Market and are undertaken to further its charitable purposes, for the public benefit. Objectives are based around our three key pillars of activity: Food, Place and Voice together with an overarching focus on Sustainability and Equity, Diversity and Inclusion.

1. FOOD

This was another very uncertain year for the Trust, our tenants and traders as the restrictions caused by the pandemic continued. Even around the critical Christmas period there was fear of further lockdown restrictions as the Omicron variant emerged. Fortunately, there were no further lockdowns or restrictions and we were able to move into 2022 with a focus on recovering from the previous two years and hopefully leaving the pandemic behind us all.

The Trust's main objective during the year was to keep the Market open, enabling our traders to operate and earn much-needed revenue, and maintain the supply of high quality produce to our customers. A package of financial and practical support had been set up in the previous year including rent and service charge freezes, direct support grants and rent payment deferrals, and support was continued into 2021/22.

In the previous year, footfall had dropped significantly, with few foreign tourists and significantly fewer UK-based visitors. However, over the course of 2021/22 numbers began to recover and by the end of the year were reaching levels similar to those seen pre-pandemic. At times this created some logistical challenges with the need to maintain social distancing and to keep everyone as safe as possible. Looking back, it was a fantastic achievement to be able to keep the Market open throughout the whole of the pandemic and it is a great reflection on the hard work of the staff, tenants and traders who worked tirelessly over that period.

The al fresco dining offering, which was introduced to provide a welcome boost to incomes badly impacted by lockdowns and the need to socially distance, was extended for a second year. Under this initiative, restaurants and hot food traders are allowed use the Market site to offer sheltered outdoor space for additional seating on some evenings.

In June, in an attempt to further support our traders' businesses, the decision was made to trial Sunday opening for the first time in the Market's history. The initial six-month period was deemed a success and the trial was extended to hot food following a review and consultation process. The opening hours are currently shorter than other days and the impact is being assessed ahead of a full review of opening days and times, planned for 2022/23.

After reducing spend significantly at the start of the pandemic and with the addition of al fresco dining and Sunday opening, we had to bolster the operations team to cope with the additional operating hours and increasing footfall. A change in structure was planned and implemented which included some additional resource. In addition to the extra hours of trading, Sunday opening meant that many tasks previously carried out on that day (the one day the Market was closed) had to be rescheduled at other times while also avoiding al fresco dining. As the risk of Covid reduced, further spend was approved by the trustees to restart some of the tasks that had been suspended as part of the spend reductions. Deep cleans were organised and some of our tired equipment in the Market was replaced with electric equipment, continuing to reduce our environmental impact.

In November 2021 we recommenced our work on the Borough Market Food Policy, building on work that had started prior to the pandemic, including research, surveys, focus groups, a conference and interviews with traders and stakeholders. This second phase saw trustees and the management team convene to review and draft the new policy which will go on to govern the way not only traders and tenants' source and share food but also the Trust itself.

The impact of Brexit continues to present fundamental challenges to some businesses and general price rises mean margins for small operators are increasingly under threat. Some are having to consider different methods of sourcing, as small European producers find compliance with new regulations increasingly difficult. The Trust will do its best to provide support with these ongoing issues and is putting in place plans for a Trader Development Programme to support traders with all aspects of their business – for example, communications and marketing, import/export assistance, HR, logistics – provided by the Trust, expert partners and peer-to-peer support.

2. PLACE

Our success in making the Market a safe and well regulated place to work and visit contrasted at times with the logistical and reputational challenges that came from managing the crowds of people who, particularly at the weekends, gathered to socialise around the perimeter of the Market, in spaces

not under our control. These gatherings placed considerable demands on our operations team, who did everything in their power to reduce congestion and ward off the threat of sanctions from police and local authorities. Footfall generally increased over the year and was significantly higher than the previous year.

The Market layout adaptations implemented last year to improve the flow of shoppers through the Market and allow for socially distanced queuing at all the stalls were retained. Communal seating was removed at times when meeting in groups was restricted. With events cancelled and on-site consumption of food sometimes proscribed, the public space of the Market Hall was retained as a distribution hub for the Borough Market Online delivery service.

The introduction of al fresco dining also had a significant impact on the Market's spaces, with many of the trading halls and peripheral streets now having a dual function: produce market by day, outdoor dining venue in the evening. This became a lifeline for many of our businesses.

There were no major development works carried out during the year. One of the major pieces of work, which will sit alongside our new strategy, is the Whole Site Planning project, which will look at all the ways the site could be improved in the coming years.

3. VOICE

With the pandemic still influencing shoppers' behaviour throughout most of the year, a major priority was to communicate that the Market was still open, explain the measures in place to keep people safe, and encourage visitors to behave responsibly while here. This messaging was delivered through posters, on the website and across social media, as well as through external PR.

After restrictions on public gatherings were removed in July 2021 and a degree of certainty returned as the viability of planning in-person activities, many of the strands of communication began to return to some kind of normality, while still taking into account both operational and economic constraints and the risk of further lockdowns. Digital communication remained essential – the Market's social media following continued to grow, as did its e-newsletter following, and the website, which relaunched at the end of last year, offered a far more straightforward, coherent and trader-focused experience – but analogue forms also made a comeback.

Our longstanding Young Marketeers programme, which had moved online last year, made a welcome return to the Market in the autumn. Delivered in partnership with School Food Matters, this project has seen hundreds of school groups attend 'trader training', then either grow their own fruit and veg and sell it at the Market or make soup from surplus produce, with money raised from the sales going towards meals for families in need via The Felix Project.

Our Borough Talks podcasts continued to be recorded throughout the pandemic as panel discussions on Zoom. From October 2021, these evolved into in-person, studio-based interviews, each featuring a single guest, including Market traders and well-known food experts such as Claudia Roden and Dan Saladino.

Cookbook Club had also continued its meetings online last year. Some in-person events were able to take place in 2021/22, much to the delight of the club's members who hold such store in the sense of connection it provides, but these were limited by the absence of a suitable space after a reconfiguration of the Market estate. The club's following remains large and loyal, and communication now includes a monthly newsletter and an exclusive recipe section on the website.

Printed publications also made a return. Our themed digital guides, produced on a shoestring from existing content remained popular, with printed versions available free of charge in The Borough Market Store.

For the benefit of the community...

YOUNG MARKETEERS

Our Young Marketeers programme, run in partnership with School Food Matters, involves school groups growing their own produce and selling it at the Market, after receiving training from our traders. The project made a welcome return to Borough in 2021 after moving online during the pandemic.

IN 2021/22:

972

students took part in the programme

£1,614

was raised by the students for The Felix Project

9,684

meals were provided for families in need

"I have learnt that it's important to have courage and speak to people. If you smile lots of people buy your produce."

Young Marketeers student

"I love this project and look forward to taking part every year. It's nice to see the children's confidence grow and develop."

Young Marketeers teacher





June 2021 saw the launch of a multi-platform We Love Sundays campaign to raise awareness of Sunday opening, including a printed newspaper, a digital collection of new recipes, social media posts and PR activity.

