

ESTABLISHED  
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# BOROUGH MARKET

## REPORT & FINANCIAL STATEMENTS

For the year ended 31 March 2023



### *Our traders*

#### **GUJARATI RASOI**

The Gujarati Rasoi street food stall was built on back of mouth-watering recipes passed down over many generations by Urvesh Parvais' family, whose roots are in Gujarat, India. Urvesh uses these culinary traditions to inspire a range of vegetarian and vegan dishes packed with seasonal British produce.

# REPORT & FINANCIAL STATEMENTS 2022/23

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## IMAGERY

Orlando Gili, Adrian Pope, RED Agency





### *Our traders*

#### **SPICE MOUNTAIN**

Magali Russie of Spice Mountain sources the very finest spices from all over the world, from Calabrian fennel pollen, to Nepalese peppercorns. As well as selling whole and ground spices, she draws on her extensive knowledge of global cuisines to create a wide range of spice blends in her London kitchen.

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## 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 Ann Ball (Vice Chair until February 2023)
- Mr Shane Holland (Vice Chair from February 2023)
- Miss Claire Pritchard
- Ms Daisy Dunlop
- Ms Erica Sibree
- Mr Shawn Anderson
- Ms Eva George
- Mr Tim Cochrane
- Mr Danny Homan
- Ms Michelle Lam

### BANKERS

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

### SOLICITORS

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

### EXTERNAL AUDITOR

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

### INTERNAL AUDITOR

Beever and Struthers, 1 George Leigh Street, Manchester M4 5DL





### *Our traders*

#### **DATE SULTAN**

Founded by Syed Usman Shah, Date Sultan is a social enterprise that imports premium dates from the Middle East while using its influence to help combat modern slavery. The stall sells numerous date varieties from around the region and has also pioneered the stuffing of Medjool dates with luxurious fillings.





# REVIEWS

## CHAIR'S REVIEW

### ADRIAN BUNNIS, CHAIR OF TRUSTEES

In the years covered by the past two Annual Reports, the primary focus of the Borough Market Trust was on navigating the many significant challenges affecting the daily operations of the market and its traders. First came the Covid pandemic, then the end of the Brexit transition period, then the Russian invasion of Ukraine and the economic convulsions that followed in its wake. As a charitable trust whose obligation it is to serve the community in perpetuity, our main responsibility is to ensure that the market continues to function through even the most difficult of circumstances so that it can be passed down to future generations. Keeping the market on an even keel while simultaneously implementing the recommendations made in the 2021 governance review kept us fully engaged.

This year was different. While the market, its traders and the community were still forced to confront some significant economic challenges, our financial recovery from the worst of the Covid years continued to build in a sustainable way, and rising visitor numbers meant that most traders also returned to a more stable footing. As a result, the Trust had the opportunity for the first time in a while to devote considerable thought and energy to setting the stage for the future, rather than being entirely gripped by the here and now.

In July 2022, this forward planning bore its first fruits with the publication of the market's first-ever Food Policy, which lays out in simple, clear terms the fundamental principles that will inform the market's long-term approach to food. While there has always been a sense that there is such a thing as 'Borough Market food', it has never previously been possible for its meaning to be defined, shared, tested or challenged. The publication of the Food Policy clears a path for that to happen, and significant work is already being done to turn its broad strokes into a more detailed set of standards and actions.

Last year also saw the creation of another significant document: the 2030 Strategy, which sets the strategic direction for Borough Market for the remainder of this decade. In each of five key areas – Food, Place, Voice, Sustainability and EDI – our new strategy, which is now ready for publication, makes a clear statement of the Trust's ambitions and commits to a set of actions for the coming years. As befits such a key document, producing the strategy was a mammoth undertaking involving a long period of consultation and similarly detailed review sessions. My thanks to everyone who contributed to this work over several months and to my fellow trustees for giving up so much of their time to see it through.

As part of the process of creating the 2030 Strategy, the Board agreed a short statement that we believe successfully distills the organisational purpose of the Trust in a way that helps clarify



**“THIS YEAR, THE TRUST HAD THE OPPORTUNITY FOR THE FIRST TIME IN A WHILE TO DEVOTE CONSIDERABLE THOUGHT AND ENERGY TO SETTING THE STAGE FOR THE FUTURE RATHER THAN BEING ENTIRELY GRIPPED BY THE HERE AND NOW.”**



our thinking. After much discussion and many variations, we alighted upon: "For community, the love of food and a better tomorrow." The themes inherent to this can be seen throughout the resulting strategy: the need to be accessible to, engaged with and representative of our local community; the centrality of high-quality food to everything we do; and the aspiration to be an active agent for positive change

The project to create the 2030 Strategy was overseen by Jane Swift, who began the year as the market's Interim CEO. In December 2022, following a competitive and externally conducted recruitment process, the Board took the decision to appoint Jane to the permanent CEO role. Since her arrival, she has demonstrated impressive leadership, strong commercial acumen, and a great passion for Borough Market and the community we serve, and we believe that she is the right person to deliver the long-term strategy she had been so instrumental in producing.

The daily challenges faced by our traders haven't gone away: inflation is still too high, the ripples of war in Ukraine and the Middle East are felt in a variety of ways, and there are some highly significant post-Brexit changes to food importation rules in the pipeline that are likely to seriously hamper the work of our many small-scale importers. While we focus on turning the strategy into tangible plans for the future, the Trust will also continue to support those traders in any way we can.

Unlike Jane, I will not be here to see through the delivery of the strategy. In January 2024 my term on the Board will be finishing and I will be handing over to the current Vice Chair, Shane Holland. Having the opportunity to contribute to this incredible community asset, which means so much to so many people, has been a genuine privilege. In the coming years, I look forward to watching it adapt and evolve, as it has been doing for around a thousand years, content in the knowledge that its path has been set and that its stewardship is in highly capable hands.

## CHIEF EXECUTIVE'S REPORT

### JANE SWIFT, CEO

For me and the rest of the Borough Market executive team, the year 2022/23 was shaped by the creation of our 2030 Strategy, which sets a new direction for the Trust in the years to come. In preparing this important document, we wanted to hear from all the different voices in our broad community and seek a way forward that was strongly informed by what we'd heard. As a result, the consultation and feedback sessions saw us engaging with a wide range of stakeholders, including traders, staff, trustees, local residents, community organisations, local businesses, charities and food experts. We also brought into the discussion several external contributors with expertise in areas such as sustainability, EDI and strategy development. The result is, we believe, a set of bold but entirely achievable ambitions that will cement the market's standing as a vital community asset and a source of high-quality food and sustainable practices.

After the approval by the Board of the draft strategy, our focus turned to preparing the ground for us to deliver on its ambitions. Central to this has been a restructuring of the Borough Market team and the start of a recruitment drive to bring in the specialist skills needed to fill the new structures. For the 2030 Strategy to be successful, we need to ensure we have the right people with the right expertise in the right roles, and we are now well on our way to achieving the right mix. In parallel, we have been refining our recruitment and HR practices to increase our diversity and working to ensure our teams have the tools and workplace culture needed to be successful.

The completion of the strategy has led to the formulation of several other important projects. We have started on the work needed to deliver the Food Policy, another vital document that was published in July 2022, and have begun scoping out a Whole Site Development Plan that will make a detailed assessment of the market's physical environment. There are also projects underway to define what sustainability and EDI really mean in the current Borough Market context so that new policies can be created covering those areas.