At Christmas, with the Omicron variant beginning to cause some alarm, our activities were conservative in their scope. A series of new recipes and produce guides were delivered alongside cookery demonstrations making up our three-day Festive Kitchen event, held in the heart of the Market.

After moving most of our engagement with traders online last year, we were also delighted to bring back our in-person trader conferences in October. A new newsletter for traders – the Borough Bulletin – was also launched, providing regular news and statistics.

The Market's third book, Borough Market: The Knowledge, was commissioned by Hodder & Stoughton, and writing commenced in autumn 2021. Written by Angela Clutton, it is due to be published in October 2022.

4. SUSTAINABILITY

Previous years have seen the unveiling of a raft of initiatives designed to make the Market's operations more sustainable. The pandemic resulted in the last two years becoming a period of consolidation rather than progress.

Since 2014, volunteers from the Plan Zeroes organisation have been coming to Borough Market, every week, to collect surplus food from our traders. This food, no longer perfect but still good to eat, is given to more than 20 charities to help feed vulnerable people across London. Despite the challenges of Covid, the Plan Zeroes partnership continued to operate throughout most of the pandemic, sometimes on a more limited scale.

None of the waste disposed of in the Market went to landfill; cardboard, paper, plastic, glass and wood were all recycled and food waste was sent to an anaerobic digestion plant. The Trust continues to procure biodegradable carrier bags on traders' behalf and sell reusable shopping bags in its store to ensure single-use plastics bags are not being used in the market whenever possible. There are also water fountains throughout the site, removing the need for single-use plastic bottles, which were banned from sale in the Market in 2017.

While many individual key initiatives are already in action, work has begun to think about the framework for a Sustainability Policy, which will be created in the coming year to govern all work in this area, setting out environmental, social and economic sustainability principles.

5. EQUITY, DIVERSITY AND INCLUSION

EDI is an integral part of our evolving 2030 Strategy and there is a commitment to look at how this is embedded into everything we do. An initial draft policy and plan has started to lay out what this means for us and while there is still a lot of work to do in this area, there has been some modest progress in a couple of key areas.

The Chair of the Board of Trustees, two trustees, the Interim CEO and one of the Directors took part in a pilot joint initiative between Southwark Council and Olmec aimed at bringing more diversity onto arts boards in the area. Following the first six months of the programme of active learning sessions involving Black on Board candidates and participating organisations, Borough Market has added Michelle Lam that brings her diversity of thought, housing and financial skills to the Board.

Borough Market has also become a Better Bankside Recruitment Pioneer and is now using the Applied

platform for recruiting new people into the organisation. Receiving applications through Applied means that the focus is on the ability of the candidate to demonstrate what they are able to bring to the role on offer. Its aim is to eliminate as much unconscious bias as possible from the recruitment process. We have already successfully recruited two roles through the Applied tool and are in the process of recruiting two more.

We have also included aspects of equity, diversity and inclusion in our Food Policy and are starting to look at how inclusive our site is by working with some local programmes being led by Living Bankside and United St Saviours.

FINANCIAL REVIEW

Once again, most of the year has been dominated by the Covid-19 pandemic and, as expected, there has been a significant impact on our finances. However, as the year progressed and the vaccine rollout started to have a positive impact, we were able to focus more on our recovery. At the beginning of the pandemic in March 2020 we had been forced to drastically reduce our levels of spend, which, along with a Coronavirus Business Interruption Loan Scheme (CBILs) loan for £2m, enabled us to manage through this difficult time, supporting our tenants and traders to the best of our ability. In the recovery phase we gradually started to increase our spend to carry out some key activities that we had previously been forced to suspend and added some key additional resource to our teams.

The result for the year is a net expenditure (before gains and losses on investments) of £411k compared to a net expenditure of £314k in the previous year.

Borough Market receives no public funding and we do not currently carry out any fundraising activities on our own behalf. All core income is derived from our estate via pitch fees and rents levied on our Market stands and investment properties. Total income in the current year has increased by 14% to £6.6m (2021: £5.8m) as a result of higher rents from running the Market. The number of traders and the number of days they traded began to increase as recovery started to take hold and lockdown restrictions were lifted. Income from investment properties and other income were relatively unchanged. Due to the increase in Market income, the proportion of income from our investment properties has fallen back to 46% (2021: 53%). Income from commercial activities remains low compared to pre-pandemic levels as most of this activity has not yet restarted.

The overall cost of running the Market has increased by 14.7% to £7.0m (2021: £6.1m) and is planned to increase further in the coming years as the recovery continues. Staff costs increased by 12.3% to £1.7m (2021: £1.5m) as we recruited some additional resource across our teams. Security costs remained higher than pre-pandemic levels in order to safely manage the number of people in the Market and ensure social distancing was maintained when required. The provision for bad debts increased slightly by £19k (2021: increase of £638k) after increasing significantly in 2021. The Trust maintains a high level of trade debtors as tenants were allowed to defer rents during the pandemic to support their cash flows through such challenging times. The pandemic created financial pressure for the majority of our tenants and traders and it will take several years for many of them to recover. The majority of tenants who deferred rents have agreed formal payment plans to repay the debt over the next three years or so. As a result, our trade debtors – after allowing for a bad debt provision of £804k (2021: £785k) – were unchanged at £2.4m (2021: £2.4m).

Included within total expenditure is the extraordinary cost of £831k to exit the Scottish Voluntary Sector Pension Scheme, a defined benefit pension scheme which was closed to new members in 2010. This scheme was a 'last man standing' scheme which carried significant risk for the Trust and in giving notice to exit, this risk has now been significantly reduced. The final exit from the scheme is unlikely to be concluded until 2024 as there is an ongoing court review of the scheme which may result in

For the benefit of the community...

PLAN ZHEROES

Plan Zheroes volunteers came to Borough Market twice every week to collect surplus food that was no longer perfect but still good to eat. This was then redistributed to charities to help feed vulnerable people across London.

IN 2021/22:

8.31 tonnes

of surplus food was collected from traders

19,785

meals were provided by local charities

23

traders provided food each month, on average

“Sharing food is for me one of the best ways to give love and care, and to be able to do that for people in need is just the best feeling ever.”

Jonathan Herbulot, volunteer

“Having the Plan Zheroes team on hand to find a local charity for my surplus pies has been a huge relief. It's been a tough year for so many people so it's comforting to know they might make someone's day a little better.”

Camilla Simon, Pieminister





additional liabilities becoming due. A provision of £280k has been made to cover this potential extra liability.

Investment property costs decreased by £633k to £340k in the year ended 31 March 2022 from £973k in the previous year, which was higher mainly due to the significant rise in the bad debt provision of £535k compared with a reduction this year of £158k. Other investment property costs increased by £62k overall, mainly due to increased utilities costs. We appointed specialist firms to carry out independent valuations of our investment and operational properties and to refresh the estimated rebuild costs for all of our buildings to support our levels of insurance cover. Despite the pandemic, we have had strong levels of interest in those properties that have become vacant during the year. As at 31 March 2022 the revaluation has resulted in an increase of £6.7m (2020: increase of £22k) on our investment properties and a decrease of £0.3m (2021: decrease of £0.5m) on our operational properties. The increase in investment property values reflects the continuing strong levels of interest in the Trust's properties following two years where the level of uncertainty caused by the pandemic resulted in more cautious assumptions being applied.

The results for Borough Market Business Limited, the trading subsidiary of Borough Market, are consolidated in these results. Most commercial activities were stopped at the onset of the pandemic and that generally remains the case. However, higher footfall and longer opening has increased revenues at The Borough Market Store and there has been some one-off filming income which has resulted in income rising to £182k (2021: £110k). As a result, there was an increased profit of £72k (2021: £14k). The longer-term future of our commercial activities will be reviewed as part of the 2030 Strategy process but for now we are maintaining our current operating model.

The Trust drew down £2m from its Coronavirus Business Interruption Loan Scheme (CBILs) during the year, which has boosted the cash position. The loan is repayable six years from the date of drawdown. The Trust also has an agreed overdraft of £1m.

PRINCIPAL RISKS AND UNCERTAINTIES

The operating environment for Borough Market contains a number of significant risks which we are having to monitor very closely.

The pandemic risk, which has had such a huge impact for the last two years, has reduced slightly but the risk remains high that further variants emerge and cause further disruption. Having managed to navigate the last two years, keeping the Market open throughout, we are confident that we would be able to do the same again. However, the financial impact for us and many of our tenants and traders could be much more serious as many businesses have still not fully recovered. This is especially the case when considering the other risks that we are currently facing.

The risk of terrorism arising from our high-profile, high-footfall location remains one of the most significant risks on our register. There have been two significant incidents in the last five years in the London Bridge area. Trustees remain satisfied that appropriate systems and procedures are in place to manage the risks we face on a day-to-day basis. These processes are undergoing a review to ensure they remain fit for purpose in a constantly changing world and environment.

The impact of Brexit continues to be of major concern. Additional barriers to importing goods from the EU have had significant time and cost implications for many of our traders, and new immigration rules, exacerbated by many EU nationals returning home, have led to a chronic shortage of staff across many areas, but especially the food and beverage sector. We will continue to monitor developments, facilitate the sharing of information and advice, and use our influence to put forward the Market's perspective. We remain committed to promoting the diversity of our traders and their produce and will continue



Our traders

BATH SOFT CHEESE

Hugh Padfield is the fourth generation of his family to run Park Farm near Bath, making a small range of exceptional cheeses and ice cream using organic milk from his own herd of cows. The whole process can be viewed by members of the public – part of Hugh's commitment to food education.



Our traders

PIMENTO HILL

Dawn Smith was born in the St Mary parish of Jamaica, a rural area famed for its pimento spice. She has taken her love for Jamaican food and, using traditional methods and fine fresh ingredients, created a select range of sauces, seasonings and jellies, tapping into recipes that have been used for generations.

to champion the importance of the cultural links and traditions related to food. We will seek out new, multicultural offerings and seasonal businesses to appeal to the ever more diverse local and London community.

Then there is the cost of living crisis, with inflation soaring, fuelled by the war in Ukraine among other things. People's spending ability is being severely squeezed. This is reducing the margins of traders who are having to pay higher shipping costs on top of wage inflation pressures, administrative cost of new post-Brexit import rules, plus the inflating cost of the food itself. There is a risk that this high-inflation environment will continue for some time and create unmanageable financial conditions for some. Our property tenants could also be impacted to the extent that their businesses no longer remain viable and are unable to pay their rents. We will maintain discussions with all and provide support where we can.

Our workforce was reduced significantly at the outset of the pandemic to preserve cash. Resource has been gradually released as we have emerged from the pandemic, however the Market is now as busy as ever and is open seven days (plus evenings) per week. This along with a high level of project and 'pandemic recovery' work is adding pressure to the workforce and there is a risk that we will not be able to complete all of our planned tasks. Our strategy and (annual) business plan will provide some clear objectives and we will then plan suitable levels of resource to deliver as many of the projects as we can.

On an operational level, we work closely with our insurers and specialist consultants to ensure that our properties and public areas are safe and accessible. We have appointed external health and safety consultants to inspect our entire site and to work with us to make improvements where necessary.

The management team reviews the Risk Register on a quarterly basis, identifying potential new risks and reviewing progress on the mitigating actions for existing risks, ensuring that they are relevant and appropriate. The register is then reviewed quarterly by the Audit and Risk Committee and is submitted to the Board for discussion and approval at least annually.

RESERVES POLICY AND GOING CONCERN

The trustees are confident that Borough Market has the ability to operate as a going concern for at least the next 12 months.

Cash flow forecasts have been prepared which demonstrate a level of comfort when making this assessment with the inclusion of some contingency and the option of stopping spend on projects if needed. Cash levels are running ahead of budget and the government-backed Coronavirus Business Interruption Loan Scheme (CBILs) loan of £2m has been retained for now. The charity mainly focuses on its cash reserves rather than its unrestricted current net assets and has a target minimum free cash level of £1.6m. Throughout the pandemic, the charity operated well below this level but has recovered by the end of this year, which is sooner than previously expected. The current cash balance of £5.3m includes the £2m of CBILs loan drawn during the year and trader deposit funds of £1.2m, leaving a free cash level of £2.1m.

The reserves policy of the charity is reviewed on an annual basis by the trustees. The level of reserves, which is based on a scenario in which all Market income is lost, reflects the cash flow needed to meet essential liabilities and ensure the survival of the Market.

Taking into account our investment properties and other tangible assets, we have a very strong total funds position of £94.8m, of which none are restricted funds. The endowed property at the heart of the Market comprises £36.3m of these funds and the remaining £58.5m comprises our investment property portfolio which, although unrestricted, the trustees have committed to hold, in order to secure the unique and special nature of this area and our general funds.

PLANS FOR THE FUTURE

The trustees maintain their commitment to providing a world-class food produce market at Borough for the community of London and beyond. Our three main pillars of focus are Food, Place and Voice, heavily interwoven with a commitment to equity, diversity and inclusion and sustainability and supported by our governance and our enabling functions.

Our key plans for 2022/23 are set out in the table below.