We are aware that the ambitious plans set out in the strategy will necessitate significant investment, but as this report demonstrates, we are confident that the Trust is on a secure financial footing. We are also actively exploring options for fundraising to help finance some of our capital projects.

Probably the most notable operational change in the 12 months covered by this report was the unavoidable decision made by the Board to return the market to a six-day working week after an 18-month period of seven-day trading. Until the summer of 2021, the market had closed every Sunday, but with Sunday opening having proved particularly popular with both traders and shoppers, we are



**“OUR NEW 2030 STRATEGY IS A SET OF BOLD BUT ENTIRELY ACHIEVABLE AMBITIONS THAT WILL CEMENT THE MARKET’S STANDING AS A VITAL COMMUNITY ASSET AND A SOURCE OF HIGH-QUALITY FOOD AND SUSTAINABLE PRACTICES.”**

now closing on Mondays. This change has now made it much easier for us to carry out the important cleaning and maintenance work demanded by our historic estate and will also provide us with the space and time needed to deliver on the commitments of the 2030 Strategy.

Throughout the year, we continued to place considerable store in our partnerships with charities and community organisations, including School Food Matters. Our educational programmes enable young people from our community to learn about food production, cooking and entrepreneurship. We also maintained the important partnership with Plan Zheroes, whose volunteers make regular collections of surplus food from our our traders, which is redistributed to feed those in need.

As always, we used our voice to promote our traders and contribute to discussions around food quality and sustainability. Our many communications channels, including social media, podcasts, newsletters and in-person events, were as active and popular as ever. Our third book, Borough Market: The Knowledge, which shares the incredible expertise of our traders through essays, tip and recipes, was published in November 2022 to enthusiastic reviews.

In the years to come, we will continue to support our traders and provide the best possible experience for our shoppers while making the many important changes that flow from the 2030 Strategy. It feels to me that we're ready to start the next chapter in the long story of this centuries-old market, and thanks to the Trust's new purpose statement we can easily summarise what its central thrust will be: for community, the love of food and a better tomorrow.





### *Our traders*

#### **OLIVEOLOGY**

Marianna Kolokotroni hails from Sparta in southern Greece. At her Oliveology stand, she delights in sharing the culinary treasures of her home country, working with small-scale producers to source cold-pressed oils, olives, vinegars, honeys, wild herbs, cheeses, dried fruits, and much, much more.



# TRUSTEES' ANNUAL REPORT

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## INTRODUCTION

The trustees present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the charity's governing documents and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP), applicable to charities preparing their accounts in accordance with FRS 102.

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## 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 through the provision of a market space for traders and providing 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 school children 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, including face to face, print and online, ensuring that our message reaches a diverse audience in an increasingly online and socially active society.

Our core values underpin our activities as a market. Our values are demonstrated in the following ways:

1. **For the benefit of the community:** Borough Market is more than a place to buy or sell food. It is run by a charitable trust that exists to provide a market for the public benefit. That means being accessible to, engaged with and representative of our local community; placing high-quality food at the centre of everything we do; and aspiring to be an active agent for positive change.
2. **Food diversity & tackling food waste:** We celebrate a diversity of food that is honestly priced and carefully sourced. People come to discover flavour, colour and seasonality. Our traders offer something different: primary producers who grow, rear or create the food they sell, or merchants with intimate knowledge of the produce they source. Together, we are committed to reducing food waste – through our collaboration with partners, we ensure that surplus food that is no longer perfect but still good to eat is distributed to people across London.
3. **Knowledge:** Through our traders, the market offers a wealth of artisan skills and specialist expertise. We share this knowledge and work together to forge partnerships that inspire people about food, creativity and sustainability. Through our partnerships we encourage children and young people to become more knowledgeable about food, including growing and selling their own fruit and vegetables.
4. **Inspiration:** We collaborate 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. **Adaptability:** Throughout its rich history, the market has adapted to meet the needs of London and will continue to do so, while always staying true to its unique identity.



The trustees and executive team review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. It reports the success of each key activity and demonstrates the public benefit the charity is set up to deliver. By reviewing the charity's aims, objectives and activities, the trustees ensure that the organisation is well run and stays focused on its charitable purposes.

With the pandemic behind us, the market has recovered well. We have since created a new strategy to guide our journey to 2030 and beyond and are cautiously optimistic that despite the cost of living crisis; the ongoing impact of Brexit, high inflation and the wars in Ukraine and the Middle East, the plans in place create a reasonable buffer for the charity for the next financial year.

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### **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.

In the year under review, the charity completed the creation of the 2030 Strategy, which is due to launch officially in the 2023/24 financial year. Various stakeholders were consulted, including traders, local community, customers, staff and volunteers.

We also published the market's first-ever Food Policy, which set out the nine principles that will guide the evolution of Borough's food offering: Quality, Environmental Sustainability, Social & Economic Sustainability, Animal Welfare, Knowledge & Transparency, Opportunity, Health, Variety and Accessibility. Since the year end, and in furtherance of our strategic direction, we have set up our Food Policy Implementation Steering Group, made up of trustees, traders, staff and independent experts on food policy. This steering group will continue to build on the significant work in existence to ensure the organisation maintains a programme of continuous delivery around these principles.

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, also continued throughout the year.



### *Our traders*

#### **WILTSHIRE CHILLI FARM**

Wiltshire Chilli Farm grows its chillies on a family farm near Bath using nothing more than soil, water, sunshine and seeds harvested from previous crops. The stall's handmade chilli sauces, seasonings and other fiery products are produced in small batches by a dedicated team of chilli lovers and chefs.







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## 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 year saw a gradual increase in visitors, returning the market to pre-pandemic levels of footfall. Traders have largely been reporting good sales, with some experiencing record days at times.

The most significant progress for the Trust in this area was the publication of its first ever Food Policy, in July 2022. This was the result of significant work both before the pandemic and since November 2021. The policy sets out the defining principles that will guide all decisions around food and traders. The trader application process was updated to reflect the policy and all trader processes have been refined for clarity and transparency. A steering group has been established and implementation of the Food Policy will commence in earnest in 2023-24.

To sit alongside the Food Policy implementation, foundations were also put in place for an ongoing Trader Development Programme. This programme, which aims to provide traders with support in a range of different aspects of business, will be comprised of in-house and external expert guidance as well as peer-to-peer support. It will be implemented once the organisational resource is at full capacity for the delivery of our 2030 Strategy.

Following a planned review of Market opening times, and in order to maintain the highest standards of cleanliness, safety and service, the decision was taken to return to six-day trading. Since the trial for Sunday trading commenced in June 2021, this day has evolved into one of the most successful trading days. As a result, after much debate and consultation with traders, it was decided that Sundays would remain a trading day and that the market would close on Mondays for thorough deep cleaning, maintenance and project works. We also made minor changes to trading hours in response to trader demand around current customer shopping patterns and ceased al fresco dining, which many businesses had chosen not to participate in following a return to more normal post-pandemic conditions.

The impact of Brexit continued to be felt by some of our traders, and there are further challenges on the horizon in 2023-24. In light of impending changes, some businesses are looking to join forces for importing, as for some small businesses the cost of importing small quantities of fresh produce could become unviable.

Overall, this was a great year of trade for most businesses and a good year for the Trust to lay foundations for progress with our 2030 Strategy aims. This has not been without significant work from all involved, but this effort will ultimately ensure we continue to drive quality food in an exceptional environment.

### 2. PLACE

While footfall returning to, and in some cases exceeding, pre-pandemic levels is broadly viewed as a positive, it does bring many logistical (and therefore potentially reputational) challenges. By the end of the year, the market was regularly welcoming around 500,000 visitors per week, including the return of many tourists.

The operations team responded accordingly, re-working cleaning and security provisions and adding in specific crowd control staff and dedicated first aid provision on the busiest days. We also began looking at the overall site layout and use of space outside of leased demises, while carrying out a full review of our emergency response plans. Conversations are underway with traders around their own provisions for ensuring we maintain a safe and pleasant site, particularly those whose offering attracts large crowds or queues.

Network Rail began much-needed repair works to the viaduct above the Green Market, occupying a significant portion of trading space in that area. This meant planning an adjusted layout on that side of the market and a pause on accepting new trader applications for several months due to a lack of available pitches. However, generally the space has improved with the introduction of more seating in the market Hall, with that space returning to being more of a community hub with regular live music.

Initial timelines have been laid out for the Whole Site Development project, which is an integral part of our 2030 Strategy. Under these plans, the team will look at how best to develop the site in a way that ensures its future success comes in the most sustainable way possible, and enables us to achieve other strategic goals. Alongside these plans, an assessment into fundraising possibilities was carried out, which found this to be a feasible option for us to pursue in order to raise capital for site investment.

Development continued apace around the Borough Market site, with new openings gradually happening at Borough Yards and planning underway for other developments in the immediate vicinity of our estate. Borough Yards is an independent unaffiliated development close to the market, and its true impact remains to be seen.

Through the year, Borough Market Online saw a general downturn in sales, in line with industry trends. Christmas saw peak sales and successful hamper campaigns. The Trust is now on a journey to review Borough Market's online retail presence and establish the role it will play in the future of the market, especially in light of the 2030 Strategy. The physical Market will always take priority.

### 3. VOICE

In a post-pandemic world, shoppers began flooding back to Borough Market as business returned to usual. New ventures including the launch of the Food Policy, and the shaping of the 2030 Strategy influenced the direction of our internal and external communications.

Our third book, Borough Market: The Knowledge, was published in October. It is rooted in the passion and expertise of the traders who form the beating heart of the market. Across eight chapters, each devoted to a different category of stall, from the butchers to the greengrocers to the cheesemongers, that collective knowledge is brought to life through more than 80 recipes by award-winning food writer Angela Clutton. The book also distils their wisdom into features, interviews, tips and guides that demystify unfamiliar ingredients and processes, and explains not just what to buy (and why) but how to store it, cook it and serve it.

The Borough Talks podcast continued to be a platform to engage in conversations about food – the big issues and the small pleasures. Hosted by Angela Clutton, guests have included Cynthia Shanmugalingam of Borough Market's new Sri Lankan restaurant Rambutan and Sheila Dillon from Radio 4's The Food Programme, as well as a range of Borough Market traders, with discussions ranging from the historic Frost Fair of Southwark to how to write a cookbook.

Our charity partnerships are always at the heart of our strategy, and we hosted various School Food Matters events in the market as part of our Young Marketeers scheme. Plan Zeroes, our food waste partner, has continued its collections of surplus food in the market with great success.







## *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 2022/23:

# 10.04 tonnes

of surplus food was collected from traders

# 24,866

meals were provided by local charities

# 25

traders provided food each month, on average

“Volunteering for Plan Zheroes is quite simply our favourite hour of the week for my husband John and me. The traders are thrilled not to bin any of their surplus food, and I am often able to tell them what the charities report cooking with their donations. In turn, we love interacting with the charities who are so thrilled to collect beautiful surplus food. Altogether, it is a fabulous way to spend an afternoon at the market.”

Kristen Frederickson, Plan Zheroes volunteer



Market Explorers, a sub-brand dedicated to educating and inspiring children, was brought to life with free activities during school holidays, including quizzes, colouring sheets and an Easter egg hunt.

We celebrated various seasonal events in the market, with a giving tree at Easter, an October Plenty festival and various activities to celebrate the Frost Fair. An Evening of Cheese and other Christmas offerings, including the sale of Around The World hampers, helped to secure 95 pieces of media coverage. We also shared a series of festive tips and tricks from 12 traders on social media to promote the market as a destination for Christmas, reaching an audience of 318.5k.

We hosted a series of six in-person events for the Borough Market Cookbook Club, two of which were focussed on the release of the new cookbook. Cookbook Club subsequently evolved into a virtual setting, where we encourage members to create their own gatherings at home.

A change to our opening hours was a communications focus towards the end of the financial year, ensuring all stakeholders were updated.

### 4. SUSTAINABILITY

Sustainability was central to the creation of the Food Policy and the 2030 Strategy, which between them outline our ambition to be a champion for environmentally, economically and socially sustainable modes of food production, employment and trade, while making our own estate an example of good practice.

To these ends, preparations began for the creation of a Sustainability Policy, the production of which will require considerable research and consultation. It is vital that the Trust's and traders' current position is fully assessed and understood in order that our commitments in this area can be clearly defined and our progress meaningfully measured. Specific resources are set to be recruited as part of a restructure of the organisation as we prepare to deliver the 2030 Strategy, with ad hoc external expertise brought in as required. All aspects of sustainability will be encompassed – environmental, social and economic. Sustainability in its many forms is also one of the area under the spotlight of the Food Policy steering group.

A full review of our waste operation was initiated to prepare for tendering the service, with a view to onboarding a new service partner. This review examines all current waste streams, full SWOT analysis and involves consultation with traders who will be key to the success of future plans. Linked to this, potential new Market-wide packaging initiatives (and procurement) are being explored.

Minimising food waste remained a major priority. We continued our work with Plan Zheroes, which collects perishable food that can no longer be sold to customers and redistributes it to partner charities across Southwark and beyond. In October 2022, we introduced a third weekly collection on Friday evenings, which helped to increase the total collections throughout the year to 126 (+33% on last year), providing 24,866 meals.

### 5. EQUITY, DIVERSITY AND INCLUSION

Equity, diversity and inclusion (EDI) are at the heart of everything we do, and hence were essential to the creation of the 2030 Strategy. Throughout the long and involved process of consultation and advice that preceded its drafting, it was essential to us that we heard from a diversity of voices and perspectives, including people within our community and external experts. The resulting strategy sets out a vision for the future and highlights the many areas where we know there is work to be done. To ensure that the diversity of our community is reflected across everything we do, we need to make EDI part of our thinking in every aspect of our work.

EDI was also key to the creation of the Food Policy, with diversity, accessibility and representation being central to the principles outlined in the policy.

Our commitment to EDI at all levels was demonstrated through our participation on the Black on Board initiative, a pilot joint initiative between Southwark Council and Olmec, which supports people from across all minority ethnic backgrounds into governance. We also made important changes to our staff recruitment processes and created and shared a set of team values that make clear our vision for an inclusive workplace.

The Trust also commenced the process of becoming a Living Hours accredited employer, an initiative from the Living Wage Foundation designed to guarantee that as well as paying a living wage (as the Trust has been certified for doing since 2016), we provide workers with sufficient hours to make ends meet and decent notice of upcoming shift patterns. We are also supporting traders towards the same Living Wage and Living Hours accreditations.

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## FINANCIAL REVIEW

From a financial perspective, this year was one of recovery. The pandemic had significantly depleted our cash reserves, seen our trade debtors increase to over £3m and necessitated a significant reduction to spending (and therefore activity) levels. Thankfully, conditions improved as the year progressed to put the Trust in a more secure position once again.