FOOD	PLACE	VOICE
<ul style="list-style-type: none"> — Publish the Food Policy and build a steering group to support its implementation — Develop a trader support programme — Review opening hours in consultation with traders — Refine trader application processes to ensure a fair and consistent approach 	<ul style="list-style-type: none"> — Develop a Whole Site Plan to optimise the use of our space — Complete a number of major projects and refurbishments across the property portfolio and market — Refresh the investment property tenant selection process to ensure a fair and consistent approach 	<ul style="list-style-type: none"> — Complete and launch new Borough Market cookbook — Develop clarity around our charitable purpose — Grow the Trust's links with local communities — Review and optimise the Trust's online branding
EQUITY, DIVERSITY AND INCLUSION (EDI) & SUSTAINABILITY		
<ul style="list-style-type: none"> — Plan for and begin to switch to more sustainable and cleaner electric equipment in the Market — Complete Black on Board scheme 	<ul style="list-style-type: none"> — Tender for our waste and cleaning contracts — Embed Applied recruitment process 	<ul style="list-style-type: none"> — Develop a sustainability framework and carry out initial sustainability audits. — Develop EDI policy
ENABLING FUNCTIONS & GOVERNANCE		
<ul style="list-style-type: none"> — Complete exit from Scottish Voluntary Sector Pension Scheme — Implement new finance and property management system 	<ul style="list-style-type: none"> — Appoint internal audit firm and set out audit plan — Agree 2030 Strategy 	<ul style="list-style-type: none"> — Implement new balanced scorecard — Review Emergency Response Plan



Our traders

TEA2YOU

Tea2You's owner Ratan Mondal travels to tea plantations situated 6,000 feet up in the foothills of the Himalayas to sample and carefully select a wide range of Indian teas, maintain traceability and ascertain authenticity. His fine leaf teas include the highly coveted Darjeeling first flush.



Our traders

PIEMINISTER

Founded in the West Country in 2003, Pieminister makes great-tasting pies using responsibly sourced ingredients, including much-loved meat-free and vegan ranges. Camilla Simon, the stall manager at Borough, was recently elected chair of the Trader Reps by her fellow traders.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Borough Market (Southwark) is an unincorporated charity, registered as a charity on 6th August 1999 in England and Wales. The charity is constituted by several Acts of Parliament, passed between 1754 and 1930, a Charity Commission order dated 2005 and a Charity Commission scheme dated 2007, amended in January and September 2012, January 2021 and January 2022.

Borough Market is run by a Board of Trustees who are publicly accountable for the long-term viability of the Market and who dictate the Market's overall direction, strategy and policy, while ensuring that the principles of good governance and compliance are adhered to. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

The day-to-day management of the Market is delegated by the trustees to a senior management team, led by the Interim Chief Executive, Jane Swift. Jane is supported by Kate Howell, Director of Communications & Engagement; Lucy Charles, Interim Director of Operations; and Tony Osborne, Director of Finance; and a senior management team comprising our Head of Asset Management, Head of Operations, Executive Administrator, Head of Communications and Marketing, and In-house Solicitor. The wider team of back-office and front-line staff play a vital role in the running and administration of this vibrant market.

Trustees are appointed to and chair our various formally constituted committees, which also involve the appropriate members of the senior management team and the wider staff team, as agendas dictate. Committees are convened on quarterly basis and are governed by terms of reference. The following committees are currently established: Finance & Investment; Audit & Risk; Remuneration & Appointments.

During the year the trustees initiated a full review of governance which resulted in a comprehensive action plan to ensure that the Trust's governance framework is of the highest standard. The action plan is being completed in two phases, with phase one completed by March 2022 and phase two due to complete by the end of September 2022. A steering group and four working groups, led by trustees have been put in place to formalise the implementation through a delivery programme

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

During the year, two new trustees – Tim Cochrane and Danny Homan – were appointed following the successful recruitment process started in the previous year. Michelle Lam has also joined us since the year end.

Trustees are selected for their expertise in relevant fields, including food policy, public health, sustainability, property management, charity finance and law, communications, urban regeneration and stakeholder relations. On appointment, trustees are given a comprehensive induction, which explains their role and responsibilities and details our code of conduct. They spend time with each member of the senior management team, gaining an understanding of their roles and how each department contributes to the development of the Market.

RELATED PARTIES AND RELATIONSHIPS WITH OTHER ORGANISATIONS

Our trading company, Borough Market Business Ltd (company registration number 08157060) provides us with a vehicle through which we can accommodate the demand for third-party commercial activities within our estate, realising the unique potential of our historic properties as location and event spaces. Trustees have granted a licence to our trading company to use the Borough Market brand for carefully considered commercial associations which support the charity's core values, ensuring that Borough Market maintains its integrity as a charitable trust. The share in the trading company is held by the trustees of Borough Market as an incorporated body and three Borough Market trustees are directors of the company, along with the Director of Finance and Director of Communications and Engagement. All profits from the trading company are paid across to the charity and results for the company are consolidated here with those of the charity.

As a result of the pandemic, the activities of the trading company remained limited during the year. The Borough Market Store, our retail shop, has been gradually reopened as restrictions were lifted. Future activity is being considered as part of our strategic review, which we expect to complete in September 2022.

REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

The Remuneration & Appointments Committee is responsible for agreeing senior management and staff salary and remuneration levels. Salaries are ordinarily benchmarked against other charities and public sector organisations, and annual reviews are proposed to the Committee based on movements in RPI and the level of public sector pay settlements. Increases, where agreed, are awarded to all staff similarly and may be a fixed amount or a percentage of salary.

Borough Market is a London Living Wage employer.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and group 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.

AUDITORS

Sayer Vincent LLP has now completed five years as the appointed auditor for the Trust and a tendering process will be carried out for next year's audit.

SIGNATURE

The trustees' annual report was approved by the trustees on 18 August 2022 and signed on their behalf by:

Adrian Bunnis
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of Borough Market (Southwark) (the 'the parent charity') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the 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 group and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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. 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. In connection with our audit of the financial statements, our responsibility is to read the other

information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 are set out below.

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations
- We inspected the minutes of meetings of those charged with governance
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit
- We reviewed any reports made to regulators
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

20 October 2022

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006



Our traders

HOOK & SON

Steve Hook and his father Phil produce organic, unpasteurised milk and dairy products from their small family farm on the edge of the Pevensey Levels in Sussex. Their use of sustainable farming methods and grass-fed Friesian Holstein cows results in the very highest quality raw milk.



Our traders

JOLI

Family-owned street food business
Joli was founded by chef Salina Khairunnisa in 2009. Meaning 'joy' in Salina's regional Baba Malay dialect, the stall specialises in traditional Malaysian clay pot cooking: beef rendang, slow-cooked organic beef brisket curry, and noodle dishes such as Singapore laksa.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted £	Endowment £	2022 total £	Unrestricted £	Endowment funds as restated £	2021 total £
Income & endowments from:							
Charitable activities (running the Market)	2	3,237,905	—	3,237,905	2,462,169	—	2,462,169
Investments	3	3,083,541	—	3,083,541	3,076,961	—	3,076,961
Other activities	4	301,359	—	301,359	277,512	—	277,512
Total income & endowments		6,622,805	—	6,622,805	5,816,642	—	5,816,642
Expenditure on:							
Raising funds (investment property costs)	5a	339,827	—	339,827	972,574	—	972,574
Charitable activities (running the Market)	5b	5,412,630	340,356	5,752,986	4,717,489	345,087	5,062,576
Other	5c	110,353	—	110,353	95,849	—	95,849
Exceptional costs	21	830,890	—	830,890	—	—	—
Total expenditure		6,693,700	340,356	7,034,056	5,785,912	345,087	6,130,999
Net income / (expenditure) before net gains / (losses) on investments		(70,895)	(340,356)	(411,251)	30,730	(345,087)	(314,357)
Net gains / (losses) on investment property	13	4,544,126	2,148,539	6,692,665	(18,283)	90,171	71,888
Net income / (expenditure)		4,473,231	1,808,183	6,281,414	12,447	(254,916)	(242,469)
Transfers between funds	23a	—	—	—	—	—	—
Net income / (expenditure) before other recognised gains and losses		4,473,231	1,808,183	6,281,414	12,447	(254,916)	(242,469)
Gains / (losses) on revaluation of fixed assets		(645,614)	319,239	(326,375)	(530,207)	7,103	(523,104)
Actuarial gains / (losses) on defined benefit pension schemes	21	—	—	—	(8,000)	—	(8,000)
Net movement in funds		3,827,617	2,127,422	5,955,039	(525,760)	(247,813)	(773,573)
Reconciliation of funds:							
Total funds brought forward as previously stated		54,676,162	34,172,578	88,848,740	55,201,922	35,419,576	90,621,498
Prior year adjustment current year	26	—	—	—	—	(999,185)	(999,185)
Total funds brought forward as restated		54,676,162	34,172,578	88,848,740	55,201,922	34,420,391	89,622,313
Total funds carried forward		58,503,779	36,300,000	94,803,779	54,676,162	34,172,578	88,848,740

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 23a to the financial statements.

BALANCE SHEETS

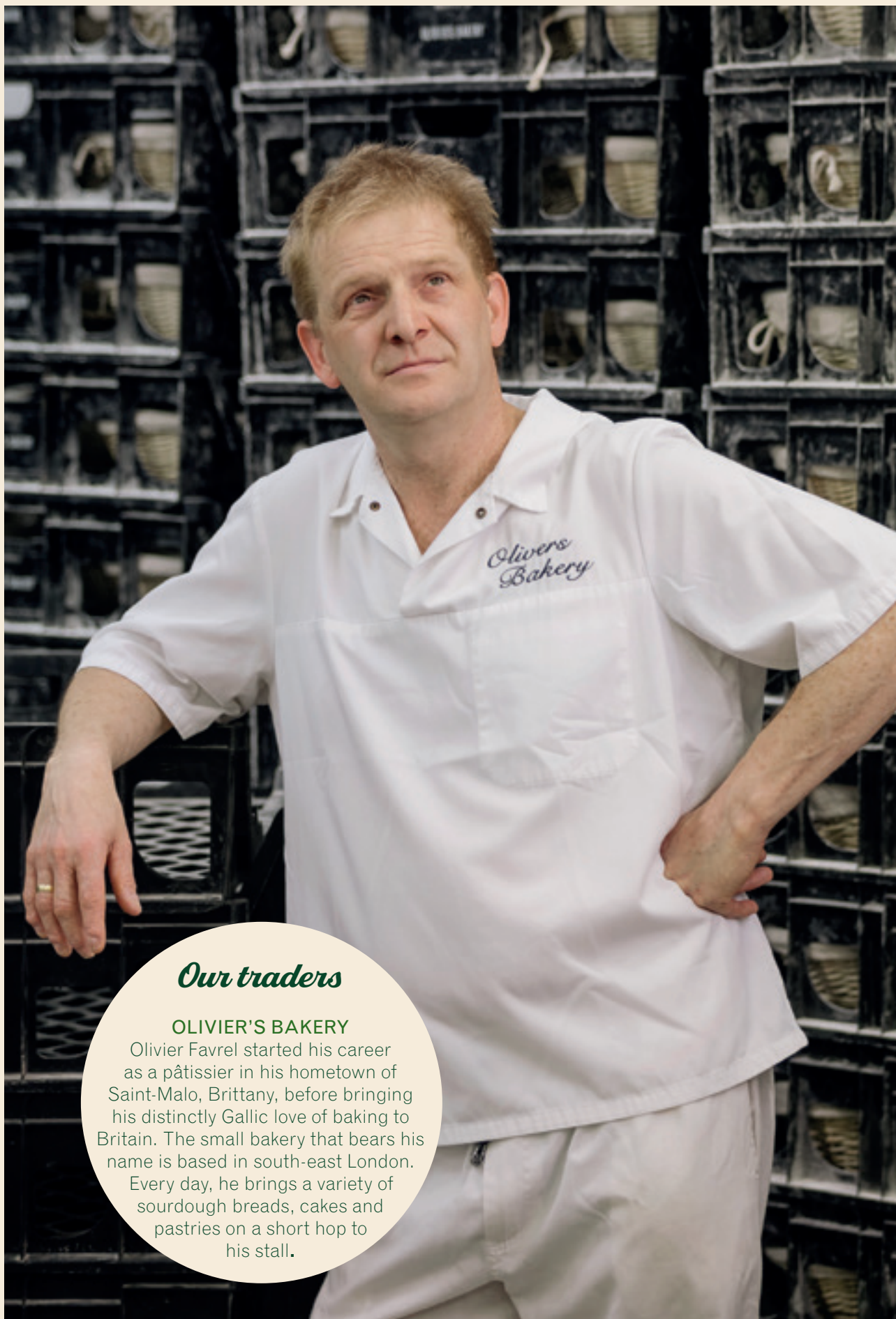
		The group		The charity	
	Note	2022 £	2021 as restated £	2022 £	2021 as restated £
Fixed assets:					
Tangible assets	12	26,446,073	27,301,194	26,446,073	27,301,194
Investment properties	13	66,845,000	60,152,335	66,845,000	60,152,335
Investments	14	—	—	1	1
Total fixed assets		93,291,073	87,453,529	93,291,074	87,453,530
Current assets:					
Stock	16	45,198	49,786	945	4,203
Debtors	17	3,187,183	3,413,535	3,280,074	3,478,576
Cash at bank and in hand		5,340,865	2,138,162	5,254,700	2,097,108
Total current assets		8,573,246	5,601,483	8,535,719	5,579,887
Liabilities:					
Amounts falling due within one year:					
Creditors	18	5,060,540	4,033,772	5,023,014	4,012,177
Bank loan	19	366,667	—	366,667	—
Net current assets / (liabilities)		3,146,039	1,567,711	3,146,038	1,567,710
Total assets less current liabilities		96,437,112	89,021,240	96,437,112	89,021,240
Amounts falling due after one year:					
Bank loan	19	1,633,333	—	1,633,333	—
Defined benefit scheme	21	—	172,500	—	172,500
Total net assets / (liabilities)		94,803,779	88,848,740	94,803,779	88,848,740
The funds of the charity:					
Endowment funds	22	36,300,000	34,172,578	36,300,000	34,172,578
Unrestricted income funds (Designated funds)		56,895,000	53,636,765	56,895,000	53,636,765
Unrestricted income funds (General funds)		1,608,779	1,039,397	1,608,779	1,039,397
Total unrestricted funds		58,503,779	54,676,162	94,803,779	54,676,162
Total charity funds		94,803,779	88,848,740	94,803,779	88,848,740