The result for the year is a net income (before gains and losses on investments) of £487k compared to a net expenditure of £411k in the previous year. Two key factors that drove the improved result were the reduction in the bad debts provision of £398k and the one-off exceptional charge to exit the pension scheme included in the previous year of £831k.

Borough Market receives no public funding – 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 year increased by 11% to £7.4m (2022: £6.6m) mainly as a result of higher rents from running the market. The number of traders and the number of days trading increased quickly through the year as footfall recovered rapidly following the end of the pandemic lockdown restrictions. Income from investment properties and other income also increased slightly. Due to the increase in Market income, the proportion of income from our investment properties fell back to 44% (2022: 46%). Income from commercial activities increased as a result of higher sales from The Borough Market Store which was able to open more frequently than in the previous year.

Overall expenditure decreased by 3.9% to £6.9m (2022: £7.0m). However, the year ended 31 March 2022 had seen one-off exceptional costs of £831k in relation to the pension scheme exit. If those costs are excluded, spend on running the market increased by 10%, and this spend is expected to rise further in the coming years as the recovery continues, footfall increases and additional resources are recruited. Staff costs increased by 14.2% to £2.1m (2022: £1.7m) as we recruited additional resource across our teams. Security costs remained higher than pre-pandemic levels in order to safely manage the increasing number of people in the market. The provision for bad debts decreased by £398k (2022: increase of £19k) after increasing significantly during the pandemic. Trade debtors, net of the bad debt provision, remained higher than pre-pandemic levels at £1.9m (2022: £2.4m) but the majority of tenants are repaying balances under formal payment plans. The position has continued to improve since the year end.

Last year the Trust exited the Scottish Voluntary Sector Pension Scheme with a one-off charge of £831k. The exit will be formally completed once a legal review of the scheme has been carried out which is expected in late 2024. We do not currently expect any further costs to accrue over and above those recognised last year.



Investment property costs increased by £172k to £511k (2022: £340k). Repairs and maintenance costs increased by £82k as building refurbishment works were increased following a pause during the pandemic, alongside increased utility costs of £35k. Other investment property costs increased by £55k overall, as activity levels generally increased across the portfolio.

The Trust has an external valuation of its properties conducted every three years with the last one completed at 31 March 2022. An internal review of key assumptions is then carried out in the intervening two years, with adjustments only being considered if there has been a material change to key assumptions. The internal review at 31 March 2023 concluded that there had been no material changes in assumptions and therefore no adjustment to property values. Overall, there remained a strong level of interest in the Trust's properties at market rents. The exception was office space, which saw lower rents and longer voids, a result in line with the office market across London as the hybrid working style continues post pandemic.

The results for Borough Market Business Limited, the trading subsidiary of Borough Market, were consolidated in these results. The Borough Market Store saw increased levels of trade as footfall increased and opening hours lengthened. There was also some one-off filming income. As a result income rose to £264k (2022: £182k) and profit increased to £90k (2022: £41k).

The Trust arranged a £2m Coronavirus Business Interruption Loan Scheme (CBILs) during the pandemic, which continues to be repayed. The balance at 31 March 2023 was £1.6m (31 March 2022: £2.0m). The loan is repayable six years from the date of drawdown. The Trust also has an agreed overdraft of £1m.

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## 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 recovery in footfall following the pandemic has been strong, particularly due to a significant increase in the numbers of tourist visitors and day trippers, which at times can cause crowding in certain parts of the market. The Trust has increased its number of security and stewarding staff to manage the flow of people at particularly busy times and is liaising with local authorities to ensure there is a joined-up approach to keeping people safe.

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 six 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 under a continuous programme of review to ensure they remain fit for purpose in a constantly changing environment.

Although the financial position looks more positive for the Trust and its tenants following the recovery from the pandemic, we are aware that not all traders or businesses have fully recovered. In addition, with the record level of inflation, the cost of living crisis and the wars in Ukraine and the Middle East, there are still significant challenges.

The impact of inflation and the cumulative effect of other economic factors is reducing the margins of traders who now have higher-than-usual running costs. Unfortunately, the high inflation risk identified in the previous year remains present and continues to create unmanageable financial conditions for some.

The impact of Brexit remains a major concern. Supply chain issues, a rise in energy prices and additional requirements for importing goods from the EU continue to have significant time and cost

implications for many of our traders, especially the smaller ones. In addition, immigration rules, exacerbated by the absence of EU nationals, have created a chronic shortage of staff across many areas, but especially the food and beverage sector. We 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 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.

The risk associated with the Trust's workforce capacity has been mitigated through our strategy and (annual) business plan which provide clear objectives and the allocation of 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. A programme of implementation has now been rolled out to complete the recommendations from our external health and safety consultants.

Our risk management plan involves the maintenance of a risk register which is reviewed quarterly by the management team and the Audit & Risk Committee, identifying potential new risks and reviewing progress on the mitigating actions for existing risks, while ensuring they are relevant and appropriate. The register is then submitted to the Board for discussion and approval, at least annually. Where appropriate and if necessary, risk is escalated to the Board outside the annual review process.

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## 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 that 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 remaining government-backed Coronavirus Business Interruption Loan Scheme (CBILs) loan of £1.7m is still held. The charity mainly focuses on its cash reserves rather than its unrestricted current net assets and has a target minimum free cash level of £2.0m (increased from £1.6m in February 2023). The current cash balance of £4.3m includes the £1.6m of CBILs loan drawn during the year and trader deposit funds of £1.2m. The Trust has also placed £1.3m into a fixed-interest treasury deposit, so the total free cash reserve as at 31 March 2023 was £2.7m (2022: £2.0m).

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 £95.8m, of which none are restricted funds. The endowed property at the heart of the market comprises £36.3m of these funds and the remaining £59.5m 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 2023/24 are set out in the tables below.

FOOD	PLACE	VOICE
<ul style="list-style-type: none"> <li>— Establish working groups needed to implement the Food Policy.</li> <li>— Set quality standards for each area of the Food Policy and begin to measure businesses against them.</li> <li>— Initiate trader development programme.</li> <li>— Establish what is required from Borough Market Online at the end of the current service agreement and begin to scope tender document as appropriate.</li> <li>— Carry out gap analysis of the market's food offering.</li> </ul>	<ul style="list-style-type: none"> <li>— Complete phases one to three of the Whole Site Development Plan, underpinned and informed by the developing sustainability policy and in consideration of third-party works (Network Rail).</li> <li>— Develop a Market estate strategy to sit alongside the investment property strategy.</li> <li>— Create new rent strategy for Market stands and stalls.</li> </ul>	<ul style="list-style-type: none"> <li>— Draft new key messages in line with 2030 Strategy.</li> <li>— Revisit audience profiling to account for demographic changes and better align with the priorities of the strategy.</li> <li>— Scope a membership proposition.</li> <li>— Ensure that equity, diversity and inclusion are key drivers in all outputs, including by widening the pool of spokespeople and contributors.</li> <li>— Explore the potential of untapped digital and social channels to ensure that messages reach the widest possible demographic spread.</li> <li>— Contribute to plans for Borough Market Online to ensure online delivery platform reflects brand and messaging.</li> </ul>



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**EQUITY, DIVERSITY AND INCLUSION (EDI) & SUSTAINABILITY**

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- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>— Commence journey to Investors in Diversity accreditation.</li> <li>— Conduct diversity staff survey to measure Borough Market against this standard, for the creation of an action plan.</li> <li>— Develop an EDI steering group.</li> <li>— Enhance our EDI-positive approach to recruitment.</li> <li>— Implement our Team Values, and Dignity at Work Charter and measure progress against them.</li> </ul> | <ul style="list-style-type: none"> <li>— Develop a Sustainability Policy.</li> <li>— Explore 'quick wins' for better energy efficiency on site.</li> <li>— Make contingency plans for assisting traders should the economic situation worsen and threaten their financial viability</li> </ul> | <ul style="list-style-type: none"> <li>— Take steps to ensure all staff working in the market are being paid a fair wage. Audit and create action plan for change.</li> <li>— Ensure that employment opportunities in the market are visible and open to the local community</li> <li>— Communicate the work Borough Market is doing to inspire and assist others.</li> </ul> |
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**ENABLING FUNCTIONS & GOVERNANCE**

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- |   |   |   |
|---|---|---|
| <ul style="list-style-type: none"> <li>— Launch new finance and property management system and ensure key staff are trained</li> <li>— Complete internal audits and manage actions arising.</li> <li>— Develop structures that align to the 2030 Strategy – right people in the right roles.</li> <li>— Measure the attraction and retention of key staff.</li> <li>— Develop a robust succession planning, talent management and external scanning programme.</li> </ul> | <ul style="list-style-type: none"> <li>— Develop a digital strategy.</li> <li>— Develop an IT policy and new IT infrastructure.</li> <li>— Develop relationships with local communities, charities and BIDs through community events and collaborations.</li> <li>— Implement refreshed social media strategy to improve reach and engagement.</li> </ul> | <ul style="list-style-type: none"> <li>— Complete first assessment against Charity Governance Code.</li> <li>— Design annual trustee training and development programme.</li> <li>— Conduct trustee skills gap analysis.</li> <li>— Define and introduce high-level trader compliance/ disciplinary panel.</li> </ul> |
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## *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.

IN 2022/23:

# 129

students took part in the programme

# £1,414

was raised by the students for The Felix Project

# 8,484

meals were provided for families in need

“This was a fantastic experience for the children’s confidence. Shy children who are less confident in school really shone today, speaking confidently to members of the publi and using their maths skills to work out the change.”

Teacher at Grasmere Primary School

“We enjoyed everything! We loved the experience of having an actual job, harvesting our produce – and selling it too.”

Child at Robert Browning Primary School









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## 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 Chief Executive, Jane Swift. Jane is supported by Lucy Charles, Director of Operations; and Tony Osborne, Director of Finance; and a senior management team comprising our Head of Asset Management, Head of Operations, Head of Development, Head of People, Executive Administrator, Head of Communications and Marketing, In-house Solicitor and Head of Governance. 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; People Committee. In addition to committees, a number of steering groups have been created to further the five pillars in the 2030 Strategy. Within such steering groups are working groups to further develop on specific strands of work. The steering groups have terms of reference as approved by the Board and their membership consists of Board members, staff, traders and independent industry experts who meet and report on their activities to Board.

A full review of governance in 2021 led to a comprehensive action plan to ensure that the Trust's governance framework is of the highest standard. The action plan was completed in two phases, with phase one completed in March 2022 and phase two completed in September 2022.

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## TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

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.

Since the year end, a new trustee performance and training programme has been approved by the Board. Joint training and refresher sessions are due to be arranged for the trustees as well as individual training sessions as identified by the Board skills audit, which is currently in progress.

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## RELATED PARTIES AND RELATIONSHIPS WITH OTHER ORGANISATIONS

The Trust's 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.

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## REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

The People Committee, previously known as 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 an accredited London Living Wage Employer.

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## 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.

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## AUDITORS

In the previous financial year, Sayer Vincent LLP completed five years as the appointed auditor for the Trust. However, they have been retained for this financial year pending the completion of the audit tendering process, which is currently underway.

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## SIGNATURE

The trustees' annual report was approved by the trustees on 23rd November 2023 and signed on their behalf by:

**Adrian Bunnis**  
Chair of Trustees





### ***Our traders***

#### **DE LA GRENADA**

The Caribbean island of Grenada is known as the Spice Isle thanks to its prodigious production of nutmeg, cinnamon, ginger, cloves and hot peppers. It is from here that Doreen Gittens of De La Grenade imports a selection of traditional sauces, seasonings and marinades laced with these beautiful spices.

# INDEPENDENT AUDITOR'S REPORT

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## OPINION

We have audited the financial statements of Borough Market (Southwark) (the 'the parent charity') for the year ended 31 March 2023 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

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## 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.

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## 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 12 months from the date when the financial statements are authorised for issue

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## 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.

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### 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

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### 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.

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### 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.

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## 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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## 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.

**Sayer Vincent LLP, Statutory Auditor**      **Date: 15 December 2023**  
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*

#### NAME

Charles Tebbutt of Food & Forest is committed to promoting the economic and environmental benefits of agroforestry – a broad term that essentially means farming with trees.

His stall sells raw, roasted and sweetened nuts, sourced from its own Kent orchards and those of likeminded growers around Europe.





### *Our traders*

#### **BIANCA MORA**

Run by Ewa Weremij, Bianca Mora takes its name from two rare breeds native to the Italian region of Emilia-Romagna: the Bianca Modenese cow and the Mora Romagnola pig. The stand's cheeses, cured meats, balsamic vinegars and other products are sourced from small producers across the region.

# FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted £	Endowment £	2023 total £	Unrestricted £	Endowment funds as restated £	2022 total £
<b>Income &amp; endowments from:</b>							
Charitable activities (running the market)	2	3,789,093	—	<b>3,789,093</b>	3,237,905	—	3,237,905
Investments	3	3,210,398	—	<b>3,210,398</b>	3,083,541	—	3,083,541
Other activities	4	353,857	—	<b>353,857</b>	301,359	—	301,359
<b>Total income &amp; endowments</b>		7,353,348	—	<b>7,353,348</b>	6,622,805	—	6,622,805
<b>Expenditure on:</b>							
Raising funds (investment property costs)	5a	511,460	—	<b>511,460</b>	339,827	—	339,827
Charitable activities (running the market)	5b	5,845,720	335,127	<b>6,180,847</b>	5,412,630	340,356	5,752,986
Other	5c	173,782	—	<b>173,782</b>	110,353	—	110,353
Exceptional costs	21	—	—	<b>—</b>	830,890	—	830,890
<b>Total expenditure</b>		6,530,962	335,127	<b>6,866,089</b>	6,693,700	340,356	7,034,056
Net income / (expenditure) before net gains / (losses) on investments		822,386	(335,127)	<b>487,259</b>	(70,895)	(340,356)	(411,251)
Net gains / (losses) on investment property	13	—	—	<b>—</b>	4,544,126	2,148,539	6,692,665
<b>Net income / (expenditure)</b>		822,386	(335,127)	<b>487,259</b>	4,473,231	1,808,183	6,281,414
Transfers between funds	23a	—	—	<b>—</b>	—	—	—
Net income / (expenditure) before other recognised gains and losses		822,386	(335,127)	<b>487,259</b>	4,473,231	1,808,183	6,281,414
Gains / (losses) on revaluation of fixed assets		26,040	335,127	<b>361,167</b>	(645,614)	319,239	(326,375)
Actuarial gains / (losses) on defined benefit pension schemes	21	—	—	<b>—</b>	—	—	—
<b>Net movement in funds</b>		848,426	—	<b>848,426</b>	3,827,617	2,127,422	5,955,039
<b>Reconciliation of funds:</b>							
Total funds brought forward as previously stated		58,503,779	36,300,000	<b>94,803,779</b>	54,676,162	34,172,578	88,848,740
Total funds brought forward as restated		58,503,779	36,300,000	<b>94,803,779</b>	54,676,162	34,172,578	88,848,740
<b>Total funds carried forward</b>		59,352,205	36,300,000	<b>95,652,205</b>	58,503,779	36,300,000	94,803,779