Approved by the trustees on 18 August 2022 and signed on their behalf by:

Adrian Bunnis
Chair of Trustees

CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of net income / (expenditure) to net cash flow from operating activities	2022 £	2021 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	6,281,414	(242,469)
Depreciation charges	528,745	575,548
Movement in pension scheme valuation	—	(8,000)
(Gains)/losses on investment properties	(6,692,665)	(71,888)
Rent from investments	(3,083,541)	(3,076,961)
(Increase)/decrease in stocks	4,588	30,667
(Increase)/decrease in debtors	226,352	(976,893)
Increase/(decrease) in creditors	854,268	(201,096)
Net cash provided by / (used in) operating activities	(1,880,839)	(3,971,092)
Cash flows from operating activities	2022 £	2021 £
Net cash provided by / (used in) operating activities	(1,880,839)	(3,971,092)
Cash flows from investing activities:		
Rents from investments	3,083,541	3,076,961
Purchase of fixed assets	—	(6,950)
Net cash provided by / (used in) investing activities	3,083,541	3,070,011
Cash flows from financing activities:		
Bank loan drawn	2,000,000	—
Net cash provided by financing activities	2,000,000	—
Change in cash and cash equivalents in the year	3,202,702	(901,081)
Cash and cash equivalents at the beginning of the year	2,138,162	3,039,243
Cash and cash equivalents at the end of the year	5,340,865	2,138,162



Our traders

OLIVIER'S BAKERY

Olivier Favrel started his career as a pâtissier in his hometown of Saint-Malo, Brittany, before bringing his distinctly Gallic love of baking to Britain. The small bakery that bears his name is based in south-east London.

Every day, he brings a variety of sourdough breads, cakes and pastries on a short hop to his stall.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

A) STATUTORY INFORMATION

Borough Market is an unincorporated charity registered with the Charity Commission in England & Wales. The registered office address and principal place of business is 8 Southwark Street, London, SE1 1TL

B) BASIS OF PREPARATION

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Borough Market Business Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as the summary of the result for the year is disclosed in the notes to the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

C) PUBLIC BENEFIT ENTITY

The charity meets the definition of a public benefit entity under FRS 102.

D) GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Forecasts have been prepared which demonstrate an ability to continue to operate in the current environment with a degree of contingency to address any future pressures.

E) INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for

NOTES TO THE FINANCIAL STATEMENTS

income recognition are met.

F) INTEREST RECEIVABLE

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 or payable by the bank.

G) FUND ACCOUNTING

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Borough Market (Southwark) does not have any such funds for the year being reported.

Unrestricted funds are other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses on the assets form part of the fund.

H) EXPENDITURE AND IRRECOVERABLE VAT

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

Expenditure is recognised on an accruals basis.

Expenditure relating to investment property are those elements of expenditure directly and indirectly incurred in administration of such property.

Expenditure relating to running the market includes all expenditure incurred in undertaking the charity's principal activity and is allocated between direct and support costs.

Governance costs include those costs incurred in the governance of the charity's assets and are primarily associated with constitutional and statutory requirements.

I) OPERATING LEASES

Rental charges are charged on a straight line basis over the term of the lease.

J) TANGIBLE FIXED ASSETS

Items of equipment are capitalised where the purchase price exceeds £5,000 and the item has a predicted useful life of more than one year. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Freehold property is revalued every year and the valuation is based on future rent yields.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold land:	Not depreciated	Equipment:	15 years
Freehold buildings:	50 years	Other fixed assets:	5 years

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible

NOTES TO THE FINANCIAL STATEMENTS

assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

K) INVESTMENT PROPERTIES

Investment properties are measured initially at cost and subsequently revalued every year and included in the balance sheet based on future rent yields. Investment properties are not depreciated. Any change on the revaluation is recognised in the statement of financial activities. The valuation method used to determine the values will be stated in the notes to the accounts.

L) INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are at cost.

M) STOCKS

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

N) 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.

O) CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

P) 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 trade discounts due.

Q) FINANCIAL INSTRUMENTS

With the exception of the investments and freehold property described above, 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.

R) EMPLOYEE BENEFITS

Termination benefits are recognised immediately as an expense, when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

S) RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

NOTES TO THE FINANCIAL STATEMENTS

The charity has given notice to exit the defined benefits pension scheme as at 28th February 2022 and will be discharging all of the liabilities due at that point in accordance with a valuation completed by the scheme actuary.

2. RUNNING THE MARKET

	2022 £	2021 £
Market rents, recharges and car park	3,237,449	2,355,620
Furlough income	456	106,549
	3,237,905	2,462,169

3. INCOME FROM INVESTMENTS

	Unrestricted £	2022 £	2021 £
Rental income	3,083,541	3,083,541	3,076,961
Interest receivable	—	—	—
	3,083,541	3,083,541	3,076,961

4. OTHER ACTIVITIES

	Unrestricted £	2022 £	2021 £
Special events	3,723	3,723	—
Fee income	75,256	75,256	127,462
Trademark dispute settlement	40,000	40,000	40,000
Commercial activities	182,380	182,380	110,050
	301,359	301,359	277,512

Income from commercial activities derives from:

- Third party hire of our properties and Market space for holding commercial events and as a filming location: £37,953 (2021: £2,150)
- Trademark licence fees: £10,500 (2021: £8,478)
- Consultancy fees: £nil (2021: £nil)
- Merchandise sales: £89,105 (2021: £37,073),
- Fees for the publication of The Borough Market Cookbook: £14,222 (2021: £35,304)
- Small business government Covid grant: £nil (£2021: £27,000)

5A. INVESTMENT PROPERTY COSTS

	2022 £	2021 £
Staff costs	120,051	106,710
Legal and professional	75,893	77,823
Overheads	189	67
Bad debts	(158,425)	535,167
Utilities	144,137	93,328
Repairs and maintenance	89,083	108,691
Security and insurance	59,791	41,735
Cleaning and environmental	9,108	9,053
	339,827	972,574

5B. RUNNING THE MARKET

	2022 £	2021 £
Staff costs	760,014	682,959
Depreciation	513,857	553,799
Utilities	461,949	370,616
Property rental	340,488	230,236
Repairs and maintenance	128,772	85,317
Security and insurance	377,686	430,690
Cleaning and environmental	709,562	387,389
Bad debts	175,013	78,761
Other	112,335	96,198
	3,579,676	2,915,965
Share of support costs	2,104,045	2,129,265
Share of governance costs	69,265	17,346
	5,752,986	5,062,576

5C. SUBSIDIARY COSTS

	2022 £	2021 £
Legal and professional	24,708	15,884
Advertising and public relations	169	31
Commercial activities	79,605	58,067
Bad debts	2,772	—
Other costs	3,099	21,867
	110,353	95,849