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	2023 £	2022 as restated £	2023 £	2022 as restated £
Fixed assets:					
Tangible assets	12	26,367,993	26,446,073	26,367,993	26,446,073
Investment properties	13	66,845,000	66,845,000	66,845,000	66,845,000
Investments	14	—	—	1	1
Total fixed assets		93,212,993	93,291,073	93,212,994	93,291,074
Current assets:					
Stock	16	110,265	45,198	2,111	945
Debtors	17	2,567,531	3,187,183	2,653,034	3,280,074
Short-term deposits		1,300,000	—	1,300,000	—
Cash at bank and in hand		4,286,808	5,340,865	4,262,650	5,254,700
Total current assets		8,264,604	8,573,246	8,217,795	8,535,719
Liabilities:					
Amounts falling due within one year:					
Creditors	18	4,192,058	5,060,540	4,145,250	5,023,014
Bank loan	19	366,667	366,667	366,667	366,667
Net current assets / (liabilities)		3,705,879	3,146,039	3,705,878	3,146,038
Total assets less current liabilities		96,918,872	96,437,112	96,918,872	96,437,112
Amounts falling due after one year:					
Bank loan	19	1,266,667	1,633,333	1,266,667	1,633,333
Total net assets / (liabilities)		95,652,205	94,803,779	95,652,205	94,803,779
The funds of the charity:					
Endowment funds	22	36,300,000	36,300,000	36,300,000	36,300,000
Unrestricted income funds (Designated funds)		56,895,000	56,895,000	56,895,000	56,895,000
Unrestricted income funds (General funds)		2,457,205	1,608,779	2,457,205	1,608,779
Total unrestricted funds		59,352,205	58,503,779	59,352,205	58,503,779
Total charity funds		95,652,205	94,803,779	95,652,205	94,803,779

**CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>	<b>2023 £</b>	<b>2022 £</b>
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	<b>487,259</b>	6,281,414
Depreciation charges	<b>508,997</b>	528,745
Movement in pension scheme valuation	—	—
(Gains)/losses on investment properties	—	(6,692,665)
Rent from investments	<b>(3,210,398)</b>	(3,083,541)
(Profit)/loss on the disposal of fixed assets	<b>(2,447)</b>	—
(Increase)/decrease in stocks	<b>(65,067)</b>	4,588
(Increase)/decrease in debtors	<b>619,652</b>	226,352
Increase/(decrease) in creditors	<b>(868,482)</b>	854,268
<b>Net cash provided by / (used in) operating activities</b>	<b>(2,530,486)</b>	(1,880,839)
<b>Cash flows from operating activities</b>	<b>2023 £</b>	<b>2022 £</b>
Net cash provided by / (used in) operating activities	<b>(2,530,486)</b>	(1,880,839)
<b>Cash flows from investing activities:</b>		
Rents from investments	<b>3,210,398</b>	3,083,541
Proceeds from sale of fixed assets	<b>6,734</b>	—
Purchase of fixed assets	<b>(74,037)</b>	—
<b>Net cash provided by / (used in) investing activities</b>	<b>3,143,095</b>	3,083,541
<b>Cash flows from financing activities:</b>		
Bank loan draw	—	2,000,000
Bank loan repayment	<b>(366,666)</b>	—
Short-term deposits	<b>(1,300,000)</b>	—
<b>Net cash provided by financing activities</b>	<b>(1,666,666)</b>	2,000,000
<b>Change in cash and cash equivalents in the year</b>	<b>(1,054,057)</b>	3,202,702
Cash and cash equivalents at the beginning of the year	<b>5,340,865</b>	2,138,163
<b>Cash and cash equivalents at the end of the year</b>	<b>4,286,808</b>	5,340,865

Approved by the trustees on 23rd November 2023 and signed on their behalf by:

**Adrian Bunnis**  
Chair of Trustees



### *Our traders*

#### **THE TINNED FISH MARKET**

Patrick Martinez of The Tinned Fish Market has scoured Portugal, Spain, France and Scandinavia to seek out traditional fish canneries devoted to sustainability, quality and visual style. The result is a striking selection of tinned products, from Cantabrian anchovies to Galician smoked sardines, to Danish blue mussels.



# NOTES TO THE FINANCIAL STATEMENTS

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## 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 trade for at least the next 12 months while maintaining cash levels in excess of our cash reserves policy.

## NOTES TO THE FINANCIAL STATEMENTS

### 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 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:

<b>Freehold land:</b>	Not depreciated
<b>Equipment:</b>	15 years
<b>Freehold buildings:</b>	50 years
<b>Other fixed assets:</b>	5 years

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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. A provision for doubtful debts has been made by applying a risk factor to any debts where there is any degree of doubt that they may be settled in full.



## NOTES TO THE FINANCIAL STATEMENTS

### 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.

The charity gave notice to exit the defined benefits pension scheme as at 28th February 2022 and paid 90% of the exit settlement cost last year. A court review of that scheme is being carried out which may result in further liability which the Trust has fully accrued for. The additional 10% owing together with any further liability will be settled once the court case has concluded.

## 2. RUNNING THE MARKET

	2023 £	2022 £
Market rents, recharges and car park	<b>3,789,093</b>	3,237,449
Furlough income	—	456
	<b>3,789,093</b>	3,237,905

## 3. INCOME FROM INVESTMENTS

	Unrestricted £	2023 £	2022 £
Rental income	3,210,398	<b>3,210,398</b>	3,083,541
	3,210,398	<b>3,210,398</b>	3,083,541

## 4. OTHER ACTIVITIES

	Unrestricted £	2023 £	2022 £
Special events	10,956	<b>10,956</b>	3,723
Fee income	24,469	<b>24,469</b>	75,256
Profit on asset disposal	2,447	<b>2,447</b>	—
Trademark dispute settlement	40,000	<b>40,000</b>	40,000
Commercial activities	275,985	<b>275,985</b>	182,380
	353,857	<b>353,857</b>	301,359

Income from commercial activities derives from:

- Third-party hire of our properties and spaces for commercial events and filming: £35,302 (2022: £37,953)
- Trademark licence fees: £10,500 (2022: £10,500)
- Interest: £8 (2022: nil)
- Merchandise sales: £218,275 (2022: £89,105)
- Fees for publication of cookbook: £11,900 (2022: £44,822)

**5A. INVESTMENT PROPERTY COSTS**

	2023 £	2022 £
Staff costs	132,751	120,051
Legal and professional	79,737	75,893
Overheads	8,005	189
Bad debts	(163,871)	(158,425)
Utilities	178,822	144,137
Repairs and maintenance	171,022	89,083
Security and insurance	97,117	59,791
Cleaning and environmental	7,877	9,108
	<b>511,460</b>	<b>339,827</b>

**5B. RUNNING THE MARKET**

	2023 £	2022 £
Staff costs	889,789	760,014
Depreciation	498,195	513,857
Utilities	381,420	461,949
Property rental	380,587	340,488
Repairs and maintenance	225,315	128,772
Security and insurance	565,567	377,686
Cleaning and environmental	886,062	709,562
Bad debts	(234,020)	175,013
Other	167,153	112,335
	<b>3,760,068</b>	<b>3,579,676</b>
Share of support costs	2,403,129	2,104,045
Share of governance costs	17,650	69,265
	<b>6,180,847</b>	<b>5,752,986</b>



**5C. SUBSIDIARY COSTS**

	<b>2023 £</b>	2022 £
Legal and professional	<b>30,116</b>	24,708
Advertising and public relations	<b>1,062</b>	169
Commercial activities	<b>137,617</b>	79,605
Bad debts	—	2,772
Other costs	<b>4,987</b>	3,099
	<b>173,782</b>	110,353

**6. SUPPORT COSTS**

	Support costs £	Governance costs £	<b>2023 £</b>	2022 £
Staff costs	1,036,494	—	<b>1,036,494</b>	831,073
Depreciation	10,802	—	<b>10,802</b>	14,888
Legal and professional	389,579	2,650	<b>392,229</b>	600,884
Security and insurance	69,215	—	<b>69,215</b>	52,987
Utilities and office costs	395,165	—	<b>395,165</b>	273,543
Advertising and public relations	315,622	—	<b>315,622</b>	336,054
Audit fees	—	15,000	<b>15,000</b>	15,000
Accountancy	—	—	—	—
Repairs and maintenance	186,252	—	<b>186,252</b>	25,201
Bad debts	—	—	—	(24,000)
Trader support	—	—	—	47,680
	2,403,129	17,650	<b>2,420,779</b>	2,173,310

**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:

	<b>2023 £</b>	2022 £
UK corporation tax at 19% (2022: 19%)	—	—

**8. NET INCOME / (EXPENDITURE) FOR THE YEAR**

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	508,997	528,745
Loss on disposal of fixed assets	2,447	—
Operating lease rentals: Property	508,997	177,680
Operating lease rentals: Other	—	3,009
Auditors' remuneration (excluding VAT)	14,950	15,000

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,547,300	1,378,253
Redundancy	152,742	14,101
Social security costs	177,671	151,551
Employer's contribution to defined contribution pension schemes	78,116	68,598
Employer's contribution to deficit funding for old defined benefit pension scheme	—	34,388
Employer's contribution to private healthcare schemes	16,587	19,857
Staff training / recruitment costs / staff welfare	86,618	44,390
	<b>2,059,034</b>	<b>1,711,138</b>

£134,656 (2022: £2,636) of the redundancy / restructuring costs were accrued at the balance sheet date. The remaining amount was paid in the year.

## NOTES TO THE FINANCIAL STATEMENTS

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

	2023 No	2022 No
£60,000 – £69,999	2	2
£80,000 – £89,999	1	—
£90,000 – £99,999	2	3
£120,000 – £129,999	—	1
Over £130,000	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 32 active members. Employer contributions in the year amounted to £78,116 (2022: £68,598).

The key management personnel of the charity comprise the 11 trustees and senior management team: the CEO (Interim until 30th November 2022), Director of Finance, Director of Communications & Engagement, Director of Operations, Head of Asset Management, Head of Communications & Marketing, Head of Operations, In-house Solicitor and the Executive Administrator. The total employee benefits of the key management personnel of the Trust were £779,661 (2022: £744,885).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents legal advice and meetings for trustees: £3,487 (2022: £17,083)

## 10. STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 37 (2022: 37). 19 staff were employed directly in respect of running the market (2022: 18) and 18 were for support functions (2022: 19).

## 11. RELATED PARTY TRANSACTIONS

One of the trustees, Adrian Bunnis, is a director at Glaziers Hall Ltd and the charity booked meeting rooms relating to Trader Conferences, totalling £10,679. There were no other related party transactions in the year (2022: £5,979). There were no donations from related parties in the year (2022: £nil).

**12. TANGIBLE FIXED ASSETS FOR GROUP AND CHARITY**

	Freehold land & buildings £	Equipment £	Other fixed assets £	Total £
<b>Cost / Valuation</b>				
At the start of the year (as restated)	26,150,000	39,396	1,284,976	<b>27,474,372</b>
Additions in year	5,000	—	69,037	<b>74,037</b>
Revaluation during the year	361,167	—	—	<b>361,167</b>
Disposals in year	—	—	(6,950)	<b>(6,950)</b>
<b>At the end of the year</b>	<b>26,516,167</b>	<b>39,396</b>	<b>1,347,063</b>	<b>27,902,626</b>
<b>Depreciation</b>				
At the start of the year	—	39,396	988,904	<b>1,028,300</b>
Charge for the year	366,167	—	142,830	<b>508,997</b>
Eliminated on disposal	—	—	(2,664)	<b>(2,664)</b>
<b>At the end of the year</b>	<b>366,167</b>	<b>39,396</b>	<b>1,129,070</b>	<b>1,534,633</b>
<b>Net book value at the end of the year</b>	<b>26,150,000</b>	<b>—</b>	<b>217,993</b>	<b>26,367,993</b>
At the start of the year as restated	26,150,000	—	296,072	<b>26,446,072</b>

Land with a value of £7,845,000 (2022: £7,845,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

A full revaluation of all properties is carried out every three years and was last undertaken by CBRE Ltd, a leading commercial property and real estate services adviser, on 31 March 2022. The Trust has carried out a review of its properties as at 31 March 2023 and has determined that overall key assumptions have not changed materially and therefore the net book value is unchanged.

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



**13. INVESTMENT PROPERTIES FOR GROUP AND CHARITY**

	<b>2023</b> £	2022 £
Fair value at the start of the year	<b>66,845,000</b>	60,152,335
Revaluation during the year	—	6,692,665
<b>Fair value at the end of the year</b>	<b>66,845,000</b>	66,845,000

The fair value of the investment property has been arrived at on the basis of an internal review which looked at how the key assumptions, including rental values and yields, have changed over the last year. Last year the valuation was carried out by CBRE.

**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. Currently two of the trustees, together with the 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:

	<b>2023</b> £	2022 £
Turnover	<b>264,085</b>	151,781
Gross profit	<b>264,085</b>	151,781
Administrative expenses	<b>173,782</b>	110,353
Management charge payable to parent undertaking	—	—
	<b>173,782</b>	110,353
Operating profit / (loss)	<b>90,303</b>	41,428
Profit / (loss) on ordinary activities	<b>90,303</b>	41,428
Donation to parent under Gift Aid	<b>90,303</b>	41,428
<b>Profit / (loss) for the financial year</b>	<b>—</b>	—
Aggregate of the assets, liabilities and funds		
Assets	<b>137,111</b>	139,643
Liabilities	<b>(137,111)</b>	(139,643)
<b>Funds</b>	<b>—</b>	—

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**

	<b>2023</b> <b>£</b>	2022 £
Gross income	<b>7,179,566</b>	6,481,853
Result for the year	<b>487,259</b>	(441,850)

**16. STOCK FOR GROUP AND CHARITY**

	<b>2023</b> <b>£</b>	2022 £
Finished goods and goods for resale	<b>110,265</b>	45,198