6. SUPPORT COSTS

	Support costs £	Governance costs £	2022 £	2021 £
Staff costs	831,073	—	831,073	733,303
Depreciation	14,888	—	14,888	21,749
Legal and professional	546,619	54,265	600,884	377,620
Security and insurance	52,987	—	52,987	28,203
Utilities and office costs	273,543	—	273,543	304,335
Advertising and public relations	336,054	—	336,054	264,247
Audit fees	—	15,000	15,000	14,346
Accountancy	—	—	—	—
Repairs and maintenance	25,201	—	25,201	13,321
Bad debts	(24,000)	—	(24,000)	24,000
Trader support	47,680	—	47,680	365,487
	2,104,045	69,265	2,173,310	2,146,611

7. TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading company, Borough Market Business Limited, pays across available profits to the main charity. Its charge to corporation tax in the year was:

8. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	528,745	575,548
Loss on disposal of fixed assets	—	—
Operating lease rentals: Property	177,680	177,680
Operating lease rentals: Other	—	969
Auditors' remuneration (excluding VAT)	15,000	14,000

	2022 £	2021 £
UK corporation tax at 19% (2021: 19%)	—	—

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	1,378,253	1,194,558
Redundancy	14,101	58,234
Social security costs	151,551	130,989
Employer's contribution to defined contribution pension schemes	68,598	59,015
Employer's contribution to deficit funding for old defined benefit pension scheme	34,388	33,387
Employer's contribution to private healthcare schemes	19,857	14,722
Staff training / recruitment costs / staff welfare	44,390	32,067
	1,711,138	1,522,972

£2,636 (2021: £nil) of the redundancy costs were accrued at the balance sheet date, the remaining amount was paid in the year.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No	2021 No
£60,000 – £69,999	2	1
£80,000 – £89,999	—	3
£90,000 – £99,999	3	—
£120,000 – £129,999	1	1

Borough Market (Southwark) participates in an auto-enrolment, defined contribution pension scheme operated by Aviva (previously Friends Provident). The scheme is open to all employees from their day of joining and as at 31 March 2022 the scheme had 29 active members. Employer contributions in the year amounted to £68,598 (2021: £59,015).

The key management personnel of the charity comprise the 10 trustees and senior management team: the Interim CEO, Director of Finance, Director of Communications & Engagement, Interim Director of Operations, Head of Asset Management, Head of Communications & Marketing, In-house Solicitor and the Executive Administrator. The total employee benefits of the key management personnel of the Trust were £744,885 (2021: £575,888).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents legal advice and meetings for trustees £17,083 (2021: £3,000, HR advice).

10. STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 37 (2021: 42). 18 staff were employed directly in respect of running the market (2021: 22) and 19 were for support functions (2021: 20).

11. RELATED PARTY TRANSACTIONS

Two of the former Managing Director's children were employed by the charity during the year and received a total of £765. There were no other related party transactions in the year (2021: £17,071). There were no donations from related parties in the year (2021: £nil).

12. TANGIBLE FIXED ASSETS FOR GROUP AND CHARITY

	Freehold land & buildings £	Equipment £	Other fixed assets £	Total £
Cost / Valuation				
At the start of the year (as restated)	26,852,308	39,396	39,396	28,176,682
Additions in year	—	—	—	—
Revaluation during the year	(326,376)	—	—	(326,376)
Disposals in year	—	—	—	—
At the end of the year	26,525,932	39,396	1,284,978	27,850,306
Depreciation				
At the start of the year	—	36,770	838,718	875,488
Charge for the year	375,932	2,626	150,187	528,745
Eliminated on disposal	—	—	—	—
At the end of the year	375,932	39,396	838,718	1,254,046
Net book value at the end of the year	26,150,000	—	446,260	26,596,260
At the start of the year as restated	26,852,308	2,626	446,260	27,301,194

Land with a value of £7,845,000 (2021: £8,055,692) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

A full revaluation of all properties was undertaken by CBRE Ltd, a leading commercial property and real estate services adviser, on 31 March 2022.

The historic cost of the freehold land and buildings is £5,925,546

13. INVESTMENT PROPERTIES FOR GROUP AND CHARITY

	2022 £	2021 £
Fair value at the start of the year	60,152,335	60,080,447
Revaluation during the year	6,692,665	71,888
Fair value at the end of the year	66,845,000	60,152,335

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 March 2022 by CBRE Ltd, who are not connected with the charity. The valuation was made with reference to rental values and yields.

14. TRADING COMPANY: 'SUBSIDIARY' UNDERTAKING

The trustees of the charity collectively own the whole of the issued ordinary share capital of Borough Market Business Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Three of the trustees together with the Managing Director and Finance Director are also directors of the subsidiary. Available profits are gift aided to the charity. A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	182,380	110,050
Gross profit	182,380	110,050
Administrative expenses	110,353	95,849
Management charge payable to parent undertaking	—	—
	110,353	95,849
Operating profit / (loss)	72,027	14,201
Profit / (loss) on ordinary activities	72,027	14,201
Donation to parent under gift aid	41,428	14,201
Profit / (loss) for the financial year	30,599	—
Aggregate of the assets, liabilities and funds		
Assets	139,643	120,646
Liabilities	(139,643)	(120,646)
Funds	—	—

Amounts owed to the parent undertaking are £41,428 (2021: £14,201). The charity holds shares of £1 in Borough Market Business Limited.

15. PARENT CHARITY GROSS INCOME AND RESULTS

	2022 £	2021 £
Gross income	6,481,853	5,720,793
Result for the year	(441,850)	(314,357)

16. STOCK FOR GROUP AND CHARITY

	2022 £	2021 £
Finished goods and goods for resale	45,198	49,786

17. DEBTORS

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	2,422,115	2,438,309	2,417,822	2,433,661
Amounts due from subsidiary undertakings	—	—	97,184	69,689
Other debtors	31,905	12,303	31,905	12,303
Prepayments and accrued income	733,163	962,923	733,163	962,923
	3,187,183	3,413,535	3,280,074	3,478,576

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	810,958	867,690	802,075	860,135
Amounts due from subsidiary undertakings	—	—	—	28,076
Taxation and social security	208,011	168,060	194,521	161,451
Other creditors	1,361,293	1,177,009	1,361,293	1,177,009
Accruals	545,845	720,012	545,002	692,416
Pension settlement liability	974,890	—	974,890	—
Deferred income	1,159,543	1,101,001	1,145,233	1,093,090
	5,060,540	4,033,772	5,023,014	4,012,177

19. CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME (CBILS)

	2022	2021
	£	£
Loan repayment		
Due within one year	366,667	—
Due after more than one year	1,633,333	—

A CBILS loan to the value of £2 million was completed with NatWest Bank Plc in February 2021 in order to provide additional working capital to support our operations throughout the pandemic and to aid our financial recovery. The loan term is 72 months, with no interest payable (or repayments) in the first year after drawing the loan. There are no penalties for early repayment.

80% of the loan is backed by the UK government with the remaining 20% secured against the property at 4 Stoney Street. Interest on the loan becomes payable in May 2022 at the rate of 2.34% over base rate.

20. DEFERRED INCOME

Deferred income comprises rents and service charges invoiced in advance on the usual English quarter all future event bookings. days anddays and all future event bookings.