**17. DEBTORS**

	<b>The group</b>		<b>The charity</b>	
	<b>2023</b> <b>£</b>	2022 £	<b>2023</b> <b>£</b>	2022 £
Trade debtors	<b>1,860,220</b>	2,422,115	<b>1,855,420</b>	2,417,822
Amounts due from subsidiary undertakings	—	—	<b>90,303</b>	97,184
Other debtors	<b>149,548</b>	31,905	<b>149,548</b>	31,905
Prepayments and accrued income	<b>557,763</b>	733,163	<b>557,763</b>	733,163
	<b>2,567,531</b>	3,187,183	<b>2,653,034</b>	3,280,074

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>The group</b>		<b>The charity</b>	
	<b>2023</b> <b>£</b>	2022 £	<b>2023</b> <b>£</b>	2022 £
Trade creditors	<b>454,252</b>	810,958	<b>454,196</b>	802,075
Amounts due from subsidiary undertakings	—	—	—	—
Taxation and social security	<b>207,710</b>	208,011	<b>210,289</b>	194,521
Other creditors	<b>1,371,609</b>	1,361,293	<b>1,371,609</b>	1,361,293
Accruals	<b>952,502</b>	545,845	<b>911,082</b>	545,002
Pension settlement liability	—	974,890	—	974,890
Deferred income	<b>1,205,985</b>	1,159,543	<b>1,198,074</b>	1,145,233
	<b>4,192,058</b>	5,060,540	<b>4,145,250</b>	5,023,014

**19. CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME (CBILS)**

	2023 £	2022 £
<b>Loan repayment</b>		
Due within one year	<b>366,667</b>	—
Due between 2-5 years	<b>1,266,667</b>	—
	<b>1,633,334</b>	—

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 days and all future event bookings.

	<b>The group</b>		<b>The charity</b>	
	2023 £	2022 £	2023 £	2022 £
Balance at the beginning of the year	<b>1,159,543</b>	1,101,001	<b>1,145,233</b>	1,093,090
Amount released to income in the year	<b>(4,818,849)</b>	(4,621,939)	<b>(4,802,571)</b>	(4,610,921)
Amount deferred in the year	<b>4,865,291</b>	4,680,481	<b>4,855,412</b>	4,663,064
<b>Balance at the end of the year</b>	<b>1,205,985</b>	1,159,543	<b>1,198,074</b>	1,145,233

**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 with an agreed settlement of £694,890 of which £625,000 was paid.

The scheme, which is administered by The Pensions Trust, is part way through a court review to determine whether historic changes to the scheme had been correctly implemented. Should this not be the case, there may be additional liabilities due by the trust. An accrual has been made for these potential liabilities and will be settled with the balance of the agreed settlement once the case has been resolved by the courts.

## PENSION SETTLEMENT LIABILITY

	2023 £	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

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

	General unrestricted £	Designated £	Endowed £	Total funds £
Tangible fixed assets	217,993	1,860,000	24,290,000	<b>26,367,993</b>
Investment properties	—	54,835,000	12,010,000	<b>66,845,000</b>
Net current assets	3,505,879	200,000	—	<b>3,705,879</b>
Long-term liabilities	(1,266,667)	—	—	<b>(1,266,667)</b>
Defined benefit pension asset / (liability)	—	—	—	—
<b>Net assets at 31 March 2023</b>	<b>2,457,205</b>	<b>56,895,000</b>	<b>36,300,000</b>	<b>95,652,205</b>

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

	General unrestricted £	Designated £	Endowed as restated £	Total funds £
Tangible fixed assets	296,073	1,860,000	24,290,000	<b>26,446,073</b>
Investment properties	—	54,835,000	12,010,000	<b>66,845,000</b>
Net current assets	2,946,039	200,000	—	<b>3,146,039</b>
Long-term liabilities	(1,633,333)	—	—	<b>(1,633,333)</b>
Defined benefit pension asset / (liability)	—	—	—	—
<b>Net assets at 31 March 2023</b>	<b>1,608,779</b>	<b>56,895,000</b>	<b>36,300,000</b>	<b>94,803,779</b>



**23A. MOVEMENTS IN FUNDS (CURRENT YEAR)**

	At 1 April 2022 As restated £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
<b>Endowment funds:</b>					
Tangible fixed assets	24,290,000	335,127	(335,127)	—	<b>24,290,000</b>
Investment properties	12,010,000	—	—	—	<b>12,010,000</b>
<b>Total endowment funds</b>	<b>36,300,000</b>	<b>335,127</b>	<b>(335,127)</b>	<b>—</b>	<b>36,300,000</b>
<b>Designated funds:</b>					
Pension settlement liability	200,000	—	—	—	<b>200,000</b>
Tangible fixed assets	1,860,000	26,040	(26,040)	—	<b>1,860,000</b>
Investment properties	54,835,000	—	—	—	<b>54,835,000</b>
<b>Total designated funds</b>	<b>56,895,000</b>	<b>26,040</b>	<b>(26,040)</b>	<b>—</b>	<b>56,895,000</b>
General funds	1,608,779	7,714,515	(6,866,089)	—	<b>2,457,205</b>
<b>Total unrestricted funds</b>	<b>58,503,779</b>	<b>7,740,555</b>	<b>(6,892,129)</b>	<b>—</b>	<b>59,352,205</b>
<b>Total funds</b>	<b>94,803,779</b>	<b>8,075,682</b>	<b>(7,227,256)</b>	<b>—</b>	<b>95,652,205</b>

**23B. MOVEMENTS IN FUNDS (PRIOR YEAR)**

	At 31 March 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
<b>Endowment funds:</b>					
Tangible fixed assets	24,311,117	319,239	(340,356)	—	<b>24,290,000</b>
Investment properties	9,861,461	2,148,539	—	—	<b>12,010,000</b>
<b>Total endowment funds</b>	<b>34,172,578</b>	<b>2,467,778</b>	<b>(340,356)</b>	<b>—</b>	<b>36,300,000</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Redevelopment works	804,700	—	—	(804,700)	<b>—</b>
Pension settlement liability	—	—	—	200,000	<b>200,000</b>
Tangible fixed assets	2,541,191	(645,614)	(35,577)	—	<b>1,860,000</b>
Investment properties	50,290,874	4,544,126	—	—	<b>54,835,000</b>
<b>Total designated funds</b>	<b>53,636,765</b>	<b>3,898,512</b>	<b>(35,577)</b>	<b>(604,700)</b>	<b>56,895,000</b>
General funds	1,039,397	6,622,805	(6,658,123)	604,700	<b>1,608,779</b>
<b>Total unrestricted funds</b>	<b>54,676,162</b>	<b>10,521,317</b>	<b>(6,693,700)</b>	<b>—</b>	<b>58,503,779</b>
<b>Total funds</b>	<b>88,848,740</b>	<b>12,989,095</b>	<b>(7,034,056)</b>	<b>—</b>	<b>94,803,779</b>

## 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 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.

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## 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	
	2023 £	2022 £	2023 £	2022 £
Less than 1 year	180,580	177,680	—	2,040
1 – 5 years	—	—	—	969
	180,580	177,680	—	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.

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## 25. OVERDRAFT FACILITY

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



### *Our traders*

#### **THE PARMA HAM & MOZZARELLA STAND**

The Crouch family, including Esther who manages the Borough Market stand, work directly with Italian small-batch producers to source high-quality cured meats and cheeses, from prosciutto di San Daniele and coppa di Zibello to mozzarella di bufala and pecorino Supramonte.