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Balance at the beginning of the year	—	1,069,487	—	1,055,302
Amount released to income in the year	—	(4,305,778)	—	(4,289,896)
Amount deferred in the year	—	4,337,292	—	4,327,684
Balance at the end of the year	—	1,101,001	—	1,093,090

21. CREDITORS FALLING DUE AFTER ONE YEAR FOR GROUP AND CHARITY**DEFINED BENEFIT SCHEME**

Borough Market (Southwark) gave notice to exit the Scottish Voluntary Sector Pension Scheme on the 28th February 2022. The trust was one of 82 employers in the scheme which was a multi employer, defined benefit pension scheme which was closed to future accrual in 2010. The decision to exit the scheme was made in order to remove one of the trust's largest risks and had been under consideration for a number of years. Under the terms of the scheme, the trust would potentially have become liable for the pension obligations of other organisations within the scheme if they had failed to continue operating, potentially adding significant extra liabilities for the trust.

The actuaries carried out a valuation as at 28 February 2022 to ascertain the trust's level of liabilities which is £694,890. Since the year end the trust has now been invoiced for and paid £625,000 which equates to 90% of the calculated liability. The scheme, which is administered by The Pensions Trust,

NOTES TO THE FINANCIAL STATEMENTS

is part way through a court review to determine whether historic changes to the scheme had been correctly implemented and should this not be the case then there may be additional liabilities due by the trust. Other schemes which have had similar reviews have had to then accrue for additional liabilities and as result the trust has maintained a provision for additional liabilities which may become due.

PENSION SETTLEMENT LIABILITY

	2022 £
Agreed cost of settlement	694,890
Estimate of additional costs expected	280,000
Adjustment to remove defined benefit pension value	(144,000)
	830,890

Key assumptions:

	2021 £
Net interest on defined benefit liability/(asset)	4,500
Remeasurements: impact of any change in assumptions	8,000
Total costs	12,500

	2021 %
Discount rate	0.86

Amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans:

	2021 £
Present value of defined benefit obligations	172,500
Deficit in scheme	172,500

Movements in the present value of defined benefit obligations:

	2021 £
Liabilities at 1 April 2021	189,000
Deficit contributions paid	(29,000)
Interest cost	4,500
Remeasurements: impact of any change in assumptions	8,000
At 31 March 2022	172,500

22A. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (CURRENT YEAR)

	General unrestricted £	Designated £	Endowed £	Total funds £
Tangible fixed assets	296,073	1,860,000	24,290,000	26,446,073
Investment properties	—	54,835,000	12,010,000	66,845,000
Net current assets	2,946,039	200,000	—	3,146,039
Long-term liabilities	(1,633,333)	—	—	(1,633,333)
Defined benefit pension asset / (liability)	—	—	—	—
Net assets at 31 March 2022	1,608,779	56,895,000	36,300,000	94,803,779

22B. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (PRIOR YEAR)

	General unrestricted £	Designated £	Endowed as restated £	Total funds £
Tangible fixed assets	448,886	2,541,191	24,311,117	27,301,194
Investment properties	—	50,290,874	9,861,461	60,152,335
Net current assets	763,011	804,700	—	1,567,711
Defined benefit pension asset / (liability)	(172,500)	—	—	(172,500)
Net assets at 31 March 2021	1,039,397	53,636,765	34,172,578	88,848,740

23A. MOVEMENTS IN FUNDS (CURRENT YEAR)

	At 1 April 2021 As restated £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Endowment funds:					
Tangible fixed assets	24,311,117	319,239	(340,356)	—	24,290,000
Investment properties	9,861,461	2,148,539	—	—	12,010,000
Total endowment funds	34,172,578	2,467,778	(340,356)	—	36,300,000
Designated funds:					
Redevelopment works	804,700	—	—	(804,700)	—
Pension settlement liability	—	—	—	200,000	200,000
Tangible fixed assets	2,541,191	(645,614)	(35,577)	—	1,860,000
Investment properties	50,290,874	4,544,126	—	—	54,835,000
Total designated funds	53,636,765	3,898,512	(35,577)	(604,700)	56,895,000
General funds	1,039,397	6,622,805	(6,658,123)	604,700	1,608,779
Total unrestricted funds	54,676,162	10,521,317	(6,693,700)	—	58,503,779
Total funds including pension fund	88,848,740	12,989,095	12,989,095	—	12,989,095

23B. MOVEMENTS IN FUNDS (PRIOR YEAR)

	At 1 April 2020 As restated £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Endowment funds:					
Tangible fixed assets	24,649,101	7,103	(345,087)	—	24,311,117
Investment properties	9,771,290	90,171	—	—	9,861,461
Total endowment funds	34,420,391	97,274	(345,087)	—	34,172,578
Unrestricted funds:					
Designated funds:					
Redevelopment works	804,700	—	—	—	804,700
Tangible fixed assets	3,115,008	(530,207)	(43,610)	—	2,541,191
Investment properties	50,309,157	(18,283)	—	—	50,290,874
Total designated funds	54,228,865	(548,490)	(43,610)	—	53,636,765
General funds	973,057	5,808,642	(5,742,302)	—	1,039,397
Total unrestricted funds	55,201,922	5,260,152	(5,785,912)	—	54,676,162
Total funds including pension fund	89,622,313	5,357,426	(6,130,999)	—	88,848,740

PURPOSES OF ENDOWMENT FUNDS

The endowment funds represent those assets which must be held permanently. It has been agreed with the Charity Commission that the Trust's permanent endowment funds comprise those properties within the area bounded by Stoney Street, Southwark Street and Bedale Street (including the Triangle and Rochester Walk) which are devoted to the holding of the market.

PURPOSES OF DESIGNATED FUNDS

The pension settlement liability fund reflects the sum set aside for estimated additional costs expected as a result of exiting the Scottish Voluntary Sector Pension Scheme.

The tangible fixed assets fund reflects the investment which the charity has made in creating the infrastructure in the endowed area, within which the Market is held. This is held separately from unrestricted funds to reflect the need to retain these assets in order to further the charity's aims.

The investments fund represents the value of the charity's investment properties and reflects the trustees' commitment to hold these as income generating assets and to protect the unique and special nature of the estate by controlling the use of these properties.

24. OPERATING LEASE COMMITMENTS

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2022 £	2021 £	2022 £	2021 £
Less than 1 year	177,680	177,680	969	2,040
1 – 5 years	—	—	—	969
	177,680	177,680	969	3,009

The property leases are for between 99-999 years and rentals are fixed for a period of 5 years. Break clauses are at fixed periods with 6 months notice. There are no options in place for either party to extend the lease terms.

25. OVERDRAFT FACILITY

An overdraft facility to the value of £1 million is arranged with NatWest Plc.



Our traders

ALPINE DELI

Thea Wunderer's Alpine Deli offers a snapshot of the cuisine of South Tyrol, the most northerly region of Italy. The cured meats are made by a family that has been in the business for decades, using recipes handed down through generations. The region's defining foodstuff is Speck Alto Adige, a PGI-protected ham.

